Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

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East and Southern Africa Division
Programme Management Department

Map of the Project Area

No map available

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MEMO for Cofinancing “Type C” Projects

TO:	ODE Secretariat
THROUGH:	Sara Mbago-Bhunu Regional Director, ESA
FROM:	Mawira Chitima CPM, Ethiopia Lars Hein PTL
DATE:	24/03/2025
SUBJECT:	Lowlands Livelihood Resilience Project - Phase 2

In line with IFAD mainstreaming commitments, the project intends to qualify as:

☑ Be gender transformative ☐ Be youth sensitive ☐ Be nutrition sensitive ☐ Prioritize persons with disabilities ☐ Prioritize indigenous peoples ☑ Include climate finance ☑ Build adaptive capacity

Introduction

1. In early 2023, the World Bank initiated the design of the second phase of the Lowlands Livelihood Resilience Project (LLRP II) at the request of the Government of Ethiopia (GoE). Concurrently, in a letter dated 17 March 2023, the GoE requested IFAD to co-finance LLRP II to continue the long-standing partnership between the World Bank and IFAD in supporting pastoral and agro-pastoral communities in Ethiopia. IFAD is also a co-financier of the first phase, which is due to be completed in October 2025. The project is well performing; however, following a government request, the World Bank cancelled US$125 million of its US$350 million total financing for reallocation outside the project to address COVID 19 impacts—to be reprogrammed through a second phase.

2. LLRP II's project development objective is *to enhance pastoral and agro-pastoral communities' resilience to the impacts of climate change in the lowlands of Ethiopia*. Towards this end, it seeks to reduce vulnerability of pastoralists and agro-pastoralists to climate change and to address the fragility of their livelihoods including strengthening livestock value chains. It also promotes more effective engagement of the private sector in such value chains. As such, the project is well aligned with IFAD 13 priorities and IFAD's Country Strategic Opportunity Program (COSOP) for Ethiopia. This memo, therefore, seeks approval of a US$ 69.243 million allocation by IFAD as co-financing for LLRP II.

3. The project builds on the positive experience from the joint implementation of the Pastoral Community Development Project (PCDP) phases I to III and the first phase of LLRP. IFAD OSC approved the World Bank PCN and accompanying internal memo on 28 February 2024 with an IFAD co-financing of US$69.243 million to be taken from Ethiopia's IFAD13 PBAS allocation. The World Bank financing for LLRP II of US$ 340 million in the form of an International Development Association (IDA) credit was approved on March 22, 2024. The World Bank signed a Financing Agreement for the project with the GoE on 15 April 2024 and the project became effective on 21 June 2024. IFAD's co-financing is expected to commence by mid-2025 and will be on a *pari-passu* basis spread across all the components of the project.

4. IFAD's co-financing will i) increase the scale of project, ii) deepen pro-poor targeting of project initiatives, and iii) continue to promote community driven development approaches while keeping in mind the need for strategic investments to make a difference in improving pastoralists' (and agro-pastoralists') resilience to shocks and, relatedly, to strengthen livestock value chains, as well as promote larger scale investments to reverse the current severe degradation of rangelands. To ensure that IFAD priorities are adequately addressed in the project design, the IFAD country management team has been actively involved in the project's design, particularly in targeting. It has furthermore worked closely with the project team to elaborate, in the Project Implementation Manual (PIM), dedicated support to pastoralist drop-outs (who tend to be among the poorest households within the project's targeted communities), as well as to better articulate the approaches and strategies to benefit and empower women and youth. IFAD also provided technical inputs on the rangeland management activities, on monitoring and evaluation methods, and on strengthening synergies across components.

5. LLRP II's Project Development Objective (PDO) is *to enhance pastoral and agro-pastoral communities' resilience to the impacts of climate change in the lowlands of Ethiopia*. Towards this end, it seeks to reduce vulnerability of pastoralists and agro-pastoralists to climate change and to address the fragility of their livelihoods including strengthening livestock value chains. It also promotes more effective engagement of the private sector in such value chains. Hence, the project is well aligned with IFAD 13 priorities and IFAD's Country Strategic Opportunity Program (COSOP) for Ethiopia. This memo, therefore, seeks approval of a US$ 80 million allocation by IFAD as co-financing for LLRP II. The proposal to engage in a co-financing partnership in this project is also due to LLRP-II's high complementarity with the two other ongoing projects in the IFAD Ethiopia portfolio. The ongoing projects include: (i) the Rural Finance Intermediation Project phase three (RUFIP III) – a nationwide project which promotes financial inclusion, and the Participatory Agriculture and Climate Transformation Project (PACT) – which promotes resilience of smallholder agriculture predominately in the food insecure highlands. LLRP II provides a third pillar to IFAD investments in Ethiopia with a focus on pastoral and agro-pastoral communities in the country's arid and semi-arid lowlands.

Rationale for IFAD's Engagement in Co-financing and IFAD's Value Added

6. In supporting LLRP II, IFAD will build on its comparative advantage derived from *inter alia* its long track record in Ethiopia among the country's most vulnerable communities; i.e., pastoralists and agro-pastoralists (and pastoralist drop-outs). The livelihoods of these communities have been rendered fragile, not only by the arid conditions and harsh natural environment on which they depend, but also by rangeland degradation and increasingly erratic weather conditions due to climate change.

7. In Ethiopia, IFAD has developed a substantial knowledge base on addressing issues regarding pastoralist development which is applicable to LLRP II. Furthermore, IFAD's global mandate and international presence allows it to leverage development financing to target such vulnerable communities and to test innovative approaches including continuing the two-decade partnership with the World Bank in Ethiopia. IFAD's focus on community engagement through the CDD approach will also help build ownership of project interventions and ensure their long-term sustainability.

8. The longstanding partnership between IFAD and the World Bank has the following advantages: a) Allowing for interventions at scale across a wider geographic area and b) deepening of impact with significant strategic investments for resilience building. Leveraging on the World Banks's deep knowledge in Ethiopia across multiple sectors has enhanced cross learning for the project and for IFAD.

9. To achieve the PDO*: enhancing pastoral and agro-pastoral communities' resilience to the impacts of climate change in the lowlands of Ethiopia*, LLRP II includes three substantive components and a fourth component on project management, monitoring, evaluation, and learning. The three substantive components are:

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  - ***Component 1: Pastoral Risk Management for Resilience*** including (a) strengthening lowlands early warning and response systems and climate information services, and (b) strategic investments for disaster preparedness and strengthening resilience.
  - ***Component 2: Integrated Rangeland Management*** including (a) monitoring rangeland health[1] and institutional capacity building for rangeland management, particularly for grassroots institutions, (b) investments in participatory rangeland and pasture management, and (c) mitigation and management of resource-related conflicts by equipping beneficiary communities with tools and capacities to address root causes of resource-related community-level conflicts.
  - ***Component 3: Climate Resilient and Sustainable Livelihoods*** including (a) increasing crop and livestock productivity and resilience to climate change through the promotion of climate smart, nutrition and gender sensitive technologies, improved animal husbandry and herd management, and strengthening of animal health services, (b) commercialization and livelihood diversification through enterprise development and improving access to finance targeting poorer households.
  - ***Component 4: Knowledge Management and policy Support:*** in addition to the above component 4 on Project management M&E and learning include interventions to promote knowledge generated from project implementation and support to policy reforms related to pastoralist and agro-pastoralist development.

10. Figure 1 below provides an illustration of the project's theory of change – the results chain to achieving the PDO.

11. Figure 1: LLRP II Theory of Change

12. The project's interventions are in line with the GoE's policies for pastoral and agro-pastoral development and will be implemented through government institutions in consultation with beneficiary communities. Additionally, capacity building for both government implementing agencies and community institutions is integrated within project activities. The project has been designed to promote local ownership of its initiatives and with attention to capacitating local stakeholders to take its initiatives forward; thus, ensuring their sustainability.

Lessons Learned

13. In its engagement with LLRP II, IFAD considers lessons learned from past and current projects in Ethiopia (including findings from the Country Strategy and Program Evaluation (CSPE) undertaken in 2023) and builds on the achievement of the first phase of LLRP. Key lessons include:

- ***Balancing strategic investments with community level priorities.*** IFAD's experience in Ethiopia highlights the benefits of engaging beneficiary communities in determining project priorities. It has learned that listening to the needs of the communities (and aligning with the country policies) are essential for successful project implementation (see CSPE for Ethiopia 2023). Therefore, IFAD will keep using community driven approaches in LLRP II. However, in implementing LLRP, IFAD has also learned that there are significant benefits of pursuing larger, higher-level scale investments that may not be within the vision of the beneficiary communities. Such larger investments include a holistic landscape management approach in natural resources management, and strategic approaches to enhance livelihood resilience in terms of both readiness against climate change shocks and increasing beneficiaries' incomes (by, for example, improving livestock value chains and implementing community level pastoral field schools). Therefore, the design of LLRP II adds a new component on pastoral risk management for resilience that supports both participatory and strategic investments.
- ***Benefits of Community Driven Development (CDD) in promoting inclusiveness.*** The adoption of the CDD approach has proven successful in engaging a complex and vulnerable population group (i.e., pastoralist and agro-pastoralist communities). Complemented by a solid implementation structure at the decentralized (woreda) level, this localized approach helped mobilize not only communities but also households and individuals, facilitating the engagement of women and youth. Additionally, setting gender and age-disaggregated outreach quotas was critical in establishing the project's outreach ambitions which were primarily achieved through a combination of targeting and social inclusion strategies including the introduction of specific gender-focused approaches (e.g., the Gender Model Family).
- ***Strengthened local institutions.*** Strengthening local/grassroots institutions, aligning project activities with bigger government investments, and respecting local knowledge and practices helps to make the impact last longer. However, the experience in implementing LLRP highlighted challenges, particularly related to weak capacity of decentralized bodies, in terms of fiduciary oversight. LLRP II will keep working with decentralized bodies. But it will also focus on addressing capacity gaps through technical assistance to reduce implementation obstacles, FM, and procurement risks.
- ***Improved understanding of group dynamics.*** LLRP supported the establishment and operation of Common Interest Groups (CIGs). However, many CIGs are weakened due to, in part, an inadequate capacity to resolve the various tensions and conflicts that occur in group dynamics. Learning from the first phase of LLRP highlights that successful CIGs have been able to overcome such tensions and to both bring into the group diverse skills necessary for the success of business initiatives and to effectively engage group members in accordance with their abilities. LLRP II will identify well performing CIGs to upgrade them into enterprises and shift its focus to enterprise development (as opposed to continuing with investments in CIGs). Nevertheless, enterprise development initiatives will continue to focus on member-based organizations. Therefore, attention to group dynamics will remain important, including in terms of gender and age parity in membership and decision-making. IFAD will support the elaboration of guidelines for enterprise development initiatives to include support to promote group cohesion under component 3 of the project.
- ***Financial intermediation is essential for livelihood interventions:*** IFAD works with poor households and helps them develop their livelihoods. The CSPE highlights that IFAD's livelihood development initiatives in Ethiopia have had more impact if they combine technical assistance for income generating activities or business development with financial products that enable beneficiaries to invest. Therefore, LLRP II's component 3 uses a dual approach that includes enterprise development and enhanced access to finance through the support of Pastoral Savings and Credit Cooperatives.
- **Better Monitoring, Evaluation and Learning (MEL) systems** help monitor and evaluate project achievements and build a knowledge base on development initiatives among pastoral and agro-pastoral communities. Experience has shown that one essential aspect to keep project interventions relevant is to have good MEL systems. This should involve, among other things, (a) monitoring the state of rangelands and how much animal feed they produce each year/wet season—using satellite images and established indicators (such as net primary production and rain use efficiency); and, (b) mapping project interventions including physical structures like check dams, sheds for livestock, etc. and community investments—through detailed spatial monitoring systems (i.e., in a GIS).
- **Need for specific FM arrangements in conflict affected areas.** The first phase of the LLRP faced some challenges due to conflict in some woredas and regions, which increased the possibility of losing assets and documents. Based on the experiences of the LLRP, the project management teams need to pay more attention to the areas affected by conflict and implement appropriate FM arrangements in these areas, such as: audits that cover the risky areas, regular monitoring of bank balances, prompt recovery of advances, and frequent backups to reduce the risks and provide more confidence.
- **Implementing Type C projects:**The implementation of a Type C project requires constant dialogue with the cooperating institutions on the different priorities, for the implementation of the project. During the co-financing with the World bank, with implementation of LLRP, constant dialogue between IFAD, government and the World Bank, helped to embed issues around gender transformation, value for money measurement during implementation and knowledge management as important for project success and included for monitoring during implementation.

14. Overall, the project builds on positive achievements under the first phase of LLRP. Despite major setbacks due to conflict, and droughts, the overall project implementation at Mid-Term Review (MTR) has shown encouraging progress. The key achievements include: a) access to 113,071 hectare of rangelands and other key natural resources for 222,854 pastoralists and agro-pastoralists (40 percent female and 27 percent youth); b) preparation of 28 comprehensive Rangeland Management and Investment Plans (RMIPs), covering all the rangelands in the project's 100 project woredas in the six regions; c) based on the approved 28 RMIPs, completion of 81 Public Economic Infrastructures (PEI); d) support to 32,878 project beneficiaries to diversify their livelihood activities; e) promotion of various agricultural and livestock production and productivity enhancing technologies and practices—as a result of which 27,303 pastoralists and agro-pastoralists have adopted improved agricultural technologies and practices promoted by the project; f) establishment and/or strengthening of 482 Rural Saving and Credit Cooperatives (RUSACCOs)--creating access to rural financial services for 41,918 project beneficiaries; h) establishment and capacitating of seven productive alliances between the producers (pastoral and agro-pastoral communities) and traders/processors, thereby enhancing commercialization of the pastoral and agro-pastoral products; i) completion of 654 community initiated basic service subprojects (primary schools, health posts, veterinary posts, small scale water schemes, irrigation schemes, etc.)---providing services benefiting more than one million people of which 50 percent and 13.5 percent are female and youth respectively.

Contribution to SDGs and alignment with country sector and IFAD objectives

15. LLRP II will primarily contribute to the achievement of SDG1. As pastoralist and agro-pastoralist households are more resilient to shocks they will maintain incomes during droughts, and where rangelands are enhanced, their livelihoods will improve. When production systems are increasingly commercialized, opportunities for income growth will increase. This will enable beneficiary households to gain better food and nutrition security. Additionally, non-agricultural households in the lowlands (including pastoralist drop-outs), particularly the youth, will realize employment opportunities in agriculture related activities with Value Chain (VC) development and thereby improve their incomes and ability to buy nutritious foods. The project also contributes to United Nations Sustainable Development Cooperation Framework (UNSDCF) goals for Ethiopia. Primarily to the goal that “all people in Ethiopia benefit from an inclusive, resilient and sustainable economy”; and that “all people in Ethiopia live in a society resilient to environmental risks and adapted to climate change”.

16. The project is well aligned with relevant national development strategies, including the Ten Years Perspective Development Plan (2021–2030) which places emphasis on pastoralist development and considers Climate Resilient Green Economy (CRGE) as one of its strategic pillars.[2] Additionally, the project is in line with the (i) National Adaptation Plan, 2017 (NAP, 2017) that has identified 18 prioritized adaptation options and LLRP II will directly contribute to the realization of 15 options; and (ii) updated Nationally Determined Contributions (NDC, 2021): In here, the ambition is to reduce 68.8% of Green House Gases (GHGs) by 2023 as compared to the Business As Usual (BAU) scenario and the total investment required to implement the updated NDC is US$ 316 billion out of which 80% is conditional and the remaining 20% conditional. LLRP II has been calculated as 85.9% of Climate Finance (CF) and it has a mitigation potential of 35,998,590 tCO_2e and hence will hugely contribute to the realization of the updated NDC. The project is also aligned with the Long-Term Low Emission Development Strategy to 2050 (LT-LEDS) and is explicitly designed to implement Ethiopia’s plans for climate action by helping to minimize the emission intensities from livestock and emissions from land-use changes in the lowlands as well as supporting early warning systems and climate information systems.

17. LLRP II will directly contribute to both Strategic Objectives of the COSOP for Ethiopia:

    - ***Enhanced resilience and productivity of ecosystems in arid and semi-arid lowlands and moisture-stressed highlands***—through its investments in integrated rangeland and water development and management
    - ***Strengthened agricultural Value Chains (VCs) that provide opportunities for income growth, generate increased rural employment and improve availability and consumption of nutritious food [among Ethiopia’s vulnerable rural population]***—by supporting livestock value chain development and strategically investing in disaster risk management and climate change mitigation and adaptation.

18. Finally, the project is also in line with the three priorities of the IFAD 13 financing cycle. During IFAD13, IFAD has committed to increasing the share of resources dedicated to fragile situations, strengthening support to climate resilience and biodiversity management, and mobilizing private sector investment to deliver on the SDGs. Ethiopia is classified by the World Bank as a country with fragile situations fragile state, and internal conflicts have exacerbated the fragility of rural livelihoods. Climate change and natural resource degradation outpace smallholders' ability to cope, and there is increasing food insecurity. LLRP II is investing in climate resilience and disaster risk preparedness to enhance the adaptive capacities of pastoral and agro-pastoral communities, while also prioritizing investments that improve the health and productivity of natural rangeland resources. The project will also support a range of private sector initiatives to drive income diversification and foster the commercialization production systems important to its target population—for example, within livestock value chains.

Definition of Target Groups and Targeting Strategy

19. In terms of target areas, the project will cover 120 lowland woredas in eight Regional States (Afar, Benshangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, Southwest Ethiopia) and the Dire Dawa Administration. In recent years, Ethiopia's lowlands have been confronted with the compounding effects of cyclical droughts, changing weather conditions, and conflict, which have, in turn, resulted in fragile livelihoods, high levels of poverty and food insecurity within the communities living in these areas. LLRP II targets pastoralist and agro-pastoralist households and is expected to reach three million beneficiaries which corresponds to about 16 percent of Ethiopia's lowland population. Women and youth will account for 50 and 30 percent of LLRP II beneficiaries, respectively. Pastoralists and agro-pastoralists in Ethiopia are extremely vulnerable to climate change and environmental degradation, poverty, malnutrition, and food insecurity. As of 2022, about 60 percent of such households are believed to live in extreme poverty, to be food insecure and to have limited dietary diversity and nutrition. In addition, to its direct beneficiaries, it is estimated that 2 million people will benefit indirectly from the project investments.

20. The target group and the targeting strategy of LLRP II are well aligned with the IFAD Poverty Targeting Policy 2023. With its focus on pastoralist and agro-pastoralists and its gender and age-specific targets), LLRP II clearly aims to benefit one of the poorest and most vulnerable population groups in Ethiopia, recognizing and addressing the intersecting drivers of their vulnerability and exclusion. The targeting strategy is aligned with and contributes to government policies and mechanisms (at national and local level). The results achieved under LLRP suggest that the Project Management Unit (PMU) can implement an effective outreach strategy and rely on established mechanisms for community consultation and beneficiary selection. IFAD will support the PMU in further refining the project's targeting and social inclusion strategies building on and strengthening those developed for LLRP I. It will also help develop specific implementation approaches related to pastoralist dropouts to be further elaborated in an updated PIM.

IFAD's Mainstreaming Areas

IFAD's mainstreaming commitments for gender, youth, nutrition and climate are well reflected in the LLRP II. In line with IFAD requirements, the project is categorized as gender-transformative and contributes to climate adaptation and mitigation finance and to building the adaptive capacity of the target communities. The project also mainstreams youth and nutrition considerations with a strong potential to contribute to both youth empowerment and improved nutrition at household and community level.

- ***Gender transformative programming.*** LLRP II integrates gender as a cross-cutting theme and sets a 50 percent target for women's participation in the project's activities, building on the successful outreach of LLRP I. Overall, the project has a strong potential to contribute to all IFAD gender objectives through its support to women's income-generating activities, the promotion of equal access to finance, labor-saving technologies, climate-resilient agricultural practices, and participation in community-based organizations. LLRP II is well placed to contribute, challenge, and transform unequal social norms by strengthening the adoption of gender-transformative approaches and methodologies, such as the Gender Model Family. As required, the reporting framework will include *Core Indicator 2.1: Individuals demonstrating an improvement in empowerment* (the IFAD Empowerment Index).[3]
- The project has set an ambitious target for youth participation (30 percent, about 1 million people) and includes activities and approaches with a strong potential to improve youth's access to skills, income-generating opportunities, and rural finance. It is expected that a detailed strategy for targeting and engaging younger pastoralists and agro-pastoralists, with clear pathways to support their empowerment will be elaborated in the PIM which will be updated during implementation.
- LLRP II also includes attention to nutrition. The project will promote nutrition education and adopting specific nutrition-sensitive approaches, such as the Nutrition Model Village. Under component 3, the project will specifically develop and distribute smart packs for agro-pastoralists including seeds of higher-yielding, more nutritious, and drought-tolerant crop varieties, complemented by nutrition education with a focus on improving dietary diversity, particularly for women and children.
- ***Indigenous people.*** Given the focus on pastoralists and agro-pastoralists (which fall under IFAD's definition of Indigenous People), LLRP II can be considered as an intervention reaching out and benefitting Indigenous People.
- **Environment and climate change.** Strengthening the resilience of pastoral and agro-pastoral communities to the impacts of climate change, improving the productivity of livestock, and enhancing natural resources underscore the design of LLRP II and aligns with both national development and IFAD priorities. Furthermore, activities focused on improving the productivity of livestock, rangeland management and biodiversity conservation are also expected to reduce Greenhouse Gas (GHG) emissions. Based on the GHG accounting using FAO's Ex-Ante Carbon Balance Tool, the project is a net carbon sink, thus also supporting IFAD's efforts towards the Paris Alignment.

21. The core focus of LLRP II is supporting its target communities to strengthen their livelihood and resilience in the context of a changing climate. Accordingly, the project will support management of climate-induced disasters, invest in rangeland management and rehabilitation, and develop systems to monitor changes in rangelands. This will also contribute to biodiversity conservation and sustainable use in biodiverse Ethiopia. It will also promote climate smart agricultural technologies and support targeted households to diversify sources of income beyond traditional farming/livestock management and will promote pastoral and agro-pastoral field schools (i.e., participatory, and adaptive community training programs aimed at testing and implementing, at community level, different approaches to restore and enhance the climate resilience of rangelands). Finally, the project will also strengthen traditional VCs by supporting related public services, strengthening enterprises, capacity building and helping to improve access to finance.

Results Framework

22. LLRP II will adopt the World Bank results framework for the project as reflected in Section VII of the World Bank's Project Appraisal Document (PAD) for the project. The Results Framework includes IFAD's mandatory core indicators:

- Persons receiving services promoted or supported by the project.

23. - Corresponding number of households reached.

24. - Estimated corresponding total number of households members.

- Farmland under water-related infrastructure constructed/rehabilitated.
- Households reporting using rural financial services.
- Women reporting Minimum Dietary Diversity (MDD).
- Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities.
- Land brought under climate-resilient practices.
- Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices.
- Functioning multi-stakeholder platforms supported.

25. In addition, the following IFAD core indicators will be added as an appendix to the Results Framework.

- Individuals demonstrating an improvement in empowerment.
- Tons of Greenhouse gas (tCO2e) emissions avoided and/or sequestered.

26. Agreement has been reached with the GoE and the World Bank that the project will report on the additional indicators suggested by IFAD. A logical framework specific to IFAD's conceptualization of the project's theory of change and including IFAD core indicators to be monitored by the project is provided in annex 2.

Project Cost and Financing, including IFAD contribution

27. The total project costs will be US$424 million. This will be comprised of US$340 million IDA funding (SDR, 255.7 million), US$69.243million IFAD Debt Sustainability Framework grant finance, and US$4 million private sector contribution and US$10.757 million financing gap. The total amount of IFAD climate finance for this project is calculated as US$57.804 million, representing 83.5 percent of IFAD's total investment. US$ 42.951 million is counted as adaptation finance and US$14.853 million is counted as mitigation finance. IFAD funds will be disbursed on a pari-passu basis. Table 1 provides a summary of the project's costs by expenditure category and source of funding.

28. **Table 1. Project Financing by expenditure category**

29. In '000 US$

Expenditure category	*IDA*	*IFAD DSF Grant (PBAS)*	*Financing gap*	*Private sector (PCM)*	*Total*
I. Investment Costs					
A. Civil works	199 104	36 461	10 757	-	246 322
B. Workshops and Training	14 796	3 523	-	-	18 319
C. Goods and Equipments	46 302	10 932	-	-	57 234
D. Vehicles and Motorcycles	5 211	1 222	-	-	6 433
E. Services					
1. Technical Assistance International	312	74	-	-	386
2. Technical Assistance National	6 377	1 788	-	-	8 164

3. Others Services	13 339	3 160	-	-	16 499
Subtotal	20 028	5 022	-	-	25 050
F. Crisis Response Window	-	-	-	-	-
G. Grants and Subsidies					
1. Matching Grants	29 776	6 840	-	3 621	40 238
2. Savings Leverage Grants	5 213	653	-	379	6 245
Subtotal	34 989	7 493	-	4 000	46 483
Total Investment Costs	320 431	64 653	10 757	4 000	399 841
II. Recurrent Costs					
A. Salaries and Allowances	11 855	2 781	-	-	14 636
B. Operational Costs	7 714	1 809	-	-	9 523
Total Recurrent Costs	19 569	4 590	-	-	24 159
Total PROJECT COSTS	340 000	69 243	10 757	4 000	424 000

30. ***Summary of benefits and economic analysis***

31. The ex-ante economic and financial analysis shows that the project is expected to be economically viable. Nineteen financial models were developed, covering various activities such as PAP, irrigation, water conservation, agribusiness, and off-farm ventures.

32. The ex-ante analysis using the FAO's EX-ACT tool estimates that the project could reduce GHG emissions by 32,882,407 tCO2eq over 20 years (1,641,120 tCO2eq per year), mainly through improved rangeland management and livestock productivity. However, emissions from cropland practices and input use will increase.

33. Economic cost-benefit modeling indicates profitability under all scenarios, with a baseline NPV of US$125 million and an ERR of 13.3 percent. When environmental externalities are included, the NPV rises to US$897–1,671 million, and the ERR to 37.4–55.5 percent. Sensitivity analysis confirms profitability above the 7 percent discount rate under various conditions, though the project is sensitive to a 30 percent decline in benefits or a 30 percent increase in costs.

34. ***Financial Management (FM):***

35. The project will be administered by the World Bank in accordance with the World Bank's policy and guidelines with FM arrangements elaborated in Section IV.B and Annex 1.D of the World Bank's PAD, and the World Bank's PIM. The FM arrangements established for the project are in line with IFAD requirements. IFAD will issue a Letter of Appointment to appoint the World Bank as cooperating institution and the Bank shall administrator all procurement financed from the proceeds of the Fund Financing in accordance with the Project Implementation Agreement, annexed to the Letter of Appointment. IFAD will also enter into a separate Financing with the GoE. Based on the Cooperation Agreement and the Letter of Appointment, the World Bank will lead the planning, supervising, and monitoring the implementation of the project with IFAD's participation.

36. ***Disbursements***: IFAD funds will be made available directly to accounts managed by the Ministry of Irrigation and Lowlands (MILLs) and the Federal PMU. The MILLs/PMU will open a segregated designated account denominated in US dollars at the National Bank of Ethiopia (NBE) to receive funds from IFAD. Disbursement arrangements currently used by the LLRP will continue to be used. Disbursements will be based on quarterly Interim Financial Reports (IFRs) and all withdrawal applications and the IFRs for IFAD will be submitted through the World Bank's Client Connection. Once the IFRs and the withdrawal applications are reviewed and validated by the World Bank, the World Bank will send a payment request to IFAD's Financial

Controller Division (FCD). Then, FCD at IFAD will disburse the funds to the Project designated account opened specifically for IFAD financing. Funds from the designated US dollar account will be further transferred into pooled Birr operation accounts to be opened at the federal, regional, zonal as well and woreda level implementing entities. The funds will not be comingled with the funds of the existing LLRP project and will be segregated by financier. MILLs, which is implementing the ongoing LLRP, will continue to implement LLRP II. The existing PMUs for LLRP will also continue to support LLRP II. The federal PMU will retain the overall fiduciary responsibility for the project's implementation.

37. The finance function for LLRP is fully staffed at all levels and the required staff will be filled for the new implementing entities under LLRP II. An accountant will be recruited for each new entity implementing the Project (federal, regional, and woreda level including new Rangland Cluster Support Team and City Administration (RCST and CA). The project will follow the GoE's budgeting procedure and calendar. The federal PMU, at MILLs, will prepare a consolidated Annual Workplan and Budget (AWPB) and submit it to the World Bank for no objection by May 31 of each year and will ensure that effective budget monitoring and control mechanisms are in place. All the applicable government internal control policies and procedures will be applied to the project. In addition, the project's Financial Management Manual (FMM) will incorporate detailed control procedures specific to the project, including a separate section on matching grants. The internal audit unit of the federal PMU will conduct quarterly audits, prepare reports, and share them with the World Bank. The project will also submit a copy of the internal audit reports to IFAD.

38. The Peachtree accounting software will continue to be used for LLRP II and separate accounts will be maintained. As in the first phase, the GoE's accounting policies (modified cash basis) and procedures will apply to the project. Quarterly IFRs will be prepared by the project and submitted to the World Bank within 45 days after the end of each quarter. The annual financial statements will be prepared within three months of the end of the fiscal year as per the standards and provided to the auditors to enable them to carry out and complete their audit on time. The IFRs will also be submitted to IFAD through IFAD Client Portal within 45 days after the end of each quarter for information only.

39. The GoE will ensure that the project accounts are externally audited annually. The supreme audit institution (OFAG) outsources project audits to the Audit Services Corporation (ASC), which is the main principal organization in Ethiopia for auditing public sector business organizations as well as government programs and projects or to private audit firms. LLRP was audited by a private audit firm, but LLRP II may be audited by the ASC, depending on their availability, at the discretion of OFAG. The audit report and the financial statements will be presented by the financier. The audit report and the management letter will be submitted to the World Bank within six months from the end of the fiscal year. A copy of the audit report and the management letter will also be submitted to IFAD in parallel via IFAD's Client Portal for IFAD records. The auditor will be appointed within three months of project effectiveness.

40. As per the World Bank's Project PAD, there will be no government contributions for LLRP II and the World Bank's expenditures will be inclusive of taxes and duties. As per Type C engagement guidelines, IFAD's approach will be aligned with the World Bank. According to the project's cost tables, the recurrent cost budgeted under IFAD is US$4.590 million, representing 7% of the total IFAD financing, which is within the IFAD threshold of 15%.

Alignment of the Design Process

41. IFAD has been provided with ample opportunities to contribute to the LLRP II design. OSC approved the LLRP II Project Concept Note on 28 February 2024, when the World Bank had finalized its PAD. IFAD participated actively in the preparation of the World Bank PAD including engaging the lead writer of the PAD who was tasked with ensuring consideration of IFAD 13 priorities such as climate resilience, fragility and private sector engagement were incorporated in the PAD and that IFAD's mainstreaming agenda was adequately reflected. The Country Office, furthermore, undertook a number of discussions with the World Bank task team and participated in all consultations associated with the preparation of the PAD. Finally, IFAD has reached agreement with the World Bank, the PMU and MILLS that the PIM will be updated during implementation with further input from IFAD. Additionally, IFAD undertook its appraisal mission for the project from April 15 to 26, 2024, during which it reviewed the World Bank's PAD and an early draft of the PIM. During appraisal, IFAD's Project Delivery Team identified areas for improvement to be reflected in the PIM and/or to be adopted during implementation.

Supervision Arrangements

42. The World Bank will be appointed as the cooperating institution and will formally be responsible for project supervision. However, IFAD will participate in supervision missions, the mid-term review, and the completion mission. IFAD will use the World Bank's mission reports to prepare separate supervision mission reports for ORMS/IFAD's internal reporting. The current Letter of Appointment for LLRP will be used to define the IFAD and the World Bank responsibilities. and it will indicate the administration fee the bank will receive from IFAD. No major changes are anticipated for LLRP II.

43. In addition to its financing—and its technical inputs to the PIM (which will include potential new approaches for livestock, pastoralism and integrated rangeland management informed by remote sensing and GIS under components 2 and 3--IFAD's value added will be in the technical expertise it will provide through project supervision during project implementation. This particularly applies to ensuring effective targeting of IFAD adds value to the project by targeting vulnerable households better, especially pastoralist dropouts, as well as (with more focus on effective interventions for youth and women empowerment and suitable interventions for them). As part of its supervision, IFAD will also provide technical inputs to support climate resilience, and improving technical aspects, especially rangeland development and monitoring with satellite images, analyzing spatial data, and translating spatial data into concrete recommendations for enhanced management of rangelands and building climate resilience. IFAD has skills in rangeland issues and climate resilience and will use them in project supervision. Also, IFAD has long experience in gender and youth issues, and will offer this expertise too. Finally, IFAD will also use its international experience in livestock, pastoralism and rangeland management to bring new, integrated approaches to components 2 and 3 of the project.

Estimated Cost Sharing by IFAD for Design and Implementation

44. IFAD design costs for LLRP II were around US$ 43,000. For the implementation period, as is the practice under LLRP, IFAD pays US$ 54,000 annually to the World bank for administrative and supervision work. IFAD will join field supervision missions jointly with the World Bank and support implementation of this project particularly in the areas of targeting, gender and monitoring and evaluation, as is the current practice under LLRP. Hence, the estimated supervision costs will be around US$80,000. This will allow IFAD to remain present during implementation, influence decisions in the line with IFAD strategic objectives, and stay engaged in relation to the priority area of focusing on the development of the lowlands of Ethiopia.

Risk

45. IFAD will adopt the risk rating and risk mitigation measures of the World Bank. The overall risk rating for achieving the project development objective is substantial. Major risks include political and governance risks and macro-economic risks related to the country's context. Risks related to the partnership with the World Bank are low given the long-standing engagement of IFAD in co-financing with the Bank. The fact that the World Bank partially cancelled its funding under LLRP means that this potential risk must be mitigated effectively in this project. While the situation under LLRP was due to a government request that is highly unlikely to be repeated for this project, this low risk will be mitigated through continuous discussions with World Bank counterparts and the Government (who have already provided strong assurances that a similar issue will not arise in this project).

46. **Environment social and climate risk classification:** The documents shared from the World Bank Environmental and Social Review Summary (ESRS) and PAD show that the environmental and social risks are substantial. This classification of risk is also the same as the SECAP 2021 screening tool of IFAD. The climate screening provided by IFAD shows that the Climate risk in the project regions is also substantial. Based on the risk categories on environmental, social and climate risks and the nature of LLRP II activities, there are various studies that are mandatory for the project implementation and mitigations measures to address risk and their potential impacts as necessary. The World Bank is responsible for ensuring the implementation of mitigation measures through the Environmental and Social Commitment Plan which is already elaborated. Even though the World Bank has developed Climate Co-Benefits per activity including mitigation measures, this is not fully aligned with IFAD requirement on climate redress risks mechanism. Therefore, IFAD would carry out a targeted adaptation assessment to fulfill climate risks mitigations.

47. **Fiduciary risk** is also substantial due to the following reasons:

- High turnover of fiduciary staff in the PCUs at federal, regional and woreda levels.
- Shortage of qualified accountants and auditors in the public bodies.
- Weak internal audit function.
- Weak internal control at MILLs including timely response to issues raised by audit
- Delay in preparation and approval of the AWPB, and low level of budget utilization.
- The project will operate alongside the on-going first phase of LLRP, which may create FM risks in some woredas, particularly where there are accessibility limitations.
- MILLs and most regions have acquired adequate experience in financial management—however, the introduction of new federal level implementing agencies, and the geographic expansion of the project in a new region and 20 woredas may require capacity strengthening.

48. The World bank will mitigate the risks through: (a) timely preparation of project-specific procurement and FM manuals satisfactory to the World Bank; (b) assessment of the fiduciary capacity of implementing agencies at all levels and implementation of mitigation measures (action plans); (c) continuous capacity building (training); (d) for new project implementing regions and woredas, careful planning of capacity-building measures, including on Systematic Tracking of Exchanges in Procurement (STEP), and recruitment or assignment of one accountant for FM responsibilities; (e) timely preparation of the Project Procurement Strategy for Development (PPSD) and Procurement Plan, that reference the Procurement Framework Agreement between the WB and IFAD.; (f) issuance of guidance notes to implementing entities to mitigate expenditure double-dipping; and (g) the internal audit unit of the federal PMU will conduct quarterly internal audits and potential deployment of a Third-Party Monitoring Agent (TPMA) to monitor and evaluate project activities including fiduciary aspects in inaccessible woredas and sites. Mitigation measures detailed in the IPRM (annex 3) are expected to minimize the identified risks.

Footnotes

[1] Through GIS methods and satellite imagery. To make satellite derived earth observation data relevant for rangeland management at the level of districts and communities, these data will be made accessible, in easy-to-use formats, at the local level, and training in using the data in support of (community-based) rangeland management will be provided. A web viewer, accessible from both laptops and mobile phones, will be created to allow earth observation data to be consulted at the local level. This will inform local level decision making and planning on rangeland management as well as anticipating drought risks and spells. Furthermore, earth observation data (such as maps indicating the quality of pasture resources and degradation trends) will be incorporated in the training materials. Using satellite data to monitor rangeland condition and making these data available to in-country stakeholders in a GIS will also support integrated landscape approaches by allowing better understanding of linkages between landscape management and rangeland condition (e.g. the relation between grazing density and rangeland productivity, or the combined impacts of climate change and grazing practices on drought resilience of rangelands). This information can be used, for example, to support developing local rangeland management plans and training materials.
[2] https://www.lawethiopia.com/images/Policy_documents/10_year_plan_english_final.pdf
[3] https://www.ifad.org/documents/38714170/39135332/19_Research_n%C2%B019_web.pdf/37a4a6ec-f23b-44da-8dea-8cefab20f295?eloutlink=imf2ifad

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 1: CI PDR

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

FOR OFFICIAL USE ONLY

Report No: PAD00083

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT
ON A
PROPOSED CREDIT

IN THE AMOUNT OF SDR 255.7 MILLION
(US$340 MILLION EQUIVALENT)

TO THE

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

FOR THE

LOWLANDS LIVELIHOOD RESILIENCE PROJECT, PHASE TWO

MARCH 4, 2024

Agriculture and Food Global Practice
Eastern and Southern Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective January 31, 2024)

Currency Unit =	Ethiopian Birr (ETB)
US$1 =	ETB 56.60
US$1 =	SDR 0.75

FISCAL YEAR
July 8 – July 7

Regional Vice President:	Victoria Kwakwa
Regional Director:	Iain G. Shuker
Country Director:	Ousmane Dione
Acting Practice Manager:	Francisco Obreque
Task Team Leaders:	Esayas Nigatu Gebremeskel, Biruktayet Assefa Betremariam, Laura Bonzanigo

ABBREVIATIONS AND ACRONYMS

AICCRA	Accelerating Impacts of CGIAR Climate Research for Africa
ATI	Agricultural Transformation Institute
AWPB	Annual Work Plan and Budget
CAHW	Community Animal Health Worker
CAVE	Community Agro-Vet Entrepreneur
CBBP	Community-Based Climate Resilient Breeding Program
CCDR	Country Climate and Development Report
CGIAR	Consultative Group on International Agricultural Research
CIAT	Centre international d'agriculture tropicale (International Centre for Tropical Agriculture)
CIG	Common Interest Group
CIMMYT	Centro Internacional de Mejoramiento de Maíz y Trigo (International Maize and Whet Improvement Centre)
CIS	Climate Information Services
COSOP	Country Strategic Opportunities Program
CPF	Country Partnership Framework
CRSL	Climate Resilient and Sustainable Livelihoods
DBE	Development Bank of Ethiopia
DPRSIP	Disaster Preparedness and Resilience-Building Strategic Investment Plans
DRM	Disaster Risk Management
ECC	Ethiopian Cooperative Commission
EDRMC	Ethiopian Disaster Risk Management Commission
EFMP	Ethiopian Flood Management Project
EIAR	Ethiopian Institute of Agricultural Research
EMI	Ethiopian Meteorology Institute
ERR	Economic Rate of Return
ET-LITS	Ethiopian Livestock Identification and Traceability System
FAO	Food and Agriculture Organization
FCV	Fragility, Conflict, and Violence
FM	Financial Management
FPCU	Federal Project Coordination Unit
GDP	Gross Domestic Product
GEMS	Geo-Enabled initiative for Monitoring and Supervision
GHG	Greenhouse gas
GoE	Government of Ethiopia
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
ICARDA	International Center for Agricultural Research in the Dry Areas
ICIPE	International Center of Insect Physiology and Ecology
IDA	International Development Association

IFAD	International Fund for Agricultural Development
IFR	Interim Financial Report
IGAD	Inter-Governmental Authority for Development
IIRR	International Institute for Rural Reconstruction
ILRI	International Livestock Research Institute
IPF	Investment Project Financing
IRM	Integrated Rangeland Management
LFSDP	Livestock and Fishery Sector Development Project
LITS	Livestock Identification and Traceability System
LLRP	Lowlands Livelihood Resilience Project
LMIS	Livestock Market Information System
M&E	Monitoring and Evaluation
MFD	Maximizing Finance for Development
MFI	Microfinance Institution
MH-IB-EW-EAS	Multi-Hazard, Impact-Based Early Warning and Early Action System
MILLs	Ministry of Irrigation and Lowlands
MIS	Management Information System
MLSs	Ministry of Labour and Skills
MoA	Ministry of Agriculture
MSEs	Micro and Small Enterprises
NAP	National Adaptation Plan
NBS	Nature-Based Solutions
NDC	Nationally Determined Contribution
NFCS	National Framework for Climate Services
NPV	Net Present Value
PACK	Pastoral and Agropastoral Center for Knowledge
PAD	Project Appraisal Document
PAP	Pastoral and Agropastoral
PASACCO	Pastoral and Agropastoral Saving and Credit Cooperative
PCE	Private Capital Enabling
PCU	Project Coordination Unit
PCDP	Pastoral Community Development Project
PDO	Project Development Objective
PEI	Public Economic Infrastructure
PIM	Project Implementation Manual
P-PD	Pioneer Positive Deviance
PPSD	Project Procurement Strategy for Development
PRMR	Pastoral Risk Management for Resilience
PRPM	Participatory Rangeland and Pasture Management
RMIP	Rangeland Management and Investment Plan
RMP	Rangeland Management Plan
RMS	Rangeland Monitoring System

RPCU	Regional Project Coordination Unit
RRA	Risk and Resilience Assessment
SMEs	Small and Medium Enterprises
SMS	Short Message Service
SSRLD	Strategy for Sustainable and Resilient Livestock Development
STEP	Systematic Tracking of Exchanges in Procurement
TPMA	Third-Party Monitoring Agent
VSF-Suisse	*Vétérinaires Sans Frontières Suisse* (Veterinarians without Borders Switzerland)
WDRP	Woreda Disaster Risk Profile

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DATASHEET

BASIC INFORMATION

Project Beneficiary(ies)	Operation Name		
Ethiopia	Lowlands Livelihood Resilience Project, Phase Two (LLRP II)		
Operation ID	Financing Instrument	Environmental and Social Risk Classification	
P180076	Investment Project Financing (IPF)	Substantial	

Financing & Implementation Modalities

[ ] Multiphase Programmatic Approach (MPA)	[ ] Contingent Emergency Response Component (CERC)
[ ] Series of Projects (SOP)	[✓] Fragile State(s)
[ ] Performance-Based Conditions (PBCs)	[ ] Small State(s)
[ ] Financial Intermediaries (FI)	[ ] Fragile within a non-fragile Country
[ ] Project-Based Guarantee	[✓] Conflict
[ ] Deferred Drawdown	[✓] Responding to Natural or Man-made Disaster
[ ] Alternative Procurement Arrangements (APA)	[ ] Hands-on Expanded Implementation Support (HEIS)

Expected Approval Date	Expected Closing Date
26-Mar-2024	30-Jun-2029
Bank/IFC Collaboration	
No	

Proposed Development Objective(s)

To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia.

Components

Component Name	Cost (US$)
Component 1: Pastoral Risk Management for Resilience	228,000,000.00
Component 2: Integrated Rangeland Management	64,480,000.00
Component 3: Climate Resilient and Sustainable Livelihoods	91,490,000.00
Component 4: Project Management, Monitoring, Evaluation and Learning	40,030,000.00

Organizations

Borrower: Federal Democratic Republic of Ethiopia
Implementing Agency: Ministry of Irrigation and Lowlands

PROJECT FINANCING DATA (US$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)? Yes

Is this project Private Capital Enabling (PCE)? No

SUMMARY

Total Operation Cost	**424.00**
Total Financing	**424.00**
of which IBRD/IDA	**340.00**
Financing Gap	**0.00**

DETAILS

World Bank Group Financing	
International Development Association (IDA)	340.00
IDA Credit	340.00
Non-World Bank Group Financing	
Commercial Financing	4.00

Unguaranteed Commercial Financing	4.00
Other Sources	80.00
International Fund for Agriculture Development	80.00

IDA Resources (US$, Millions)

	Credit Amount	Grant Amount	SML Amount	Guarantee Amount	Total Amount
National Performance-Based Allocations (PBA)	340.00	0.00	0.00	0.00	340.00
Total	**340.00**	**0.00**	**0.00**	**0.00**	**340.00**

Expected Disbursements (US$, Millions)

WB Fiscal Year	2024	2025	2026	2027	2028	2029
Annual	5.00	150.00	100.00	40.00	30.00	15.00
Cumulative	5.00	155.00	255.00	295.00	325.00	340.00

PRACTICE AREA(S)

Practice Area (Lead)

Agriculture and Food

Contributing Practice Areas

Climate Change; Water; Fragile, Conflict & Violence; Urban, Resilience and Land

CLIMATE

Climate Change and Disaster Screening

Yes, it has been screened and the results are discussed in the Operation Document

SYSTEMATIC OPERATIONS RISK- RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	High
2. Macroeconomic	High
3. Sector Strategies and Policies	Substantial
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Substantial
8. Stakeholders	Substantial
9. Overall	Substantial

POLICY COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✓] No

Does the project require any waivers of Bank policies?

[ ] Yes [✓] No

ENVIRONMENTAL AND SOCIAL

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Relevant
ESS 10: Stakeholder Engagement and Information Disclosure	Relevant
ESS 2: Labor and Working Conditions	Relevant
ESS 3: Resource Efficiency and Pollution Prevention and Management	Relevant
ESS 4: Community Health and Safety	Relevant
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Relevant

ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Relevant
ESS 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
ESS 8: Cultural Heritage	Relevant
ESS 9: Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

LEGAL

Legal Covenants

Sections and Description
The Recipient shall ensure that the Memoranda of Understanding, in form and substance satisfactory to the Association, for the management of the Project are duly executed not later than sixty (60) days after the Effective Date between: (a) MILLs and line ministries and other federal-level implementing agencies setting out expected deliverables and AWPB development; and (b) Regional Bureaus and relevant bureaus regarding their specific role in Project implementation and any funds flow required, according to Regional specificities, priorities, and Project activities.

Conditions

Type	Citation	Description	Financing Source
Effectiveness	5.01	No withdrawal shall be made until the Recipient has, through the Ministry of Irrigation and Lowlands ("MILLs"), prepared and adopted a Project Implementation Manual ("PIM") in accordance with the provisions of Section I.B.1 of Schedule 2 to the Agreement".	IBRD/IDA
Disbursement	Schedule 2, Section III, B.1.b	No withdrawal shall be made under Category (1), unless and until the Recipient, has recruited an environmental specialist and a social specialist in each Region implementing Project activities, and	IBRD/IDA

		assigned environmental and social specialist focal points in each Woreda and Kebele implementing Project activities.	

I. STRATEGIC CONTEXT

A. Country Context

1. **Over the past three decades, Ethiopia has made significant gains in human and economic development, but an onslaught of recent and ongoing shocks has threatened to set back its progress toward reducing poverty and food insecurity.** Ethiopia has been among the fastest-growing economies in Africa, and from 2000 to 2016, it more than halved its rate of extreme poverty and cut undernourishment by 70 percent[1]. However, with a GDP per capita of US$1,028 in 2022 and at least one-quarter of its population living in extreme poverty, Ethiopia remains among the poorest and most food-insecure countries in the world[2]. Furthermore, recent circumstances, including the COVID-19 pandemic; the onset of conflicts in Northern Ethiopia; the rise in food and energy prices and increases in the incidence of droughts, floods, pests, and disease, due to climate change events have potentially pushed more people into extreme poverty and food insecurity. As of 2020, one-quarter of the population was undernourished—up from 14 percent in 2016—and 34 percent of children under five were estimated to be stunted in 2022[3]. Today, over 20 million people in the country are affected by multiple overlapping humanitarian crisis including conflict, violence, and climate change[4].

2. **These circumstances have significantly slowed down the economy.** At 6.2 percent, growth in gross domestic product (GDP) over the past three years averaged 3.2 percentage points less than it did pre-COVID-19[5]. This slowdown came atop a marked decline (of 12 percent) in the share of the working age population employed from 2013 to 2021. This share dropped from 81 percent in 2013 to 67 percent in 2021, while unemployment among those active in the labor market increased from 5 percent to 9[6].

3. **The compounding effects of cyclical droughts and extreme weather have particularly contributed to reversing recent development and food security gains and diverted scarce development resources toward relief efforts.** The country has faced eight major droughts in the past 15 years. Since 2020, approximately 13 million people have faced severe drought conditions in Southern and Eastern Ethiopia, which are mostly inhabited by pastoral and agropastoral (PAP) communities[7]. Drought and flooding have been major causes of livestock and crop losses, which in turn have been associated with increases in poverty, destitution, and multifaceted vulnerabilities. In 2023, it was estimated that 11.8 million people needed food assistance in drought-affected areas alone, 59 percent more than in early 2022. As of 2023, 3.8 million women and children in these areas needed support to prevent or treat malnutrition[8]. These emergencies have led development partners, including the World Bank, to provide a rapid response, moving resources away from medium to long-term development needs. Hence, there is an equally urgent need to break the cycle of disaster and response by investing in longer-term resilience.

B. Sectoral and Institutional Context

4. **In Ethiopia's lowlands, livestock are both an asset and a source of income for most households.** Home to 12–15 percent of the national population, Ethiopia's lowlands[9] that comprises of 61 percent of the total land mass of the country, are arid and semiarid areas where extensive livestock systems—especially the raising of

[1] The World Bank in Ethiopia. https://www.worldbank.org/en/country/ethiopia/overview
[2] The World Bank. Ethiopia Country Profile. https://data.worldbank.org/country/ET
[3] World Bank. 2023. World Development Indicators.
[4] https://reliefweb.int/report/ethiopia/ethiopia-humanitarian-response-plan-2023-february-2023
[5] National Bank of Ethiopia. 2023.
[6] Ethiopia National Labour Force Survey. 2021.
[7] Ethiopia: Humanitarian Response Summary 2023.
[8] World Food Programme. 2023. Regional Drought Response Plan, January–December 2023.
[9] World Bank. 2019. *Pastoral Development in Ethiopia: Trends and the way Forward*. Washington, DC: World Bank.

cattle, small ruminants, and camels—are central to most people's lives, supporting approximately 18 million people belonging to PAP communities. Lowland PAP livestock systems are of national significance to the extent that the animals raised in Ethiopia's lowlands account for about 44 percent of Ethiopia's total livestock population and about 90 percent of its live animal exports[10]. For context, the overall livestock sector accounts for an estimated 12–16 percent of GDP and 30–35 percent of agricultural value added[11].

5. **Poverty and food insecurity are particularly high within Ethiopia's lowland PAP communities, which have been most affected by climate shocks in recent years.** As of 2022, about 60 percent of Ethiopia's PAP households lived in extreme poverty. Although PAP households spend nearly all their income on food, many are food insecure and enjoy limited dietary diversity and nutrition. In lowland PAP areas, about 33 percent of children under five are stunted, 21 percent are wasted, and 17 percent are underweight[12]. Ethiopia's lowlands have been experiencing extreme weather events of historic proportions, with drought particularly affecting PAP communities in the Somali, Oromia, South, and Southwest Ethiopia regions, and flooding particularly affecting the Gambella region in the western part of the country[13]. Ethiopia's lowlands have been in the throes of the most severe and protracted drought in recent history, having faced five very poor rainy seasons in a row since 2020. The effects of climate change have been more noticeable in Ethiopia's lowlands than in its highlands, and the livestock sector has been hit harder than other parts of the agricultural sector.

6. **PAP households are highly vulnerable to the effects of climate change.** Their exposure comes from factors such as (a) their strong natural resource and ecosystem dependence, given their reliance on extensive livestock and crop production in arid and semiarid zones; (b) the preexisting weaknesses in institutional, technological, and financial capacity; (c) a lack of economic opportunities for diversification, remoteness, and a history of marginalization; and (d) the prevalence of violent conflict. The major climate hazards affecting PAP communities include drought, torrential rain and flooding, erratic rainfall, extreme heat, and climate-sensitive pests and pathogens including zoonotic diseases[14]. Climate change affects production systems directly through extreme weather events and, indirectly, through its negative effects on labor productivity[15], cropping systems, land and water resources, irrigation facilities, pasture and forage, distribution of pests and diseases, and various downstream value chain activities such as processing, storage, transportation, and distribution[16].

7. **The capacity of PAP systems to cope with climate shocks has been sharply curtailed by the violent conflicts playing out in their midst.** Violent conflict has constrained the mobility of people and livestock, and hence, their ability to access pasture, water, public services, and markets when natural hazards strike an area. Conflicts in PAP areas have developed alongside increases in resource competition, instances of overgrazing when livestock concentrate on a limited area, erosion of traditional conflict management mechanisms, and disengagement or lack of supportive public institutions.

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[10] Shapiro, B., et al. 2017. *Ethiopia Livestock Sector Analysis*. Addis Ababa: International Livestock Research Institute (ILRI).
[11] MoA (Ministry of Agriculture). 2012. *Ethiopia Country Programming Paper to End Drought Emergencies in the Horn of Africa*. Addis Ababa.
[12] World Bank. 2023. *The State of Welfare of Pastoral Communities in Ethiopia*. Washington, DC: World Bank.
[13] United Nations World Food Programme. 2023. *More Than a Decade of Drought Impacts and Lessons Learned across the Eastern Horn of Africa 2011—2022*.
[14] Reid H., M. Alam, R. Berger, T. Cannon, S. Huq, and A. Milligan. 2009. *Community-Based Adaptation to Climate Change: An Overview*.
[15] International Labor Organization. 2019. https://www.ilo.org/global/publications/books/WCMS_711919/lang--en/index.htm.
[16] Kassahun, A., H. Snyman, and G. Smit, G. 2008. "Impact of Rangeland Degradation on the Pastoral Production Systems, Livelihoods, and Perceptions of the Somali Pastoralists in Eastern Ethiopia." *Journal of Arid Environments* 72 (7):1265–1281. Elsevier; Thornton, P. K., P. G. Jones, A. Alagarswamy, and K. Andresen. 2007. *The Temporal Dynamics of Crop Yield Responses to Climate Change in East Africa*. Godde, C. M., D. Mason-D'Croz, D. E. Mayberry, P. K. Thornton, and M. Herrero. 2021. "Impacts of Climate Change on the Livestock Food Supply Chain: A Review of the Evidence." *Global Food Security* 28. https://doi.org/10.1016/j.gfs.2020.100488.

8. **Fragility and conflict are also factors in PAP areas.** Significant recent conflicts in Ethiopia have largely been in Ethiopia's highlands. They include the recent conflict in the Amhara region, political conflict with the Oromia Liberation Front for which negotiations are under way, and the previous conflict in northern Ethiopia centered in and around the Tigray region. In lowland PAP areas, fragility has primarily been driven by the interaction of (a) competition for land, water, pasture, and livestock resources along inter- and intra-ethnic lines, (b) climate change, displacement, commercialization, and armed conflict challenges, (c) disputes associated with identity and ethnic federalism, land rights, access to strategic assets, and boundaries, and (d) cross-border and cross-boundary mixed migration (displacement, resettlement, and transhumance). Increasingly, fragility has also been driven by emerging risks associated with geopolitical fluidity in the Horn of Africa including the war in Sudan and port diplomacy and tensions with Eritrea and Somalia.

9. **Because of gender-related socioeconomic and cultural realities, women in lowland PAP communities are among the most vulnerable to climate change, and among the most hurt by it.** While fully engaged in PAP activities, women have limited and deeply asymmetrical access to, and control over, vital resources such as land, livestock, and household assets. For the most part, men oversee decisions relating to community and household resources. In addition, women are often in charge of tasks that are particularly affected by climate change, such as fetching water, collecting fuelwood, and growing fodder. Climate change is forcing women to travel further and spend more time on these tasks[17]. The additional household responsibilities borne by women also constitute important factors that diminish their ability to initiate and sustain climate change adaptation measures. Moreover, in times of severe drought, men often migrate to faraway places in search of water and pasture, leaving women to take over men's work in addition to their own, in exceptionally challenging circumstances.

10. **Meanwhile, lowland PAP systems lack many of the building blocks that would be needed to support their performance even in less challenging times.** At the production level, PAP areas lack (a) effective agroclimatic information and research systems; (b) effective extension, advisory, early warning, and technology commercialization systems; (c) effective veterinary, plant protection, business development, financial, and other support services; (d) adequate and well-maintained resource access and productive infrastructure; and (e) strong land and resource governance frameworks. In PAP areas, pasture and fodder quantity and quality are often affected by a lack of capacity to manage the spread of invasive species (such as *Prosopis Juliflora*) and prevent overgrazing. Local veterinary services often lack the capacity to respond to herders' needs in a timely and coordinated manner, and zoonotic diseases like Rift Valley fever, tuberculosis, avian influenza, anthrax, brucellosis, rabies, and trypanosomiasis (which is transmitted by tsetse flies) have become increasingly common. Moreover, the potential for the transboundary transmission of zoonotic diseases is heightened by the frequent crossing of borders by people and livestock to access markets, water, and grazing resources.

11. **The PAP sector also more broadly lacks many of the elements needed for value addition, commercialization, income diversification, and the pursuit of existing market opportunities.** These include (a) strong enterprises, value chain organizations, and market links, (b) developed urban centers that create demand for pastoral products and labor, (c) effective market information systems, rural roads, electricity, weighing stations, and market facilities, and (d) business and financial capacity. These and other shortcomings contribute to the fact that, in lowland PAP areas, productivity is low and declining, most exports are of live animals, and many households generate low and unreliable returns from weakly diversified sources of income.

12. **Building the resilience of PAP communities in the face of climate change has emerged as a development priority for the Government of Ethiopia (GoE).** The national Pastoral Development Policy and Strategy of 2020 recognizes pastoralism as a viable economic activity that is suitable and adapted to Ethiopia's vast rangelands,

[17] Munyae M. Mulingo and Melese Getu. 2013. Impacts of Climate Change and variability on Pastoralist Women in Sub-Saharan Africa. OSSREA, Kampala, Uganda.

and views "pastoral mobility" as key to ensuring the system's sustainability[18]. The development of PAP systems is also prominently featured in the government's Ten-Year Development Plan for 2021–2030, which calls for investments that will support growth, poverty reduction, and climate resilience, including in the agricultural sector. The plan sets ambitious targets for the livestock sector. Its intent is to raise the livestock sector's productivity and output while enhancing its natural resource base and enhancing its contributions to climate change mitigation (through reduced greenhouse gas (GHG) emissions and increased carbon storage)[19]. The plan also foresees a significant increase in private sector involvement.

13. **Recent studies point to a number of pathways and measures that could help PAP systems adapt to climate change and achieve their full potential[20].** A 2023 World Bank study[21] identifies improvements in livestock productivity, livestock commercialization, livelihood diversification, and disaster risk management (DRM) capacity as the key pathways for achieving higher levels of poverty reduction, food and nutritional security, and livelihood resilience in PAP areas (at the household and system levels) in the face of climate change and other sources of risk. Examples of measures include (a) improving the delivery of human development services, including access and utilization of basic social and economic services to strengthen human capital; (b) developing a safety net system that more explicitly considers climate change and helps households meet short- and long-term needs; (c) developing and sustainably managing water and rangeland resources, including pasture and forage, and ensuring households' secure access to key natural resources; (d) strengthening and expanding the reach of rural financial institutions and services; (e) empowering existing customary institutions to support peace building and sustainable resource use efforts; (f) promoting land registration and investments; (g) strengthening climate legislation; (h) building climate-resilient infrastructure; and (i) strengthening DRM systems[22].

14. **Based on the success of the ongoing Lowlands Livelihood Resilience Project (LLRP I, P164336), the GoE proposes to develop the second phase of the project, LLRP II.** LLRP II aims to build on the achievements of LLRP I and help the GoE achieve its goals for the development of PAP systems and communities in the lowlands of Ethiopia. LLRP I was approved in May 2019 with an initial allocation of US$451 million, which was later revised to US$325 million. The project is set to close in October 2025. Its main objective is to improve the livelihood resilience of 2.5 million PAP communities in Ethiopia.

C. Relevance to Higher Level Objectives

15. **LLRP II is aligned with national strategies and the World Bank Group's Country Partnership Framework (CPF).** The project is aligned with the World Bank Group's CPF for Ethiopia (FY2018–2023) (Report No. 119576-ET) discussed by the Board on May 22, 2017, particularly pillar 3, which aims to build resilience and inclusiveness. It is also aligned with key national development strategies including the Ten-Year Development Plan (2021–2030), which considers Climate-Resilient Green Economy as one of its strategic pillars, and the Long-Term Low Emission Development Strategy for 2050.

16. **The project is explicitly designed to implement Ethiopia's climate strategies.** By helping minimize the emission intensities from livestock and emissions from land-use changes in the lowlands, the project will support

[18] World Bank. 2023.*The Welfare Situation of Mobile Pastoralists in Ethiopia*.
[19] Federal Democratic Republic of Ethiopia Planning and Development Commission, Ten-Year Development Plan: A Pathway to Prosperity.
[20] Addis Ababa University. 2022. *Socioeconomic and Food Security Situation of PAP Regions of Ethiopia*; World Bank and DFID. 2019. *Poverty and Vulnerability in the Ethiopian Lowlands: Building a More Resilient Future*; Esayas Nigatu Gebremeskel, Solomon Desta, and Girma K. Kassa. 2019. *Pastoral Development in Ethiopia: Trends and Way Forward*. World Bank.
[21] World Bank. 2023.*The Welfare Situation of Mobile Pastoralists in Ethiopia*.
[22] Managing Disaster Risks for a Resilient Future A Strategy for the Global Facility for Disaster Reduction and Recovery 2013–2015. December 2012.

the decarbonization targets laid out under Ethiopia's 2021 Nationally Determined Contribution (NDC)[23]. The project will also support the National Adaptation Plan (NAP) of 2019[24], also known as Ethiopia's Climate Resilient Green Economy Strategy. Of the 18 adaptation options identified by the NAP, the project will support food security, sustainable natural resources management, and early warning systems. The project design is aligned with the recommendations of the CCDR[25], which include (a) strengthening ongoing efforts to mainstream the climate agenda at the subnational level by building institutional capacity for early warning and action systems and Climate Information Services (CIS) and leveraging the woreda disaster risk profiles (WDRPs), (b) supporting nature-based solutions (NBS) including integrated rangeland management to increase groundwater recharge, and (c) improving natural resource governance by building the capacity of conventional and customary rangeland management institutions and strengthening the national rangeland health monitoring system.

17. **The project is aligned with key elements of the World Bank's strategy for fragility, conflict, and violence (FCV).** The risk and resilience assessment (RRA) for Ethiopia identified competition for land, territory, and resources as a key driver of FCV in a context characterized by the scarcity and politicization of usable land. The project will directly address these sources of FCV. The project will also build on sources of resilience identified in the RRA by working to mend and strengthen social capital in dispute resolution and building the capacity of the public sector to provide services. FCV-sensitive elements of the project include its flexibility to adapt to new situations, local-level mobilization processes, community-based conflict analysis and resolution, integrated natural resources management, promotion of alternative and efficient energy technologies, inclusion of vulnerable groups, and support for intra- and inter-community institutions. Finally, the project is aligned with the World Bank mission to end extreme poverty and boost shared prosperity on a livable planet.

18. **The project is also aligned with the Country Strategic Opportunities Program (COSOP) of the International Fund for Agricultural Development (IFAD) for Ethiopia for FY23–FY30.** The project is being co-financed by IFAD. It is aligned with the two strategic objectives of the IFAD COSOP 2023–2030: (a) enhanced resilience and productivity of ecosystems in arid and semi-arid lowlands and moisture-stressed highlands, and (b) strengthened agricultural value chains. The project is also in line with the three priorities of the IFAD 13 financing cycle: (a) enhancing focus on fragile contexts, (b) investing in biodiversity and climate resilience, and (c) increasing engagement with the private sector.

19. **The project also reflects United Nations System priorities.** The project addresses all the priorities of the Sendai Framework for Disaster Risk Reduction[26], including Target G, which is to enhance the availability and accessibility of multi-hazard early warning systems and public disaster risk information by 2030[27]. The project is also aligned with the five priority pillars of the Strategy for Sustainable and Resilient Livestock Development (SSRLD) for 2022–2037 of the Inter-Governmental Authority for Development (IGAD). Supported by the World Bank, the SSRLD aims to mainstream climate change adaptation and mitigation in livestock sector development plans,

[23] Federal Democratic Republic of Ethiopia. 2021. Updated Nationally Determined Contributions. July 2021https://unfccc.int/sites/default/files/NDC/2022-06/Ethiopia%27s%20updated%20NDC%20JULY%202021%20Submission_.pdf
[24] Federal Democratic Republic of Ethiopia. 2019. Ethiopia's Climate Resilient Green Economy National Adaptation Plan. https://www4.unfccc.int/sites/NAPC/Documents/Parties/Final%20Ethiopia-national-adaptation-plan%20%281%29.pdf.
[25] World Bank.2024. Ethiopia - Country Climate and Development Report : Executive Summary . Washington, D.C. : World Bank Group.
[26] Sendai Framework for Disaster Risk Reduction 2015–2030.
[27] https://reliefweb.int/report/ethiopia/midterm-review-implementation-sendai-framework-disaster-risk-reduction-2015-2030-ethiopian-voluntary-national-report-september-2022.

II. PROJECT DESCRIPTION

A. Project Development Objective

20. To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia.

PDO Level Indicators

21. The PDO achievement will be monitored and measured using the following key results indicators:

(a) Climate preparedness and resilience building infrastructure constructed and operational (number)

(b) Land area under sustainable landscape management practices (hectares)

(c) Increase in yield of selected livestock and crop commodities (percentage)

(d) Beneficiaries with 25 percent or more annual household income increment due to project interventions (percentage).

B. Project Components

22. The project rests on four complementary components that aim to improve the livelihood and climate resilience of PAP households, communities, and ecosystems. Resilience is defined as "the ability of a system, community or society exposed to hazards to resist, absorb, accommodate, adapt to, transform and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions through risk management"[28]. In the context of LLRP II, improving livelihood and climate resilience rests on enhancing the capacity of lowland PAP households, communities, and production systems to anticipate, absorb, accommodate, adapt to, transform, or recover from climate shocks in a timely and efficient manner, while (and including by) ensuring the health and regeneration of lowland ecosystems and natural resources. Increases in production and productivity, better access to markets, roads, services, health, education, diversified diets, energy, and sustainable sources of income, and enhanced capacity to manage local resource-related conflicts are expected, among other improvements, to contribute to these outcomes.

Component 1: Pastoral Risk Management for Resilience (US$228 million, including US$184 million IDA equivalent and US$44 million IFAD)

23. This component will enhance the absorptive and adaptive capacities of PAP communities and their ecosystems by strengthening DRM capacities and developing public infrastructure that supports disaster preparedness and climate resilience.

Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services (US$9 million, including US$7 million IDA equivalent and US$2 million IFAD)

24. This subcomponent will finance activities that relate to strengthening the early warning and response system and CIS in Ethiopia's lowlands with a focus on 'last mile connectivity'. This focus will ensure that information and advice about impending climate change-exacerbated hazards (including drought, floods, conflicts, livestock disease outbreaks, higher temperatures, and pest infestations) reach households across PAP areas in a timely fashion. To strengthen the early warning and response system, the project will finance the preparation of WDRPs. WDRPs will be prepared or updated (where they already exist) for all 120 of the project woredas in the eight regions and outline the major vulnerabilities of each woreda. In a process led by the Ethiopian Disaster Risk Management Commission (EDRMC), WDRPs will be prepared using participatory processes involving community representatives

[28] United Nations Disaster Risk Reduction. Sendai Framework Terminologies on Disaster Risk Reduction. https://www.undrr.org/terminology/resilience.

and key stakeholders at the woreda level. Experienced international organizations, such as the International Institute for Rural Reconstruction (IIRR), will facilitate the process and prepare a report using an interactive online platform to be hosted by the EDRMC. The Consultative Group on International Agricultural Research (CGIAR), through the Accelerating Impacts of CGIAR Climate Research for Africa (AICCRA) Project, will support the integration of climate information into WDRPs. The subcomponent will also (a) build the Government's and community's awareness of DRM; (b) support the EDRMC in rolling out the new Multi-Hazard, Impact-Based Early Warning and Early Action System (MH-IB-EW-EAS) roadmap for 2023–2030, in the lowlands, including by helping it develop region-specific implementation plans; (c) support the implementation of the National Framework for Climate Services (NFCS) in the lowlands by the Ethiopian Meteorology Institute (EMI); (d) strengthen partnerships and coordination among the Ministry of Irrigation and Lowlands (MILLs), EDRMC, and EMI, to ensure the successful implementation of the MH-IB-EW-EAS and NFCS in the lowlands; and (e) build the institutional, organizational, and human resource capacity of key stakeholders, including the EDRMC and EMI (at the federal, regional, and woreda levels), with a focus on forecasting and last mile communications in the lowlands of Ethiopia. In relation to CIS, the project will build capacities to collect, analyze, process, and disseminate information by (a) procuring automated weather stations; (b) developing the use of various communication channels such as short message service (SMS), community networks, local media, and public address systems; (c) investing in data storage and management capacities and other IT infrastructure; and (d) enhancing knowledge on climate change adaptation and mitigation through training programs and South-South exchange. The capacity-building activities under Subcomponent 1.1 will be coordinated with partners such as the Asian Disaster Preparedness Center and projects including the Ethiopian Flood Management Project (EFMP), the Netherlands' Water at the Center of Climate Project, the European Union Disaster Risk Reduction Project, and the Building Resilience in Ethiopia Project. The subcomponent will also seek technical support from the AICCRA Project of the International Livestock Research Institute (ILRI).

Subcomponent 1.2: Implementing Disaster Preparedness and Resilience Investments (US$219 million, including US$177 million IDA and US$42 million IFAD)

25. This subcomponent will support the identification of, and selectively fund, a range of investments in climate-smart public economic infrastructure (PEI), that is, physical infrastructure that can help mitigate the impacts of climate-related (and other) hazards on PAP systems and communities. The identification, selection, and planning of PEI investments will proceed as follows.

(a) **Regional Disaster Preparedness and Resilience-building Strategic Investment Plans (DPRSIPs).** Based on the WDRPs prepared under Subcomponent 1.1. and the rangeland management and investment plans (RMIPs) that were prepared under LLRP I, regional-level DPRSIPs will be prepared for each of the eight project regions in consultation with selected woredas and communities. Each DPRSIP will lay out a 5–10-year regional investment plan addressing key socioeconomic and climate-related challenges. Investment activities will be selected for inclusion in DPRSIPs based on their expected impacts, sustainability, and feasibility. The plans' preparation will be supported by the IIRR. Once finalized, the plans will become public documents (made available on the EDRMC's online platform). The scope of the regional DPRSIPs will be broader and beyond the budget envelope of LLRP II. Thus, LLRP II will finance selected activities while several development partners active in the lowlands will be able to finance others.

(b) **Climate-smart PEI investment plan for LLRP II.** Facilitated by MILLs (LLRP II's Project Coordination Units [PCUs]), the project will prepare an overall PEI investment plan for the project, aggregating the PEI investments it intends to carry out. The full implementation of DPRSIPs is likely to require a large funding envelope that exceeds LLRP II's budget. Thus, the project will screen and select a subset of DPRSIP activities to finance. The screening will also apply to 71 PEI subprojects[29] worth US$104 million already identified by

[29] LLRP I supported detailed feasibility studies and designs for approximately 71 subprojects across the seven project regions that it did not have the resources to implement. The detail studies are completed for 49 subprojects while the studies for 22 subprojects can be

LLRP I for which feasibility studies are either fully completed or will be completed by the time LLRP II is effective. Selection criteria will include readiness, sustainability, climate change sensitivity, complementarity with Components 2 and 3, other ongoing initiatives (for example, the World Bank-funded De-risking, Inclusion and Value Enhancement of Pastoral Economies in the Horn of Africa Project (P176517)) and the strength of operation and maintenance arrangements. The screening process will be participatory and involve all concerned region-level government and nongovernmental stakeholders. Once the specific PEI subprojects for financing under LLRP II are identified, the project will finance their detailed preparation or updating. The total cost of these activities will not exceed 5 percent of the actual investment cost for the PEI.

(c) **Climate-smart PEI investments.** At this stage, the project will move into the implementation of the project's climate-smart PEI investment plan in collaboration with relevant sector bureaus in each project region. Together, these investments are set to reduce the climate vulnerability of the PAPs Eligible climate-smart PEI investments to be financed under this subcomponent will include the construction, upgrading, or rehabilitation of (i) drought-resilient water resource infrastructure for both human and livestock consumption (such as deep water well, small, and micro-dams), (ii) efficient and innovative small-scale irrigation schemes (up to 500 ha per scheme), (iii) all-weather feeder roads, (iv) cold storage and feed stores, (v) livestock market facilities, (vi) veterinary service facilities, and (vii) flood management works, prioritizing nature-based solutions (NBS) identified under Component 2. The PEI investments will be strategically sited along key migration and trade corridors, and water supply infrastructure will be located with careful consideration of available grazing resources to avoid overgrazing and degradation in their vicinity. To ensure climate resilience, the design and specifications of the PEI investments will be informed by climate vulnerability assessments. Water resources development to improve drought resilience will be carried out in selected drought-prone regions such as Afar, Somali, and Oromia. In these areas, water supply and sanitation schemes will focus on already drilled boreholes and procuring and supplying deep well drilling machines with all accessories. Details on the operational modalities of these machines are outlined in the Project Implementation Manual (PIM). The project will ensure the establishment of operation and maintenance mechanisms for all LLRP II-financed PEI investments. To the extent possible, the project will promote the use of green energy for water supply and sanitation and all the livestock and other facilities such as cold storages, feed stores, laboratories etc. Tailored training will be provided on groundwater investigation and operations management.

Component 2: Integrated Rangeland Management (US$64.48 million, including US$52.16 million IDA equivalent and US$12.32 million IFAD)

26. Building on the success of LLRP I, the project will continue to use rangelands as the entry point for investments. Component 2 aims to improve the absorptive and adaptive capacities of PAP ecosystems by monitoring and improving the health and productivity of natural rangeland resources (improving their soil stability, hydrologic function, vegetation productivity, and biotic integrity) and attenuate community-level conflict in PAP areas. Healthier and more productive rangelands, in turn, will increase livestock productivity, PAP households' livelihoods, and PAP systems' overall resilience. They will also increase above- and below-ground soil carbon stocks, contributing to climate change mitigation and resilience. To achieve these results, the component will apply integrated, participatory, nature-based, and climate-smart approaches and leverage renewable and efficient energy sources and technologies. It will also leverage selected research outputs and innovations generated by ILRI's AICCRA Project on feed, pasture management, and integrated rangeland management in the lowlands. When possible, the project will promote NBS with guidance from the World Bank's NBS Invest Program.

completed in three months. These subprojects include 27 water, nine small-scale irrigation schemes, nearly 748 km rural access and feeder roads, three bridges, and nine livestock facilities, and so on.

Subcomponent 2.1: Rangeland Health Monitoring and Institutional Capacity Building (US$4.35 million, including US$3.48 million IDA equivalent and US$0.87 million IFAD)

27. The subcomponent will support (a) the establishment of a national rangeland monitoring system (RMS) and (b) rangeland monitoring and management institutions, proactively targeting women in capacity-building efforts.

(a) **RMS.** The subcomponent will finance the establishment and operationalization of a national RMS that monitors the overall health of national rangeland and related trends. In collaboration with the MoA, Agricultural Transformation Institute (ATI), Alliance Biodiversity International and International Center for Tropical Agriculture (CIAT), and ILRI, the project will develop the system and ensure its capacity to (i) synthesize remote sensing data and leverage it to generate usable products or reports; (ii) conduct ground-truth analysis derived from satellite-based imagery in ways that draw on communities' insights (including women's); and (iii) disseminate rangeland-related information and advisories to different users in a timely fashion by leveraging user-friendly digital platforms and public and private delivery channels. The RMS will facilitate the estimation of baseline GHG emissions in preparation for possible future participation in carbon market schemes. The latter may help incentivize the adoption of climate-smart rangeland management strategies. LLRP II will coordinate its carbon market readiness activities with the Oromia Forested Landscape Program (Phase II, P151294). The RMS will be linked to the MoA's existing system for data sharing.

(b) **Capacity building for rangeland management and monitoring institutions.** The subcomponent will strengthen the capacity of rangeland management institutions, including existing and newly established rangeland management committees and customary institutions. Customary institutions will be supported in the implementation of traditional (indigenous) rangeland management practices such as livestock mobility, herd dispersal, and segregation. The activities to be financed will include trainings, consultative workshops, and visits including cross-border ones.

Subcomponent 2.2: Participatory Rangeland and Pasture Management (PRPM) (US$52.5 million, including US$42.5 million IDA equivalent and US$10 million IFAD)

28. This subcomponent will support (a) the preparation of rangeland management plans (RMPs), (b) the implementation of rangeland and pasture development activities, and (c) the production and marketing of forage and feed.

(c) **RMPs.** The subcomponent will finance the updating of the 28 existing RMIPs prepared under LLRP I and the formulation of new RMPs through participatory rangeland management[30] principles to identify additional climate-smart mitigation and nature-based solutions[31], validate their feasibility based on indicative land-use planning and characterization and formulate rangeland management bylaws. The project will ensure that all the RMPs have updated maps of livestock mobility routes and that related investments are aligned with livestock mobility and trade corridors.

(d) **Rangeland and pasture development.** Guided by the RMPs, and privileging inclusive, climate-smart, and nature-based solutions, the subcomponent will finance rangeland and pasture development activities. They may include (i) delineation, mapping, and land-use characterization of the project intervention areas; (ii) restoration of degraded and overgrazed rangelands through physical, biological, and agronomic soil and water conservation measures including sowing, reseeding, and community-based and temporary area closures that enhance rangeland productivity and the availability of pasture, especially during the dry season and droughts; (iii) development of silvo-pastoral and agro-silvo-pastoral systems through the plantation and management of multipurpose trees; (iv) wetland protection and maintenance to buffer the

[30] Flintan, F., and A. Cullis. 2010. *Introductory Guidelines to Participatory Rangeland Management in Pastoral Areas*. USA: Save the Children.
[31] Examples of NBS for rangelands include the enclosure of degraded lands to enable their natural regeneration, conservation of endangered plant species and management of alien invasive plants, and plantation of multi-purpose trees on pasture.

impacts of floods/droughts and enhance biodiversity and food security for agropastoralists relying on receding farming; and (v) management of invasive species using multiple techniques such as prescribed fire (to reduce vulnerability to uncontrolled wildfire, the risk of which is exacerbated by climate change), targeted and selective clearing and de-rooting, and management by utilization (for example, the use of *Prosopis juliflora* as a source of biomass energy[32] and feed). Through these interventions and water infrastructure investments carried out under Subcomponent 1.2, the project will facilitate the sustainable management of water for livestock and human consumption in dry and wet season grazing areas and livestock migration and trade corridors.[33]. The subcomponent will also finance technical support, training, and supervision at the federal, regional, and woreda levels.

(e) **Production and marketing of forage.** The subcomponent will improve the availability and quality of forage with the aim of increasing livestock productivity in normal times and ensuring their survival in times of drought. Guided by the fodder and feed value chain analysis carried out under LLRP I, the subcomponent will support the production and marketing of forage by financing (i) technical support to the fodder producer and marketing cooperatives and micro and small enterprises (MSEs) established under Subcomponent 3.2, with a focus on women, training, and input provision, (ii) the establishment of nurseries and grass and forage seed production and multiplication centers (in collaboration with research centers) and the provision of matching grants in coordination with Subcomponent 3.2, (iii) the development of productive alliances between fodder producers (such as MSEs) and traders, (iv) the facilitation of local and cross-border market links for the offtake of excess forage, and (v) support to pilot of joint management of feed stores through public-private partnerships. The subcomponent will target production of high yielding, nutritive and highly digestible forage species with a potential to lower carbon intensity per unit of livestock product, meat, or milk, produced. The project will not encourage government-led mass production and free distribution of fodder, as this would impede the sector's commercialization. However, in the event of a drought emergency (forecast with the support of Subcomponents 1.1 and 2.1), the project may facilitate and support fodder production and marketing in drought hotspot areas in collaboration with MSEs through the provision of inputs and advisory services. The subcomponent will be closely coordinated with Subcomponent 1.2, which may finance the construction of feed stores and processing plants, as well as Subcomponent 4.2, under which the project will support the development or updating of policies and strategies on the privatization and commercialization of fodder and feed production in PAP areas.

Subcomponent 2.3: Resource-Related Conflict Management and Mitigation (US$7.63 million, including US$6.18 million IDA equivalent and US$1.45 million IFAD)

29. This subcomponent will equip PAP stakeholders with tools and capacities to address root causes of resource-related community-level conflict in PAP areas. Strong conflict management governance systems are critical to ensure peace and cohesion in face of climate change related events, amongst others. The project will approach this by updating conflict assessments conducted during LLRP I and assessing new project areas, with a newly introduced focus on the identification of:, (a) stakeholder groups to include in the project's participatory processes (with due attention to minority and vulnerable groups); (b) the drivers of conflict in PAP areas; (c) conflict hotspots within project-targeted areas; (d) customary and indigenous peace building and conflict resolution institutions and mechanisms; and (e) risks posed by recent geopolitical developments and fragility in proximate highland areas. Based on updated findings, the subcomponent will:, (a) ensure the inclusion and representation of identified stakeholders in project-supported groups and local institutions and their active engagement in the

[32] The project will also promote and facilitate engagement of the private sector in managing *Prosopis Juliflora* through utilization as a source of green energy for the cement industry.
[33] This activity will be based on available GIS-based mapping and documentation of mobility routes, migration corridors, and wet and dry season grazing areas prepared by LLRP I and IGAD.

planning and validation of WDRP and DPRSIPs and the selection and implementation of PEI investments, and (b) in identified hotspots, support the development and empowerment of inter-communal peace committees[34] to oversee the project activities at local levels, foster consensus, and meet regularly to address and mitigate grievances associated with project interventions.

30. The subcomponent will also (a) help the Government identify, formulate, and enforce appropriate pastoral land tenure and land-use policies and strategies that legally recognize and certify customary pastoral land ownership and resource rights and enhance conflict resolution and arbitration processes; (b) promote modern, gender-sensitive and climate-smart technologies including fuel-efficient and safe cook stoves and alternative energy sources such as improved eco-design wood stoves with less fuel-wood usage, biogas stoves and solar cooker replacing wood-inefficient traditional stoves that involve lots of tree cuttings and deforestation, and high GHG emission ; and (c) support social cohesion through project messaging and by, for example, organizing sporting events, cultural days, environmental campaigns, project activity inauguration and completion, and other events that convey project messages. Importantly, conflict management and peacebuilding efforts under this subcomponent will be complemented by activities under other relevant subcomponents. The PIM will further describe procedures for ensuring the equitable targeting of project resources across subcomponents and adjusting to security risks if and where they arise, including by pausing or reallocating project resources and using third-party monitoring, as appropriate.

Component 3: Climate Resilient and Sustainable Livelihoods (US$91.49 million, including US$71.445 million IDA equivalent, US$16.045 million IFAD, and US$4 million in capital mobilized from community groups)

31. This component aims to enhance the absorptive and transformative capacities of PAP household by increasing, diversifying, and stabilizing their incomes, including those of households who are moving out of the pastoral system, with a focus on promoting climate-smart technologies and value chains, raising fewer but more productive animals, and increasing productivity while lowering GHG emissions.

Subcomponent 3.1: Crop and Livestock Productivity and Climate Resilience (US$37 million, including US$30 million IDA equivalent and US$7 million IFAD)

32. This subcomponent will promote the development and adoption of a range of gender-sensitive and climate-smart technologies and practices that increase the productivity and output of crop and livestock production systems while simultaneously reducing their carbon intensity. Bundles of adapted, proven, and scalable innovations, technologies, and practices will be identified for different project locations, forming so-called 'smart packs'. These will be put together in collaboration with the Ethiopian Institute of Agricultural Research (EIAR), regional universities and research centers, and CGIAR institutes such as International Center for Agricultural Research in Dryland Areas (ICARDA) and AICCRA.

33. To transfer smart packs to PAP households, the subcomponent will work with existing public and private extension and advisory services and build their capacity in targeted ways. It will also consider existing strategies such as the livestock extension strategy developed by the MoA in collaboration with the ATI. By working with multiple extension service providers, including Digital Green Ethiopia, ATI, and private advisory service providers supported by AICCRA such as Lersha[35], the project will support the Government's pluralistic approach to extension. Following a capacity needs assessment, the subcomponent will finance the strengthening of existing PAP training centers, including the rehabilitation, equipping, furnishing of training centers; supply of materials; development and delivery of training modules; and production of printed communication materials on best practices, innovations, and technologies. The subcomponent will also support the demonstration of technologies, supply of inputs for demonstration and training purposes, and peer-to-peer learning events. In carrying out these activities,

[34] The inter-community peace committee will consist of elders, religious leaders, women, youth, woreda officials, and police.
[35] Lersha, a private sector initiative in Ethiopia, is a "one-stop digital service for smallholder farmers that provides advisory content on climate-smart agriculture solutions, weather information, and facilitates access to agri-credit and agri-insurance."

the project will apply the agropastoral field school approach[36] and adopt and pilot ILRI's Pioneer Positive Deviance (P-PD) approach for PAP-led livestock adaption activities[37]. The required technical and material supports will be provided by the project for implementation of the agropastoral field school and P-PD approaches. The subcomponent places a specific emphasis on gender, aiming to create technologies and practices grounded in an understanding of the primary obstacles hindering women's adoption of adaptation strategies in Ethiopia and in similar contexts[38].

34. Smart packs will be developed for: (a) nutrition-sensitive agropastoralism, (b) livestock breeds, (c) animal health service and One Health, (d) feed, and (e) husbandry and herd management.

(a) **Nutrition-sensitive agropastoralism.** Forms of agropastoralism featuring both crop production and transhumance are growing in PAP areas. In this context, the subcomponent will supply seeds of higher-yielding, more nutritious, and drought-tolerant crop varieties. It will also finance activities, including trainings and inputs supplies, relating to improved dryland farming practices and conservation agriculture such as crop rotation, intercropping, agroforestry, green manure production, small-scale and household poultry production, apiculture, and aquaculture. The subcomponent will finance the training of agropastoralists and extension workers on conservation agriculture practices and support demonstrations in selected areas. The subcomponent will also support nutrition education with a focus on improving dietary diversity, particularly for women and children. Combined with other interventions addressing key drivers of child undernutrition and demand-driven nutrition-sensitive irrigation (water, sanitation, and hygiene) and human and animal health services, the project's nutrition-sensitive agro-pastoral activities, will help accelerate stunting reduction.

(b) **Livestock breeds.** The subcomponent will finance breed improvements by supporting the ICARDA-led Community-Based Climate Resilient Breeding Program, which focuses on the selection of local breeds of small ruminants and cattle with preferred traits. LLRP II will finance the supply of improved local breeds for demonstration activities, the establishment of community ranches, and the training of communities and local technicians on **breeding** techniques and performance data management. Animals are bred for qualities such as heat and disease tolerance[39], feed efficiency, productivity, and reproductivity. Some of these qualities are associated with a lower carbon intensity, including by accelerating animals' growth and hence reducing the time to slaughter. The subcomponent will work with communities, women, and extension workers to promote and expand Community Based Breeding Program (CBBP) activities across project regions, including through artificial insemination. The project will also facilitate the provision of targeted technical support to the CBBP by ICARDA.

(c) **Animal health service and One Health.** The subcomponent will strengthen public and community-based animal health and veterinary services to control the burden of animal disease. This is expected to increase livestock productivity and reproductivity, reduce livestock (and especially calf) mortality, and mitigate the sector's carbon intensity. The subcomponent will (i) expand community-based animal health service delivery capacity by upskilling community animal health workers (CAHWs) to become

[36] Details on the specific extension approaches and methodologies are provided in the PIM.
[37] Farmer-led adaptation identified with the P-PD approach demonstrates endogenous innovations scalable through farmer-to-farmer scaling networks.
[38] The Africa Gender Innovation Lab is preparing a white paper on gender and climate. The white paper focuses on women's constraints to the adoption of climate adaptation strategies in Sub-Saharan Africa. The white paper will examine the main constraints to women's adoption of adaptation strategies in Sub-Saharan Africa, and effective interventions that can lift those constraints and help women benefit from these strategies equally to men. The project will use evidence from the white paper to ensure that the climate-smart technologies and practices are sufficiently gender-sensitive.
[39] For example, the local *Sheko* breed is tolerant to tsetse fly diseases.

community agro-vet entrepreneurs (CAVEs); training new CAVEs[40], with a focus on women; and providing CAVEs and CAHWs with 'Kickstarter' veterinary drugs and equipment; (ii) build the capacity of public livestock health services, including by rehabilitating and equipping their facilities (veterinary clinics, laboratories, and research centers), providing targeted technical training for veterinarians and technicians at the woreda and community levels, and establishing and equipping mobile veterinary clinics; (iii) combat the spread of zoonotic disease, including trypanosomiasis, which is spread by tsetse flies[41]; and (iv) better control transboundary livestock diseases and invasive plants in Ethiopia—with a focus on the lowlands, livestock trade corridors, and the cross-border movement of livestock—by advancing the One Health approach. This will be done by financing platforms for the coordination of environmental, human, and animal (livestock and wildlife) health policies and measures at the woreda and regional levels, supporting the existing One Health Steering Committee (at the federal and regional levels), and facilitating its downscaling to the woreda level and financing South-South exchange on One Health topics and experience. To promote the One Health approach, the project will partner with the MoA, Ethiopian Public Health Institute, Wildlife Conservation Authority, Environmental Protection Authority, Forest and Climate Change Commission, and Veterinarians without Borders Switzerland (*Vétérinaires Sans Frontières Suisse,* VSF-Suisse) and draw on the practical experiences generated by the VSF-Suisse and ILRI One Health for Humans Environment, Animals, and Livelihoods Project.

(d) **Feed.** The subcomponent will increase PAP households' and MSEs' access to compound feed and forage resources including seeds (in coordination with Subcomponent 2.2). This is expected to improve animal nutrition, increase animals' feed conversion rate, and reduce the sector's carbon intensity. The subcomponent will: (i) supply and demonstrate highly digestible, higher-yielding, and heat-tolerant seeds of forage species[42]; (ii) conduct demonstrations and facilitate PAP-to-PAP learning events; (iii) pilot and demonstrate innovative and climate-smart feed and fodder production and management practices[43] (at times in coordination with irrigation infrastructure built under subcomponent 1.2); (iv) in partnership with VSF-Suisse, demonstrate and offer trainings on hydroponics[44] and supply-related inputs; and (v) supply small-scale feed processing machinery for demonstration purposes.

(e) **Husbandry and herd management.** The subcomponent will identify and demonstrate good animal husbandry practices with a focus on selecting animals, getting them to market faster (that is, when they have attained a marketable weight), and removing nonproductive animals from the herd. These practices will enhance herd productivity and reduce herd and sector-level carbon intensity. The subcomponent will also train PAP households on animal welfare as well as the handling, herding, housing, and transportation of animals; sanitation techniques to ensure animal health; food safety and public health; and other practices such as the dehorning of cattle to reduce injury in the herd, management of calves, lambs, and kids to increase their survival and fasten weaning, and branding and castrating. The subcomponent will collaborate with Subcomponent 3.2 in promoting the Ethiopian Livestock Identification and Traceability System (ET-LITS) for animals of targeted households. The

[40] CAVEs correspond to a new approach to engaging CAHWs on diverse agro-vet activities to diversify and increase their incomes from the sector and hence sustain their services.

[41] For example, in collaboration with the International Center of Insect Physiology and Ecology (ICIPE) and MSEs, the project will finance the production and distribution of collar-mounted tsetse fly repellents (on cattle) and tsetse traps and targets (insecticide-impregnated screens) and provide technical support and inputs to MSEs—primarily women-led ones—to become involved in the production and sale of traps.

[42] Including *Brachiaria brizantha,* more commonly known as climate-smart wonder grass, Napier grass, Desmodium, spineless cactus (*Opuntia ficus-indica*), which can be consumed by people and animals and help with erosion control, and forage trees.

[43] For example, crop rotation, intercropping of legumes with maize, the planting of forage trees, uses of crop residues, soil fertility management, and salinity management in irrigated farms and fodder and feed storage innovations and technologies at the household level.

[44] The technique of growing fodder using a water-based nutrient solution instead of soil, to cultivate fast-growing, high-quality, and environmentally sustainable fodder.

proposed husbandry activities will directly contribute to building adaptive capacity to floods and droughts.

Subcomponent 3.2: Commercialization and Livelihood Diversification (US$55 million, including US$42 million IDA equivalent, US$9 million IFAD and US$4 million from community contributions)

35. This subcomponent will foster the commercialization of PAP production systems and the diversification of PAP household incomes by supporting the development of crop and livestock value chains and reducing exposure to and dependency on drought vulnerable livelihoods. Focus value chains will include those for live animals (including camels), red meat, milk, hide and skin, fodder, fish, honey, gums and resins, horticulture, and potentially others.

(a) **Producer and marketing groups.** The subcomponent will support a range of private sector initiatives driving sector commercialization and income diversification. The project will establish 3,280 new MSEs and help 1,000 existing common interest groups (CIGs) become MSEs, with a focus on women-led groups and businesses (at least 35 percent of the MSEs will be women-only MSEs). These groups and businesses will be involved in the production, aggregation, trading, and processing of crops, livestock, and other commodities. The subcomponent will support the following activities:

(i) Offer all 4,280 groups with needs-based and results-oriented training on leadership and group dynamics, business development skills, value chains, innovations, technologies, and improved practices, along with technical assistance, accessing finance, including to identify and pursue new income- and resilience-enhancing skills and business activities (for example, weaving, livestock fattening, exporting of live animals, beekeeping, poultry, hide and skin processing, milk processing, gum and resins production, aquaculture, horticulture, and community tourism). It is through this activity that the project will support businesses producing tsetse fly traps (see Subcomponent 3.1).

(ii) Provide matching grants of up to US$10,000 per group (for new ones) based on pre-established criteria (notably, being a registered business entity and having a strong business development plan and having mobilized at least 10 percent of the required capital from own sources, adequate internal control system, and external auditing). The design of these activities will be informed by empirical evidence generated by the Africa Gender Innovation Lab. This includes learnings from an impact evaluation on life skills and leadership training aimed to help women diversify away from traditional roles and strengthen their economic participation in pastoral communities, which is part of the first phase of the LLRP. The PIM includes detailed guidelines on grantee selection and grant management including financial management (FM) arrangements (planning, controls, accounting, fund flow, reporting, oversight, and audit).

(iii) Provide technical and material support (for a value of up to US$500 per CIG) for the 'graduation' of existing CIGs into MSEs. With technical support from International Center of Insect Physiology and Ecology (ICIPE), the project will integrate beekeeping as a means of diversifying livelihoods within lowland PAP systems. The project will collaborate with the Ministry of Labor and Skills (MLSs) regarding the establishment, technical support, and monitoring of MSEs. In addition, technical support for value chain development may be sought from Heifer International.

(b) **Access to finance (support for Pastoral and Agropastoral Saving and Credit Cooperatives (PASACCOs) and Unions of PASACCOs).** Improving access to finance among PAP communities will help them improve their livelihood opportunities and household incomes to better cope up and adapt to the impacts of climate change. The subcomponent will expand access to finance for alternative on-farm and nonfarm activities, materials, equipment, and inputs in three main ways. It will support the following activities:

(i) Help establish and financially and technically support 550 new PAP savings and credit cooperatives (PASACCOs), of which half will be women-only groups. The qualifying ones will be given saving leverage grants (up to US$10,000 each)[45]. In addition, up to 500 existing PASACCOs supported under LLRP I will receive technical and advisory support, but no saving leverage grants. The project will guide PASSACOs, existing and new, to mobilize savings from their members—leveraging grants from the project, and potentially, other financing from commercial banks and microfinance institutions (MFIs)[46]—and provide small loans and other financial services to their members to engage in income generating business activities. Customized training programs will be developed for these groups covering skills such as leadership, conflict management, business development, marketing, FM, and veterinary care. In addition, the project will build the capacity of the Ethiopian Cooperative Commission (ECC) to support PASSACCOs and unions thereof, including with auditing. Wherever there is geographic overlap with the DRIVE Project, LLRP II will encourage project beneficiaries to buy index-based livestock insurance policies.

(ii) In collaboration with the ECC, finance technical support, trainings, and advisory services to establish and or strengthen PASACCO unions to improve their access to financial services provided by MFIs, the Development Bank of Ethiopia (DBE), and commercial banks.

(iii) Promote interest-free (Islamic) finance and mobile banking, in partnership with ATI, Digital Ethiopia, and private sector service providers like *Lersha*.

(c) **Market access and links.** The subcomponent will support market access in close coordination with Subcomponent 1.2, under which market facility and transportation (road) upgrades will be financed, and Component 4, under which national standards for market facilities will be updated. Complementing these actions, the subcomponent will: (i) finance the establishment and strengthening of productive alliances between producers (including PAP marketing cooperatives and small and medium enterprises [SMEs] and downstream actors such as off takers, processors, traders, and abattoirs); (ii) pilot a public-private livestock market co-management model through coordination and financing platforms; (iii) based on a gap assessment, link newly constructed or upgraded livestock markets facilities to the livestock market information system (LMIS) supported by the DRIVE Project (P176517) wherever the projects overlap and finance activities to strength the LMIS in the project regions and woredas including through provision of materials, IT equipment, trainings, and so on; (iv) finance the implementation of the ET-LITS in the lowlands in collaboration with the MoA[47]; and (v) finance trade fairs and buyer-seller meetings and, in coordination with Subcomponent 4.2, develop communication materials (printed and documentary films) that attract traders and exporters to markets by calling their attention to road and market upgrades.

Component 4: Project Management, Monitoring, Evaluation and Learning (US$40.03 million, including US$32.395 million IDA equivalent and US$7.635 million IFAD)

36. This component will finance (a) project management, (b) ME&L, and (c) knowledge management and policy support.

[45] Qualifying criteria will include being a registered business, mobilizing their own savings or financial resources, and having adequate internal control and auditing systems in place.

[46] The project will help link the PASACCOs to MFIs and the DBE, from which they could seek loans.

[47] The ET-LITS aims to enhance the commercialization of livestock and help control livestock diseases including zoonotic ones and will play a vital role in advancing the One Health approach. Support for the ET-LITS will focus on livestock export zones in the project regions and include the training of experts, community facilitators, and others and procurement and supply of ear tags, IT equipment, and materials. In coordination with Subcomponent 4.2, support will be provided for the development of related legal frameworks. ET-LITS-related activities will benefit from the practical experience gained by the World Bank-financed Livestock and Fishery Sector Development Project (LFSDP, P159382).

Subcomponent 4.1: Project Management and Monitoring, Evaluation, and Learning (US$37.03 million, including US$30 million IDA equivalent and US$7.03 million IFAD)

(a) **Project management.** This subcomponent will finance project management activities, including: (i) facilitating institutional coordination and partnerships among ministries and nongovernmental and international organizations; (ii) strengthening the capacity of PCUs at the federal, regional, and woreda levels; (iii) project planning, including by generating annual work plans; (iv) developing and overseeing project implementation procedures and processes including fiduciary oversight and the management of environmental and social risks; and (v) monitoring project implementation and outcomes. Detailed project rules and procedures are outlined in the PIM, which has been adapted from Phase I, incorporating lessons learned.

(b) **Monitoring, Evaluation and Learning (ME&L).** The project's ME&L activities will include: (i) tracking project inputs and outputs to ensure the project's resource accountability; (ii) carrying out institutional mapping and performance monitoring; (iii) assessing project results and outcomes against the Results Framework; (iv) evaluating the project by carrying out baseline, midterm, and final assessments; and (v) facilitating learning events at the regional and federal levels, including through regular biannual project implementation review and annual work plan and budget (AWPB) planning workshops. The project will expand the functionality of LLRP I's management information system (MIS) by linking it to the new early warning and early response system, CIS, RMS, Geo-Enabled initiative for Monitoring and Supervision (GEMS), grievance redress mechanism (GRM) including the SMS service, and other project-supported systems. LLRP II will also work with ILRI and AICCRA to increase data quality and adapt the ILRI's Tracking Adaptation in Livestock Systems tool to track adaptation and resilience to climate change among targeted PAP households. Detailed ME&L guidelines are included in the PIM.

Subcomponent 4.2: Knowledge Management and Policy Support (US$3.0 million, including US$2.4 million IDA and US$0.6 million IFAD)

37. This subcomponent will support knowledge management and policy-related aspects of the project, leveraging project data and learnings under Subcomponent 4.1. In relation to knowledge management, the subcomponent will finance: (a) studies of direct relevance to project activities; (b) the establishment or strengthening of a national-level think tank and policy platform on PAP livelihood-resilience in the lowlands, which will sponsor academic policy research and create a space for national-level policy dialogue on pertinent issues[48]; and (c) the establishment and management of PAP centers for knowledge (PACKs) at the woreda level. Physically located in agriculture or pastoral and livestock offices and equipped with digital equipment, PACKs will offer venues for demonstrating early warning, climate information, and rangeland management systems and various technologies and innovations to PAP households and extension workers (in local languages). PACKs' facilities will be managed by the project for at least six months before they are handed over to their permanent hosts at the woreda level (offices of agriculture, livestock, or pastoral development).

38. In relation to policy support, activities will include a limited number of trainings for government officials along with help assessing policy gaps and formulating strategies. The subcomponent will support efforts such as the formulation of a national rangeland management policy and regulatory framework that guides the sustainable management and governance of rangeland resources and legal frameworks relating to the ET-LITS. These activities will be carried out in coordination with the recently established Pastoral Advisory Council under MILLs. The project will also support the formulation and updating of communication strategies for the project and MILLs.

[48] Analytic work that could be supported by the project and think tank could include a deep dive on pastoral land tenure systems, an overview of national rangeland management policy, an assessment of live animal export and commercialization challenges and opportunities, an update of the national strategy on alien plant species such as *Prosopis juliflora* and wetland management strategies, and an assessment of pertinent carbon finance opportunities.

C. Project Beneficiaries

39. The project will cover eight regions in Ethiopia. They include the seven regions covered under LLRP I (Afar, Benshangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, and Southwest Ethiopia People's regions) and the newly added region of Diredawa. A total of 120 woredas, including 100 woredas covered under LLRP I and 20 newly added ones, will benefit from the project. With additional resources, the project may expand to 30 more woredas. A map of the project's area of operation is provided in Annex 3.The project will directly benefit 3 million PAP people (about 600,000 households), about 16 percent of the total population in the lowlands of Ethiopia. Women and youth will account for 50 and 30 percent of LLRP II beneficiaries, respectively. In addition, 2 million PAP community members will benefit indirectly from the project investments. The project will also benefit a range of organizations including various ministries and institutions, delivering public goods and services.

D. Results Chain

40. The project's design, including the range of activities, is founded on a well-defined theory of change that aims to enhance the livelihoods and climate resilience of pastoral and agropastoral communities. Drawing on insights from phase one of the project and similar initiatives in the region, the theory of change outlines the causal links between activities, short term outputs, medium term results and their contribution to the Project Development Objective (PDO), as well as to longer-term outcomes. Additionally, it identifies the most significant challenges and assumptions that are critical to realizing these connections.

Figure 1. LLRP II Theory of Change

E. Rationale for Bank Involvement and Role of Partners

41. The World Bank's added value in implementing LLRP II comes from its capacity to: (a) curate global knowledge, experience, and financing to enhance the client's climate change mitigation and adaptation capacities

and the sustainability and drought resilience of PAP production systems and livelihoods in the targeted areas, (b) provide operational supervision and technical assistance to the client to implement the operation, and (c) leverage additional resources from development partners and climate finance mechanisms. Key partners such as IFAD will co-finance the project, while other international organizations such as CGIAR institutes will bring global knowledge through technical assistance and advisory services.

F. Lessons Learned and Reflected in the project Design

42. Major lessons learned and reflected in the design of LLRP II include the need to: (a) bring DRM into the resilience framework elaborated under LLRP I, with a focus on building the capacities of PAP communities to better prepare for disaster and break the cycle of disaster and short-term response; (b) better coordinate capacity-building efforts across components to use project resources more efficiently (a dedicated capacity-building officer will be hired for this); (c) systematically design more targeted programs to address the disproportionate impacts of climate change on women and vulnerable groups; (d) carry out more focused and targeted research to facilitate policy reform; (e) seek more technical backstopping from international organizations; and (f) introduce more technologies and innovations, including in the preparation and automation of WDRPs and DPRSIPs (for example, interactive and satellite-based RMS, digital banking and fintech, private and digital extension services, collar-mounted tsetse fly control, adaptation and livelihood resilience tracking tool, and integration of the GEMS Kobo toolbox in the project MIS).

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

43. The project will build on and enhance the institutional arrangements of LLRP I, with a focus on enhancing coordination and synergies among different institutions supporting Ethiopia's lowland PAP communities. MILLs will be the lead implementing agency. It will host the Federal Project Coordination Unit (FPCU) and will have the overall responsibility for overseeing the project. Federal and regional Steering committees from relevant sectors ministries, including Ministry of Finance, and technical committees at federal, regional and woreda levels will continue to oversee and provide technical backstopping for the project. Implementing partners will include the MoA, ECC, EIAR, EDRMC, EMI, ATI, and MLSs. Technical collaboration with members of the CGIAR, such as ILRI, ICARDA, and CIMMYT, Biodiversity Alliance International and CIAT, International Centre for Insect Physiology and Ecology (ICIPE), VSF-Suisse, Heifer International and other international organizations present in Ethiopia are anticipated to ensure state-of-the-art technology transfer. The implementations of LLRP I and LLRP II are expected to overlap by up to one year and hence precautionary fiduciary measures will be put in place to reduce any related challenges that could arise during that time period. In addition, LLRP I's PCUs at the federal, regional, and woreda levels will continue the management of LLRP II with additional recruits at the federal level, including senior DRM, infrastructure, and livelihoods (economist) specialists and a capacity-building officer. New PCUs will be established for Diredawa and the newly added 20 woredas across the eight regions. The project will ensure that at least 20 percent of new technical hires across all PCUs are women. The PCUs will be subject to additional monitoring and support while they perform 'double duty' during the overlap period. The project's institutional architecture is further described in Annex 1.

B. Results Monitoring and Evaluation Arrangements

44. ME&L activities will be carried out under Component 4 of the project, as described above. ME&L activities include (a) developing and strengthening an MIS that networks all the entities involved in implementing the project and is linked to the monitoring and evaluation systems and other online systems supported by the project; (b) carrying out baseline, midterm, and final evaluations and annual work planning as a bottom-up participatory exercise involving all stakeholders including PAP communities; and (c) generating quarterly, biannual, and annual progress reports consolidating regional and national activities including reports from implementing and technical partners. The project will collaborate with ILRI to develop a clear and feasible data collection and analysis

methodology, and to conduct the baseline, midterm, and final evaluations for the project. Further details are outlined in the PIM.

C. Sustainability

45. The project's sustainability is based on several elements. They include:, (a) a bottom-up and participatory planning process, particularly under Component 1, (b) reliance on existing government structures for project implementation, (c) enhanced partnerships and targeted capacity building, (d) promotion of NBS, investments in natural rangelands, traditional (rotational) rangeland management practices, and an automated rangelands health monitoring system to support the natural resource base and environment needed to sustainably supply the inputs needed by PAP production systems, (e) private sector engagement including through productive alliances, SMEs (including mobilizing own capital), and efforts to align commercial incentives with the goods and service needs of PAP producers and businesses, (f) expected improvements in the service delivery of public services such as extension and veterinary services based on the adoption of innovative models and technologies, (g) integrated support for the adoption of climate-smart and market-oriented livestock and crop management practices and technologies (feed, health, breed, market, and husbandry bundled as smart packs) that will reduce agricultural activities' carbon intensity in project-targeted areas, and (h) support for alternative income and livelihood options expected to enhance livelihood resilience in the face of climate change in the arid and semiarid lowlands.

D. Synergies

46. LLRP II will directly complement and build on the success of LLRP I[49] with more focus on climate change and hence deepening resilience in the PAP areas. The project will complement EFMP by addressing flood-related disaster risk in areas not covered by EFMP, and while EFMP will support the rollout of the new MH-IB-EW-EAS with a focus on the highlands, LLRP II will focus on its rollout in the lowlands. LLRP II will also link relevant infrastructure investments to the LMIS supported by the DRIVE project (P176517). Through its support for access to rural financial services, LLRP II will also support households' access to the index-based livestock insurance products supported by the DRIVE project. LLRP II will operate in the Oromia lowlands and will have the potential to synergize with the Oromia Forested Landscape Program (Phase Two P151294)). This synergy will be achieved through emission reductions to be monetized through the program(P151294) by generating carbon credits from its investments in sustainable and integrated rangeland management. LLRP II will build on the Livestock and Fishery Sector Development Project (LFSDP,P159382) success in developing the ET-LITS. LLRP II will also complement other World Bank-financed projects operating in the lowlands of Ethiopia such as the Horn of Africa Ground Water for Resilience Project (P174867).

IV. PROJECT APPRAISAL SUMMARY

A. Technical, Economic, and Financial Analysis

47. **Technical design.** The technical design of LLRP II is robust. The project incorporates lessons learned and experience from LLRP I and related World Bank-financed operations. It is also informed by recent studies, including analytical work by the World Bank on the welfare of pastoral communities[50], and regional and national strategies on addressing vulnerability and enhancing climate resilience in the drought-prone lowlands. The project was designed to address all three pillars of livelihood and climate resilience, including the development of anticipatory and adaptive capacities under Component 1, adaptive capacities under Components 2 and 3, and transformative

[49] LLRP I is a five-year project that has been under implementation since November 21, 2019, in 100 woredas of seven lowland PAP areas. The project has made significant progress toward achieving its PDO and intermediate results targets, and so far, benefitted 2.4 million people (95 percent of the end-of-project target). In May 2020, at the request of the GoE, US$125 million (36 percent of the IDA funding) was cancelled from the original IDA allocation to help the country cope with the macroeconomic impacts of the COVID-19 pandemic.
[50] World Bank. 2023. *The State of Welfare of Pastoral Communities in Ethiopia*.

capacities under Component 3. The project was also designed to build resilience at the community and systems level, under Components 1 and 2, and at the household level, under Component 3.

48. **Paris Alignment**. The project is fully aligned with the national climate strategies, including the NDC and NAP. The mitigation risks are low, as most project activities are universally aligned, and others have a low-to-moderate risk. Appropriate risk-reduction measures have been incorporated when needed. Based on the GHG accounting, the project will result in a net reduction of GHG emissions. The adaptation risks are acceptable, as the project has deliberately included activities to reduce the high risks of climate hazards for both the project and its beneficiaries. Further details on climate risks adaptation and mitigation measures are provided in Annex 2.

49. **Economic and financial analysis**. The ex-ante economic and financial analysis indicates that the project's planned activities are expected to be economically sound. A total of 19 financial models were developed for the assessment, including eight for various PAP activities, three for irrigation and water conservation ones, and eight for agribusiness and off-farm ones (including dairy, meat, and animal feed production).

50. Based on the ex-ante analysis of environmental externalities, the project is expected to reduce GHG emissions relative to a business-as-usual scenario. Using the FAO's Ex-Ante Carbon-balance Tool (EX-ACT), it was estimated that the project could mitigate GHG emissions by 32,882,407 tCO_2eq over a period of 20 years, or 1,641,120 tCO_2eq per year. Emission savings are expected to result from improved rangeland management (−1,620,495 tCO_2eq per year) and livestock productivity (-48,058 tCO_2eq per year). GHG emissions are expected to increase with the cropland practices (23,755 tCO_2eq per year), the use of inputs including electricity and fuel in processing and transportation, and fertilizer and pesticide (3,678 tCO_2eq per year).

51. **Economic cost-benefit modeling found the project to be profitable under all scenarios assessed, irrespective of whether the project's environmental externalities are factored in.** Under the baseline scenario, which does not factor in the project's environmental externalities, the project is expected to have a net present value (NPV) of US$125 million and an economic rate of return (ERR) of 13.3 percent. When environmental externalities are considered, using the shadow price of carbon, the project's NPV increases to US$897–1,671 million and its ERR increases to 37.4–55.5 percent, depending on whether a low or high price of carbon is used.[51] Sensitivity analysis on baseline scenario, revealed that the project profitability would remain above the discount rate of 7 percent for all scenarios tested. However, sensitivity analysis also revealed that the project's profitability will be sensitive to a decline of benefits by 30 percent (NPV of US$ 39 million and ERR of 9.3%) and the increase in costs by 30% (NPV of US$ 76 million and ERR of 10.4%) but still above the discount rate. The sensitivity analysis also considered different exchange rate regimes and the result remains robust with positive NPV and an EIRR above the 7 percent discount rate.

B. Fiduciary

(i) Financial management

52. The project's FM arrangements meet minimum requirements under the World Bank Policy and World Bank Directive on Investment Project Financing (IPF). This was the conclusion of the FM assessment that was carried out for LLRP II in accordance with the Financial Management Manual for World Bank Investment Project Financing Operations, reissued on September 7, 2021, effective March 1, 2010. MILLs will coordinate and manage all FM aspects of the project through an FPCU established under it and staffed with FM experts, among others. The project's FM will follow government procedures and an FM manual will be prepared following board approval. The implementing partners will be the EDRMC, MoA, MLSs, ECC, EIAR, ATI, and EMI. The project will prepare a consolidated AWPB and will obtain the 'no objection' from the World Bank. The budget will be proclaimed under MILLs. The project will establish separate sets of accounts and maintain an adequate accounting system. The internal

[51] Under the low-price scenario, the carbon price increases from US$50/tCO2eq in 2020 to US$81/$/tCO2eq in 2042; under the high-price scenario, it increases from US$99/$/tCO2eq in 2020 to US$162/$/tCO2e in 2042.

audit unit of the FPCU will conduct an internal audit of the project. Quarterly unaudited interim financial reports (IFRs) will be submitted within 45 days of the end of the fiscal quarter according to agreed IFR formats. Ring-fencing measures will be taken to minimize any FM risks during the period of overlap between LLRP I and LLRP II, when both projects will be active. The project fund flow follows the Government's channel 2 mechanism, whereby the funds will be transferred to MILLs/FPCU through a segregated Designated Account to be opened at the National Bank of Ethiopia. The project will also maintain separate local currency bank accounts at all levels. All disbursement methods are available to the project. For the advance to Designated Account and reimbursement methods, the project will use report-based disbursements, with the submission of a six-month forecast as part of quarterly IFRs. MILLs/FPCU will be responsible for having the project financial statements audited annually by an independent auditor acceptable to IDA and submit the audit reports to the World Bank within six months of the fiscal year-end and an interim audit within three months after the end of the first semester. Further details on FM are found in Annex 1.

(ii) Procurement

53. Procurement shall be carried in accordance with the World Bank Procurement Regulations for IPF Borrowers, 5th edition, dated September 2023; 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated July 1, 2016 (Anti-Corruption Guidelines); and other provisions stipulated in the Financing Agreements. Procurement Plans will emanate from the Project Procurement Strategy for Development (PPSD) prepared for the project and cleared by the World Bank.

54. The Ministry of Irrigation and Lowlands and the respective bureaus at the regional level are responsible for implementing the procurement activities in the project through the eight PCUs that will be established or already established PCUs in LLRP I. The World Bank carried out procurement capacity assessments in the host agencies and identified risks and proposed risk mitigation measures. Some of the identified key risks are (a) inability to attract and retain qualified procurement and contract management experts; (b) limited procurement and contract management capacities; (c) incomplete and inaccessible procurement records and failure to update the Systematic Tracking of Exchanges in Procurement (STEP); and (d) lack of adequate competition and failed contracts due to multiple factors. Further details on procurement including mitigation measures are provided in Annex 1. The residual procurement risk rating is Substantial.

C. Legal Operational Policies

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	Yes
Projects in Disputed Area OP 7.60	No

55. The project triggers the World Bank Policy on "Projects on International Waterways" (OP/BP 7.50) because some of the investments will take place in the Abay, Baro-Akobo, Omo-Ghibe, Genale-Dawa, Wabi-Shebelle, Ogaden, Awash, Danakil and Rift Valley systems, which are shared by Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, and Sudan and hence are international waterways as defined by the policy. All riparian countries were notified on December 22, 2023, in accordance with the Policy, and no objections were received. The requirements of OP/BP 7.50 have therefore been met. Based on the outcome of the notification process and the assessment that the project will not cause appreciable harm; management approval to proceed with the project was granted on February 9, 2024.

D. Environment and Social

56. All World Bank Environmental and Social Standards (ESSs), except for ESS9, are deemed applicable to the project due to a range of potential environmental and social risks. These risks include water pollution, excessive water extraction, soil salinization, depletion of soil nutrients, challenges in solid waste management, land acquisition, elite capture, and the social exclusion of disadvantaged and vulnerable groups. The project underwent screening using the World Bank's online Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Risk Screening Tool, resulting in a risk classification of 'Substantial'. The Ministry of Irrigation and Lowlands (MILLS), as the implementing entity, has prepared all necessary Environment and Social Risk Management (ESRM) instruments. Consultations were conducted from November 9 to 30, 2023. The suite of instruments includes an Environmental and Social Management Framework (ESMF), Labor Management Procedures (LMP), Stakeholder Engagement Plan (SEP), Social Assessment (SA), Security Risk Assessment and Management Plan (SRA/MP), SEA/SH Risk Assessment and Management Plan, and a Resettlement Framework (RF). These documents have been reviewed and approved by the World Bank and were disclosed in-country on December 22, 2023, on both the client's and the World Bank's websites.

57. **Climate Co-Benefits.** The project entails research-supported livestock emission mitigation actions that relate to better managing grazing land resources, modifying feeding practices, improving the treatment or use of animal manure, modifying the processing and transportation of animal products, and improving breeds[52].

58. **GHG** emission reductions will also emanate from pasture restoration and management, herd management, grazing (altered land use for grazing and feed production, feeding practices, manure treatment, and herd size management), and the promotion of renewable and efficient energy sources introduced to address the natural resource degradation (tree cutting and clearing of regenerative bushlands for fuelwood and goat feeding). Thus, project interventions are expected to have significant climate co-benefits. Most co-benefits are expected with respect to adaptation, through the adoption of sustainable rangeland management, physical, biological, and agronomic soil and water conservation practices, climate-smart crop and livestock technologies and practices including improved feed and livestock breeds, and efficient smallholder irrigation systems. The implementation of climate-smart PEI will significantly improve the adaptive capacities of communities and PAP production systems and reduce the vulnerability of PAP households by increasing their access to social and economic services.

59. **Citizen engagement.** Citizen engagement will be critical to the project realizing its development objective, with so many of the project's activities and investments designed to be driven by communities. Citizen feedback will be encouraged and reviewed on a regular basis through multiple channels, including the well-functioning GRM established under LLRP I, which will be further revamped through introduction of a mobile phone-based GRM with a dedicated SMS hotline accessible to the public. This service will be established in collaboration with telecom service providers. The project will ensure that beneficiaries know the PDO and its expected benefits, are actively involved in the preparation of the project's strategic documents (such as DPRSIPs and RMIPs) and understand how to utilize the available GRM. In addition, the participatory planning processes used to develop DPRSIPs and RMIPs will ensure community and stakeholder engagement in the planning and implementation of the project.

60. **Gender.** Given the impacts of climate change, both female and male pastoralists can benefit from diversifying their sources of income for greater resilience. However, female pastoralists have less access to resources such as land, housing, and finance. In Ethiopia, pastoralist women and girls face forms of inequality that begin at birth and are perpetuated by their low educational status, low health status, low social status, limited access to resources, and limited decision-making power within their communities[53]. Women in pastoralist communities have by far lower access to resources (land and housing) than average women in Ethiopia. For

[52] Zhang, Y. W., B. A. McCarl, and J. P. H. Jones. 2017. "An Overview of Mitigation and Adaptation Needs and Strategies for the Livestock Sector." In *Climate* 5 (4). https://doi.org/10.3390/cli5040095.

[53] Kinati W., D. Baker, E. C. Temple, D. Najjar, and A. Abenakyo Mulema. 2022. "Empowerment Resources, Decision-Making and Gender Attitudes: Which Matter Most to Livestock Keepers in the Mixed and Livestock-Based Systems in Ethiopia?" *CABI Agriculture and Bioscience* 3: 49.

example, in Afar pastoral communities, only 23.7 percent of women ages 15–49 have access to resources and only 11.6 percent in Somali ones. Gender-based educational disparities are severe among pastoralist communities. In Afar communities, 68.7 percent of women ages 15–49 did not attend school, and in Somali state, 75.3 percent did not attend school[54].

61. To address these and other gender gaps, the project, under Subcomponent 3.2, seeks to improve women's access to finance and markets and help them diversify their livelihood activities, notably through support for MSEs and PASACCOs. The project will finance an outreach campaign to facilitate women's enrollment in PASACCOs. Women will also be incentivized and supported, through targeted outreach and communication, to form or join MSEs and PASACCOs. Eligible MSEs will be given matching grants, and PASACCOs will be given saving leverage grants of up US$10,000 (in either case). To enhance MSEs' and PASACCO members' competitiveness and access to markets, the project will help women entrepreneurs acquire business development, financial literacy, bookkeeping, and leadership skills. The matching grants will help MSEs expand their business, while the seed capital will help PASACCOs leverage group members' savings and support their business activities with small loans. The project will help link the MSEs and PASACCOs to MFIs and the (DBE, from which they may seek loans. The project intends for: (a) at least 35 percent of newly established MSEs to be women-only ones, (b) 50 percent of the newly established PASACCOs (275) to be women-only groups, and (c) 50 percent of livelihood support and access to finance (MSEs, PASACCOs, and so on) to target women. Progress toward these targets will be tracked in the Results Framework.

62. **MFD.** The MFD activities will primarily be pursued under Component 3. They include (a) development of policy and infrastructure opportunities and value chains to attract private investment to engage in livestock product value addition and commercialization; (b) promotion of access to rural financial services and markets through MSEs, PASACCOs, and unions of PASACCO; (c) strengthening of links between PASACCO with unions and MFIs; and (d) establishment of Public Private Partnerships in the form of productive alliances involving PAP producers and other private value chain actors. The project will also facilitate private sector engagement under Subcomponent 2.1 through its support for commercial uses of *Prosopis juliflora* and other invasive plants. Under Subcomponent 3.1, the project will mobilize up to US$4 million in private capital in the context of implementing its matching grant program for MSEs (US$10,000 will be matched with 10 percent by each MSE). The project is therefore 'private capital mobilization-enabled'.

V. GRIEVANCE REDRESS SERVICES

63. ***Grievance Redress.*** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit http://www.worldbank.org/GRS. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit https://accountability.worldbank.org.

[54] Central Statistical Agency Ethiopia and International Classification of Functioning, Disability and Health (ICF). 2016. Ethiopia Demographic and Health Survey 2016.

VI. KEY RISKS

64. **The overall risk to achieving the PDO is Substantial.** Each risk identified, and their ratings rated substantial or high are listed below, along with proposed mitigation measures.

65. **Political and governance risk is High.** The political and governance situation of the country has remained volatile, especially over the last four years. Although the situation appeared to be calm since the peace deal between the federal government and the Tigray Regional Government in early November 2022, there are still localized conflicts and civil protests in parts of the country including parts of Amhara and Oromia regions. This risk will be mitigated by: (a) preparation and implementation of a Security Risk Assessment and Management Plan; (b) careful planning and execution of implementation support missions that emphasize security; (c) continued, regular, and strategic communication between government counterparts (project teams) and the World Bank; (d) proper implementation and monitoring of Environmental and Social Framework instruments, including Security Risk Analysis and Security Management Plan; and (e) enhanced transparency, (downward) accountability, and citizen engagement in project-supported activities. The project will directly contribute to alleviating some of the drivers of the political unrest and civil protests, including by improving citizens' access to improved socio-economic services, key resources (rangeland and water), and diversifying economic opportunities that increase incomes and reduce joblessness.

66. **Macroeconomic risk is High.** Macroeconomic imbalances have deteriorated as high domestic inflation persisted, forex shortages intensified, and domestic and external buffers depleted. Foreign exchange shortages are disrupting public and private sector activity and contributing to inflation. High levels of inflation and the distortions in the foreign exchange market could affect the activities envisaged under LLRP II, which are expected to benefit PAP households, SMEs, and public service providers such as the host ministry, implementing partners in general. To get a better sense of potential impacts of the foreign exchange distortions, sensitivity analyses, including for shadow exchange rates, were incorporated in the economic analysis of the project. The Bank and the IMF continue to work closely in collaboration with the authorities on addressing Ethiopia's exchange rate and other market distortions in an orderly and sequenced way to minimize social and poverty effects.

67. **Sector strategies and policies risk is Substantial.** The PAP lowlands and the livestock system in Ethiopia, among other factors, are constrained by the absence and or inadequacy of sector policies and strategies. This includes the lack of land-use policy that considers pastoral production and livelihood systems and pastoral land tenure policy that recognizes ownership rights of pastoralists. Moreover, the existing pastoral development policy and strategy is not comprehensive enough to guide a sustainable management and governance of rangeland resources. The project will mitigate these risks by (a) building capacities and engaging the Government to formulate and enforce appropriate pastoral land tenure and land-use policies and strategies; (b) facilitating review of the existing pastoral policies and strategies, addressing gaps, and supporting the full-scale rollout of new or revised policy; and (c) supporting policy dialogue platforms, think tanks, and coordination platforms including to strengthen the recently established Pastoral Advisory Council under the MILLs.

68. **Technical design of the project risk is Substantial.** The project proposes relatively complex multisectoral interventions and intervenes in disaster-prone areas, some of which are also becoming increasingly insecure. This may require changes in technical designs of specific interventions. Moreover, the project is mainstreaming climate considerations across activities, which brings novelty and is critical for sustainability of the impacts, and this approach may require a slight shift from business as usual, which may encounter some resistance. This set of risks will be mitigated by prioritizing interventions in different areas, so that implementation could continue if one area were inaccessible; adopting strong learning elements that will help regions move gradually toward the implementation of larger investments; and increasing their readiness and sustainability, sharing experiences, and

learning from each other. Moreover, additional staff will be hired to strengthen the PCU, and different national and international organizations will provide additional technical assistance for specific activities/components.

69. **Institutional capacity for implementation and sustainability risk is Substantial.** This is based on: (a) the limited institutional capacity of MILLs, the lead implementing agency, and other federal, regional, and decentralized entities to implement such a complex project; (b) the challenge of designing and implementing new systems such as early warning and climate information systems, RMS, digital and private sector-led extension, mobile-based, interest-free, and other financial products; and (c) weak links and coordination among institutions, sectors, programs and projects at all levels. This set of risks will be mitigated through awareness creation and training activities. The institutional capacity risk of MILLs will be mitigated by maintaining and strengthening LLRP I's PCU staff with additional recruitment of key positions relevant to the new design features of LLRP II with clearly defined job descriptions and accountability. To help mitigate coordination risk, the project will rely on existing government coordination platforms, including the MILLs-initiated Pastoral Development Council and the MoA-led Rural Economic Development and Food Security Sector Working Group. Furthermore, the project will coordinate with and build institutional partnerships between the PCU/MILLs and relevant local and international specialized agencies, such as the ATI, EDRMC, EMI, ECC, MoA, EIAR, MLSs, ICIPE, Heifer International, and CGIAR programs, and institutes such as AICCRA, ILRI, ICARDA, Alliance Biodiversity International, International Centre for Tropical Agriculture (CIAT), and International Maize and Wheat Improvement Centre (CIMMYT).

70. **Fiduciary risk is Substantial.** This is due to the high turnover of fiduciary staff in the PCUs at federal, regional and woreda levels, shortage of qualified accountants and auditors in the public bodies, weak internal audit function for projects, weak internal control at MILLs including audit issues, delay in the preparation and approval of the AWPB, and low budget utilization. The project will operate alongside the existing LLRP and this may create some FM risks in some woredas with accessibility limitations. Procurement risks are associated with capacity limitations at the PIU level, security concerns, market failures, shortages of foreign currency, price hikes, and shortage of construction inputs(details are provided in the procurement section). MILLs and most regions have acquired adequate experience in FM and procurement. However, the introduction of new federal level implementing agencies such as EDRMC, ATI, and EMI), and the geographic expansion of the Project in a new region (Diredawa), and 20 new woredas may require capacity strengthening. Fiduciary risks will be mitigated through: (a) timely preparation of project-specific procurement and FM manuals satisfactory to the World Bank; (b) assessment of the fiduciary capacity of implementing agencies at all levels and implementation of mitigation measures (action plans); (c) continuous capacity building (training); (d) for new project implementing regions and woredas, careful planning of capacity-building measures, including on STEP, and recruitment or assignment of one accountant for FM responsibilities; (e) timely preparation of the PPSD and Procurement Plan; (f) issuance of guidance notes to implementing entities to mitigate expenditure double-dipping; and (g) potential deployment of a Third-Party Monitoring Agent (TPMA) to monitor and evaluate project activities including fiduciary aspects in inaccessible woredas and sites.

71. **Environmental and Social risk is Substantial.** This rating is due to contextual security and climate disaster risks, as well as the absence, at times, of a clear allocation of water rights. The main E&S risk risks include water pollution, increase in water extraction, soil salination, soil nutrient management concerns, water consumption, pesticide use (although the project will not finance any), crop residue and solid waste management problems, etc. The social risks include: (a) land acquisition ; (b) elite capture; (c) social exclusion of disadvantaged and vulnerable groups; (d) escalation of social tensions d; (e) forced labor, child labor, and discriminatory hiring practices; (f) an influx of labor t; and (g) accidents and incidents. Contextual risks such as conflict, fragility, political instability, and internal displacement, particularly in some parts of the country, deepen the social risk of the project. To mitigate these environmental and social risks and impacts, the project will closely monitor implementation of the ESF instruments including the ESMF, LMP, SA, SEP and ESCP. Each project investment will be screened based on the ESMF procedure during implementation phase. Subproject specific E&S risk mitigation instruments such as

environmental and social management plans(ESMPs) will be prepared and implemented following the ESMF guidance.

72. **Stakeholder risk is Substantial.** This is due to the potential for: (a) the reemergence of political unrest and civil disturbances; (b) institutional/organizational restructuring/reorganization; (c) weak multisectoral coordination mechanisms; and (d) elite capture of project benefits and the exclusion of project beneficiaries, particularly underserved members of targeted communities. These risks will be mitigated through a series of carefully planned and properly executed consultations as per the Stakeholder Engagement Plan (SEP), during implementation. Elite capture risk mitigation measures will benefit from the experience of several World Bank-financed projects including, Pastoral Community Development Project II (PCDP II,P130276), LLRP (P164336), and Livestock and Fishery Sector Development Project (LFSDP,P159382) .

VII. RESULTS FRAMEWORK AND MONITORING

PDO Indicators by PDO Outcomes

Baseline	Closing Period
Improved the livelihoods and climate resilience of PAP communities in the lowlands of Ethiopia	
Climate preparedness and resilience building infrastructures constructed and operational* (Number)	
Jun/2024	Jun/2029
230	510
Land area under sustainable landscape management practices (Hectare(Ha)) CRI	
Jun/2024	Jun/2029
400000	1000000
Increase in yield of targeted livestock and crop commodities* (Percentage)	
Jun/2024	Jun/2029
0	25
Beneficiaries with 25 % or more annual household income increment due to project interventions (Percentage)	
Jun/2024	Jun/2029
0	60

Intermediate Indicators by Components

Baseline	Closing Period
Component 1: Pastoral Risk Management for Resilience	
Beneficiaries with access to timely information from the early warning and response systems and climate information services (Percentage)	
Jun/2024	Jun/2029
0	80
Project targeted Woredas with new or updated and automated disaster risk profile (Number)	
Jun/2024	Jun/2029
0	120
Regional Disaster Preparedness and Resilience-building Strategic Investment Plans prepared, endorsed by regional councils and automated for public use (Number)	
Jun/2024	Jun/2029
0	8
Component 2: Integrated Rangeland Management	

National Rangeland Monitoring System (RMS) developed and operational (Number)	
Jun/2024	Jun/2029
0	1
Climate Smart and Nature based Rangeland Management Plans (RMPs) updated or formulated and rolled out for implementation* (Number)	
Jun/2024	Jun/2029
28	29
Component 3: Climate Resilient and Sustainable Livelihoods	
Area provided with new/improved irrigation or drainage services (Hectare(Ha)) CRI	
Jun/2024	Jun/2029
0	2000
MSEs established for targeted value chains and operational 1 year after establishment (of which at least 35 % are women only MSEs) (Number)	
Jun/2024	Jun/2029
0	3,280
Project Beneficiaries that adopted two or more climate smart improved technologies and innovations* (Number)	
Jun/2024	Jun/2029
0	200,000
Annual increase in off take of animals from the project supported woredas* (Percentage)	
Jun/2024	Jun/2029
0	25
Beneficiaries reached with financial services (Number) CRI	
Mar/2023	Jun/2029
50000	120000
Productive alliances established and functional between PAP producers and private sector actors* (Number)	
Jun/2024	Jun/2029
15	45
Women beneficiaries (15-49 years) and children (6-23 months) with minimum dietary diversity (Number)	
Jun/2024	Jun/2029
0	250,000
Beneficiaries with Improved food security and resilience capacities to impacts of climate change (Percentage)	
Jun/2024	Jun/2029
0	60
Private capital Mobilized from MSE groups in conjunction with the matching grant from the project (Amount(USD))	
Jun/2024	Jun/2029
0	4,000,000
New Pastoral and Agro-Pastoral Saving and Credit Cooperatives (PASACCO) Established and Operational (of which 50 % will be women only PASACCOs)s) (Number)	

Jun/2024	Jun/2029
500	1050
Component 4: Project Management, Monitoring, Evaluation and Learning	
National and Sub-national annual Policy dialogues organized and facilitated by MILLs on climate change and PAP development agenda* (Number)	
Jun/2024	Jun/2029
0	13
Feedback (complaints, queries, suggestions) through GRM including SMS service, addressed and responded to within stipulated timeframes publicly communicated by the project (Percentage)	
Jun/2024	Jun/2029
0	90
Leadership positions held by women in all mixed (women and men) groups created/supported by the project (Percentage)	
Jun/2024	Jun/2029
0	30
Project direct beneficiaries (disaggregated by gender and age, 50 % women and 30 % youth)* (Number)	
Jun/2024	Jun/2029
2,500,000	3,000,000
Project Indirect beneficiaries (disaggregated by gender and age, 50 % women and 30 % Youth) (Number)	
Jun/2024	Jun/2029
0	2,000,000

NB. * Result Indicators continued from LLRP I.

Annex 1: Implementation Arrangements and Project Support

A. Project Institutional and Implementation Arrangements.

1. The project's institutional arrangements and implementation approach will build on and refine those developed by LLRP I, drawing on key lessons learned from that project's experience. The model aims at developing synergies, partnerships, and collaboration among the international organizations, government agencies, and other stakeholders supporting and serving PAP communities in Ethiopia. The implementation arrangements are based on the following principles: (a) bringing relevant government institutions, national and international technical organizations, and development partners under one coordinated umbrella, and (b) institutionalizing the sound structures and improved practices developed during project implementation, making them part of permanent PAP support systems and institutions.

2. The functions, roles, and thematic domains of each agency involved in project implementation are well-defined in the implementation arrangements for each of the project components. Moreover, the grouping of the institutions into demarcated roles in the areas of governance, coordination, and management, partnership implementation, and technical assistance will ensure coherent project implementation and smooth delivery of benefits to PAP communities. Key roles relating to governance, coordination, and management include oversight, policy guidance, administrative actions, and results monitoring. Roles relating to partnership implementation and technical assistance will include capacity building and the provision of technical advice. Technical assistance from international agencies will ensure that project implementation will leverage state-of-the-art technologies and global best practices. Project implementation arrangements will also reduce several risks, including a possible divergence of efforts, duplication of programs, and dispersion of resources, by ensuring strong coordination, convergence, and collaboration among the key institutions mandated to work in the PAP sector. The project implementation structure will go down to the woreda level. Local government entities at the kebele and community levels will ensure the involvement and participation of PAP communities in the planning, implementation, and maintenance of investments, as needed. The Kebele Development Committee will be supported and assisted by the community facilitation team consisting of women, youth, and other community members. The project will support them by building their capacity and covering mobilization and meeting expenses. Institutional arrangements and planned partnerships are described in greater detail in the PIM. Figure 1.1 depicts the project's institutional arrangements.

Figure 1.1. LLRP II Institutional Arrangements

B. Strategy and Approach for Implementation Support

3. **The proposed Implementation Support Plan (ISP) is consistent with the World Bank's operational guidelines for Investment Project Financing and considers the Project-specific challenges and risks, as defined in the Systematic Operations Risk-Rating Tool.** It is based on mechanisms that would enable enhanced implementation support to the GoE; timely and effective Project monitoring; and guidance on technical, fiduciary, environmental, institutional, and social aspects. The ISP would entail regular technical meetings and implementation support missions, including field visits, as appropriate as well as M&E activities. The World Bank's implementation support would broadly consist of:

FIX FORMAT

Capacity-building activities to strengthen the ability to implement the proposed activities, covering the technical, fiduciary, and environmental and social dimensions.

a) Provision of technical advice and implementation support geared towards the implementation of activities and attainment of the PDOs and intermediate results indicators through enhanced coordination with international and local implementing and technical partners, including ILRI, AICCRA, Alliance International Biodiversity and CIAT, ICARDA, ICIPE, ATI, Heifer International , etc.).
b) Ongoing monitoring of implementation progress, including regular review of key outcome and intermediate indicators, and identification of bottlenecks.
c) Monitoring changes in risks to the Project, identification of appropriate mitigation measures, and compliance with the financing agreements.

4. Technical meetings and semi-annual supervision missions would seek to provide strategic support to assess implementation progress; ensure the continued strategic alignment of the Project to local priorities, especially through regular engagement with key stakeholders and project beneficiaries in the lowlands development, particularly pastoral and agropastoral communities' livelihoods and climate resilience areas and Project beneficiaries; and build the Ministry of Irrigation and Lowland's (MILLs) capacity to evaluate project progress and ensure achievement of project results. The World Bank's support will also include mobilizing global expertise from international partner organizations such as FAO and CGIAR, including through the hiring of specialized consultants for the Project's technical aspects as needed, which will include but not limited to dryland farming, Climate Smart Agriculture and Livestock, Climate Change Adaptation and Resilience Measurement, impact evaluation design and monitoring, etc.

5. The Ministry of Irrigation and Lowlands (MILLs) allocated US$33.7 million (11 percent of the total project cost) for component 4 on Project Management, Monitoring and Evaluation, of which US$12.1 million is allocated for the project Monitoring and Evaluation activities.

6. The following table outlines key areas for implementation support, which will be refined during Project implementation based on progress and rising needs.

C. Implementation Support Plan and Resource Requirement

Time	Focus	Skills and Resources Needed
Year 1	• Ensure project Planning, budgeting, and allocation. • Review and support staffing of implementing agency. • Support preparation, consultation, and publication of Environmental and Social Management instruments • Assist client in formulation of terms of reference and assessment of resources required to implement Project components and setting up integration of proposed systems including Early warning and Action System, Climate Information Services (CIS) Systems, Rangeland Monitoring System (RMS) in to one project MIS, etc. • Reviewing the TA needs. • Monitor Results Framework including through project M&E and MIS. • Coordination with International and local technical partners (including ILRI, AICCRA, Alliance International Biodiversity and CIAT, ICARDA, ICIPE, ATI, Heifer International , etc.)	• Project management, monitoring, and evaluation • Operations and implementation support • Financial management • Procurement management • ESF management • Staff salary and operational cost
Years 2-4	• Monitor project budgeting and allocation. • Monitor Results Framework • Review technical performance. • Assess fiduciary performance. • Monitor Environment and Social performance. • Carry out Mid-Term review to assess the Project's performance and identify if any changes are needed in the project's design. • Coordination with International and local technical partners	• Project management, monitoring, and evaluation • Operations and implementation support • Impact evaluation design • Financial management • Procurement management • ESF management • Staff salary and operational cost
Year 5	• Monitor project budgeting and allocation. • Complete all planned infrastructure works. • Monitor Results Framework • Assess technical, fiduciary, and Environment and Social performance. • Begin collecting data for the implementation completion and results report in the final 6 months of implementation. • Coordination with international and local technical partners with focus on evaluation and impact assessment	• Project management, monitoring, and evaluation • Financial management • Procurement management • ESF management • Staff salary and operational cost

D. Financial Management

7. **A Financial Management (FM) assessment** was carried out for the LLRP II per the Financial Management Manual for World Bank Investment Project Financing Operations. The FM risk of the project is Substantial. The preliminary mitigating measures proposed in the action plan will help to reduce the risk of the project once implemented and applied during project implementation.

8. **Entities responsible for Financial Management -**The project will involve 120 woredas in eight regional states (Somali, Afar, Benishangul-Gumuz (BG), Gambella, Southern Ethiopia Region (SER), Southwest Ethiopia Peoples' Region (SWEPR), Oromia and Dire Dawa). The project will be implemented under the leadership of MILLs through the FPCU which will be responsible for the financial management aspects of the Project liaising with regions and the federal implementing entities (MoA, ATI, EIAR, ECC, EDRMC, EMI, MLSs) as well as regional entities (BoA, RARI, RCA) including woredas. Out of the 120 woredas, 20 are new woredas that need continued capacity-building activities.

9. **Budget arrangement for the project.** The project will follow the Federal Government of Ethiopia's budgeting procedure and calendar. The FPCU, at MILLs, will prepare a consolidated AWPB which will be submitted to the World Bank for no objection before May 31 of each year and the budget will be proclaimed under the MILLs. The FPCU will ensure that robust budget monitoring and control mechanisms are in place. IFRs would include budget monitoring reports including variance reports along with explanations of material variances. Management will take corrective measures based on the reports.

10. **Accounting.** The GoE's accounting policies (modified cash basis) and procedures will apply to the project. Separate accounts for the project will be maintained at the FPCU. LLRP II will prepare a Financial Management Manual (FMM) within three months of the approval date, based on the experience of the existing LLRP FMM, and disseminate it to all implementers. A chart of accounts that is adequate to capture the project expenditures both in component and category will be developed for LLRP II and shared with all implementers including the new woredas and federal entities. The project's accounting system is expected to capture project records at the component, subcomponent, and activity levels. In addition, to comply with government reporting requirements, the project will have to maintain records through IFMIS. Currently, the finance function for LLRP is fully staffed at all levels for the existing implementers and the required staff will be filled for the new implementing entities under LLRP II.

11. The project will become active before the existing LLRP project is closed. In addition, the Project Coordination Units (PCUs) for LLRP will continue to support this project. Therefore, there is a risk of duplication or double dipping in the overlapping period. To mitigate this risk, appropriate controls will be designed and implemented, including separate budget preparation including separate AWPB; maintaining separate accounts; separate accounting records, vouchers, and documentation; separate staffing (as appropriate); using different 'PAID' stamps for each project; and so on.

12. **Grants and Seed Funds** – For Matching Grants to MSE under component 3.2 (a) and Access to finance seed funding to PASACCOs under component 3.2 (b), the project will have a separate manual/guideline for Matching Grant and Seed Funds either as part of the PIM or separately to provide guidance on selection, implementation, administrative, and other procedural issues regarding the components which include FM procedures and this is an effectiveness condition. On Financial management issues the Manual will explain the various FM arrangements including planning, controls, accounting, fund flow, reporting, oversight, audit, etc. A separate category will be set for each sub-component (parts 3.2 (a) and 3.2 (b)) of the project. In terms of expenditure recognition, because of the wide number of MSEs and PASACCOs to be involved and small amounts per recipient, for the Matching Grant and Seed Fund, the project will record expenditures upon transferring the money into the account of the MSEs and PASACCOs. However, the project's M&E system will monitor the use of

the funds; the project's internal auditor will also check periodically on the proper management of this activity; and the external auditors as part of the interim audit arrangements will check whether the entities are using the funds as per the requirement of the Manuals. The TPM will also include this due diligence exercise of ensuring that the funds are disbursed and being used for purposes intended as one of its roles. In addition, the FMM will also include detailed FM arrangements and requirements to manage this.

13. **Internal control and internal audit arrangements.** All the applicable Government internal control policies and procedures will be applied to the project. In addition, the project's FMM will incorporate detailed control procedures specific to the project. The internal audit unit of the FPCU will conduct audits, prepare reports, and share them with the World Bank. The management will take the necessary action on the internal audit findings and update the World Bank on the status of the implementation of the findings as part of the quarterly IFRs. Training will be provided to the internal auditors to enhance their capacity.

14. **Financial reporting arrangements.** Quarterly IFRs will be required for the project. The FPCU will prepare the quarterly IFR and submit it to the World Bank within 45 days after the end of the quarter. The template of the IFR is agreed and annexed to the Disbursement and Financial Information Letter (DFIL).

15. **External audit arrangements.** The MILLs/FPCU will ensure that the project accounts are audited annually. Annual audited financial statements and audit reports (including management letters and audited financial statements, with audit opinion) of the project will be submitted to the World Bank within six months from the end of the fiscal year using auditors acceptable to the World Bank. The auditor will be appointed within three months of effectiveness. The annual financial statements will be prepared within three months of the end of the fiscal year per standards and provided to the auditors to enable them to carry out and complete their audit on time. The audit will be carried out per the International Standards of Auditing issued by the International Federation of Accountants. Similar to LLRP, this Project will also have an interim audit report arrangement which is part of the annual audit report. By the World Bank's policies, the World Bank requires that the borrower disclose the audited financial statements in a manner acceptable to the World Bank. After formally receiving these financial statements from the MILLs, the World Bank will make them available to the public in accordance with the World Bank Policy on Access to Information.

16. **Third-Party Monitoring Agency (TPMA)** – Given the fact that some project woredas and communities have been inaccessible for monitoring and evaluation under LLRP, a Third-Party Monitoring Agency (TPMA) will be considered under LLRP II. The TPMA will include fiduciary assurances and involve teams with Financial Management (FM) expertise. The monitoring service's ToR will include required FM assurance activities and deliverables.

E. Disbursement Arrangements

17. **Funds flow and disbursement arrangements.** The project is an investment project financing, with a total project cost of US$424 million. The funding sources are US$340 million from IDA; US$80 million in co-financing from the International Fund for Agricultural Development (IFAD) and US$4 million from local farmer organizations. The project will follow the Government's channel two fund flow mechanisms, where IDA and IFAD funds will be made available directly to accounts managed by MILLs/FPCU. The MILLs/FPCU will open segregated Designated Accounts (DA) denominated in US dollars at the National Bank of Ethiopia (NBE) for IDA and IFAD sources. These accounts shall be opened by the credit and grant effectiveness date. The authorized ceiling of the DA would be two quarters forecasted cash requirement based on the approved AWPB. Funds from the designated US dollar accounts will be further transferred into pooled Birr accounts to be opened at the Federal, regional, zonal as well and woreda level implementing entities. It is important to ensure that the funds of this project are not comingled with the funds of the existing LLRP project.

18. **Disbursement methods.** The project may follow one or a combination of these disbursement methods: Advance to Designated Account, Direct Payment, Reimbursement, and Special Commitment. Further details about disbursements to the project will be included in the DFIL. Initial advances will be made based on six-month forecasts prepared based on the approved AWPB. Further replenishments will be made upon submission of the quarterly IFRs. The IFR will be used to settle past advances to the DA and request future resources.

19. **Financial Management Risks and Action Plan**. The FM risk of the project is Substantial and action plans are agreed to mitigate the risks.

Action Plan

	Action	Date Due By	Responsible
1.	**New Implementing Woredas Capacity Assessment: -** FM readiness is assured in all new 20 woredas, which as a minimum, will include the assignment or recruitment of an accountant; provision of basic FM training to accountants on the project FM requirements, opening bank accounts, and the setting up of sets of accounts and accounting systems.	Within three months of project effectiveness and before disbursement to the woredas.	MILLs/ FPCU
3.	**Manuals** -Prepare the project FM manual based on the existing LLRP -Prepare grant/seed money Manuals (GSMM)	FMM-3 months of effectiveness; GSSM-by Effectiveness	MILLs /FPCU
4.	**AWPB** The project's Annual Work Plan and budget will be prepared and submitted to the Bank by the end of May of each year. The budget will be notified before the start of the new FY.	During implementation	MILLs /FPCU
5.	**Staffing/Capacity building** Recruit or assign one accountant for each **new** entity implementing the project. Notify the Bank of the assigned personnel within three months of effectiveness. Provide training within one month of notification to the Bank.	With four months of effectiveness	MILLs/FPCU
6.	**Internal control- Internal audit** The internal audit will be conducted and share audit reports to World Bank. The management will take the necessary action to address the findings.	During implementation	MILLs
7	**Control over expenditure comingling/double dipping** Implement actions to minimize the risk of expenditure comingling/double dipping at all levels	Within one month of project effectiveness	MILLs/FPCU
8	**Entity audit findings of MILLs with adverse opinion** An update will be made by MILLs on whether entity audit findings are being addressed or actioned.	During implementation	MILLs/FPCU

F. Procurement

20. **Governing Procedure**: Procurement shall be carried in accordance with the World Bank Procurement Regulations for IPF Borrowers, 5th edition, dated September 2023; 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated July 1, 2016 (Anti-Corruption Guidelines); and other provisions stipulated in the Financing Agreements.

21. **Procurement Documents**: The World Bank's latest Standard Procurement Documents (SPDs) will be used for procurement of goods, works, Consulting, and non-consulting services while approaching the international market. The SPDs are available on the World Bank external website: www.worldbank.org/procurement/standard documents.

22. **Use of National Procedure:** The national (both federal and regional) procedure is accepted for procurement from the national market provided that the requirements for use of the national procedure specified in the Regulation para 5.4 are met. Other national procurement that may be applied by the borrower (such as limited/restricted competitive bidding, request for quotation/shopping, direct contracting), shall be consistent with the World Bank's core procurement principles and ensure that the World Bank's Anticorruption Guidelines and Sanctions Framework and contractual remedies set out in its Legal Agreement apply.

23. **Project Procurement Strategy for Development (PPSD), Procurement Plan (PP) and Systematic Tracking of Exchanges in Procurement (STEP).** The client prepared PPSDs and PPs for the first 18 months of project implementation. Most of the envisaged procurement activities are simple requirements that will be procured using standard procedure. The clients will use the World Bank's online tool (STEP) for procurement planning, processing, monitoring, and record keeping.

24. **Implementation Arrangement**: The Ministry of Irrigation and Lowlands is a focal ministry for coordinating and leading the procurement implementation in the project. The ministry will be supported by the PIU which will be staffed with qualified procurement and contract management specialists. Similarly, the respective regional offices with support from the respective PCUs staffed with qualified procurement specialist will be responsible for procurement implementation in their respective regions. Unlike LLRP I in which procurement has been implemented at local (Woreda) level, there are no procurement activities envisaged at woreda level under LLRP II. Thus, woredas are not identified as procurement implementing agencies under this project.

25. **Procurement Capacity assessment**: The World Bank carried out procurement capacity assessments using the Procurement Risk Assessment and Management System (PRAMS) template.

(a) *Procurement Regulatory Framework and management Capacity:* Both the Federal Government and Regional states (except the newly established regional states) enacted their respective public procurement proclamation and directives. The Federal proclamation is revised capturing the recommendation from the Core MAPS which is expected to be endorsed by the parliament soon. There is a fair level of application of the procurement rules in the day-to-day procurement implementation. As per the procurement document, the ministry established a clear procurement decision making structure including Bid Endorsing Committee which is mandated to review and approve procurement decisions for major contracts based on thresholds. The main challenge is elated to inability to attract and retain qualified procurement experts at federal and regional level due to unattractive incentive structure.

(b) Integrity and Oversight: The procurement IAs both at federal and regional level are subjected to internal and external audit. In addition, the procurement regulatory agencies at federal and regional level carry out procurement audit annually. However, the project procurement activities are not included in the scope of their audit and thus, there is gap regarding external oversight on Bank financed procurement.

To address the gap and given that the project is implemented in decentralized structure, independent procurement audit will be sponsored with enhanced ToRs to provide feedback on procurement implementation on top of PPRs. Close follow up and support and enhanced accountability measures are required to ensure that the client hire the independent procurement auditor timely and address recommendation emanating from the IPAs and PPRs.

(c) *Procurement Process:* The client applies proportionate procurement methods and documents. However, the national SBDs are not used in consistent with the procurement regulation para 5.4 related to Bank's audit right, fraud and Anti-Corruption and ESHS clauses. Though there is a good practice in applying evaluation and post qualification criteria as provided in bidding documents, there were cases in which irrelevant and inappropriate evaluation criteria were used and evaluation reports were incomplete. In addition, the PIUs should improve transparency of the procurement process related to publication of award information which has not been adequate in the past.

(d) Market Readiness: Most of the procurement activities will be sourced from the domestic market which is competitive. However, the project sites for the major infrastructure projects are remote with security concerns which limits competition and interest from the market. In addition, the market is characterized by shortage of construction inputs (mainly cement and reinforcement bar) and skyrocketing price.

26. **Procurement Risk and Mitigation measures**: Based on the available information on the procurement system, procurement contract management process and performance, the residual risk after implementation of the mitigation measures is “Substantial”. The major identified risks and proposed mitigation measures are as follows (i) Inability to attract and retain qualified procurement and contract management experts; (ii) lack of adequate competition and failed contracts due to security and market challenges; (iii) No standardized format for RFQ, PO, Evaluation reports etc.; (iv) Limited procurement and contract management capacity; (v) Skill gap to effectively use STEP; (vi) Limitation in the application of the agreed procurement decision making structure and complaint handling system; and (vii) Inadequate oversight commensurate to the size of decentralized implementation The proposed mitigation measures are (i) Recruit qualified procurement experts, at least two, in each of the federal and regional PIUs and provide attractive package as per the market rate (ii) Prepare Procurement Plans in advance and consider market conditions in selecting methods/approaches (iii) Prepare an agreed format and disseminate to Regions and provide training (iv) Provide training on contract management (v) provide training on STEP (vi) Strictly follow the agreed procurement and compliant handling procedure (vii) Plan and conduct a regular IPA and Prepare action plan and implement recommendation from IPA and PPRs

27. **Procurement oversight and monitoring arrangements**: The World Bank will exercise its procurement oversight through a risk-based approach comprising prior and post reviews as appropriate. The World Bank sets mandatory thresholds for prior review based on the procurement activity risk rating, as determined in the Procurement plan that will be agreed with the Bank throughout the course of project implementation. In addition, the client will employ independent procurement auditor and undertake procurement audit annually and submit audit report for Bank’s review.

Annex 2: Climate Co-Benefits

Table 2.1 Summary of Climate Co-Benefits by Activity

Summary of Climate Co-Benefits by Activity.	Adaptation	Mitigation
Component 1: Pastoral Risk Management for Resilience		
Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services		
Capacity building and capital investments to reduce the underlying causes of vulnerability to climate change at the systemic level	Increase awareness and information dissemination in the lowlands on how to adapt to climate change impacts. Mainstream national objectives on climate change adaptation into advisory services curriculum at decentralized levels with support of the project. Modernize the national early warning and response system.	—
Subcomponent 1.2: Implementing Disaster Preparedness and Resilience Investments		
Capacity building, infrastructure rehabilitation (goods and works)	Support adaptation to climate change impacts in the lowlands through enhancing the ability of local institutions' (local governments, public agencies, and utilities) to identify climate risks, undertake climate-risk informed investment planning and management, develop early warning systems, prepare contingency plans, develop, and enforce climate risk-informed building codes to all infrastructures, as appropriate, undertake climate-risk informed spatial planning, and so on. Selection of construction/rehabilitation of critical infrastructure will include climate change vulnerability as a primary consideration. Eligible climate-smart PEI investments to be financed under this subcomponent include the construction, upgrading, or rehabilitation of (a) water resources both for human and livestock consumption (such as deep water well, small, and micro-dams) to build drought resilience; (b) efficient and innovative small-scale irrigation schemes; (c all-weather feeder roads; (d) cold storage and feed stores, exploring renewable energy where possible, including solar power and biodigesters; (e) livestock market facilities; (f) veterinary service facilities; and (g) flood management works, prioritizing NBS identified under Component 2. Together, by enhancing access to critical social and economic services in sustainable and climate-smart ways, these investments are set to enhance the climate resilience capacities of the most vulnerable people to the impacts of climate change such as PAP community members including women, children, and the elderly. For instance, by constructing and updating feeder roads in the remote, historically underserved, and vulnerable project operation sites, the project provides access to markets, health, education, and other basic social and economic services, including emergency responses and access to public extension services. Improved road access implies improved opportunities and connectivity, thereby enhancing the	Support lower-carbon options for critical infrastructure investments and increase in carbon footprint and lifetime of the infrastructure compared to the pre-disaster or emergency scenario. When possible, the designs for construction, upgrading and rehabilitation of cold stores, feed stores, veterinary facilities will consider clean energy sources such as solar power.

Summary of Climate Co-Benefits by Activity.	Adaptation	Mitigation
	resilience and adaptation capacities of the beneficiaries. The construction and upgrading of livestock market facilities will consider climate vulnerability assessment. Improved livestock markets will enhance access to market and trade among the PAP communities and enhancing commercialization of livestock. Access to markets will give the PAP with the opportunities for commercial destocking during drought, thereby minimizing the livestock deaths due to lack of access to market. Improved and sustainable access to livestock markets will improve offtake of livestock from the less-commercialized livestock sector in the remote PAP areas, thereby improving household incomes giving opportunities for investments in non-farm/livestock opportunities and hence better and diversified incomes for better adaptive capacities and food and nutrition security. Through implementation of flood protection structures, including cutoff-drains, retention walls, and diversion weirs, the project will reduce the vulnerability of communities in flood-prone areas such as Gambella region.	
Component 2: Integrated Rangeland Management		
Subcomponent 2.1: Rangeland Health Monitoring and Institutional Capacity Building		
Capacity building	Establish a comprehensive national RMS and provide institutional and organizational capacity-building support at federal, regional, woreda, and community levels. Provide information on the rangeland trend in comparison with historical data for communities, managers, and policy makers to take proactive management, market, and so on actions before losses occur due to droughts or floods. For example, enhanced rangeland monitoring capacities at institutional, and communities' level will enable the prevention of irreversible degradation to the rangeland ecosystem.	Maintain healthy grasslands, avoid loss of soil carbon, and launch policy interventions that explicitly protect carbon stocks (for example, land-use zoning, enforcement of sanctions on deforestation, sustainable intensification of land use, and land degradation prevention measures).
Subcomponent 2.2: Participatory Rangeland and Pasture Management		
Capacity building, capital investments for pasture management (goods and works)	Increase the resilience of pastures to climate change impacts through participatory rangeland and pasture management and land restoration. This will include restoration, regeneration, and rehabilitation of grasslands; protection and prevention of further grassland degeneration; and management of invasive species. Empower women, indigenous and marginalized groups, and poor people through specific interventions that address their challenges such as improved access to pasture and water, in adapting to climate change. Improve the health and productivity of rangelands that are critical assets for PAP communities for their survival in such arid and semiarid environments where other types of livelihood	Support carbon sequestration activities: improve pasture management to increase soil carbon stocks and reduce erosion; improve grazing management, circular, or integrated activities that enhance carbon stock; and promote silvo-pastoralism and nitrification-inhibiting practices in pastures. Support production and marketing of high-yielding forage to increase livestock productivity

Summary of Climate Co-Benefits by Activity.	Adaptation	Mitigation
	options than rangeland-based livestock are not economically and environmentally feasible. Improved rangelands provide better ecosystem services for better adaptation to the impacts of climate change to vulnerable communities. For example, improved and sustainably managed rangelands will improve biodiversity through managing invasive plant, improve availability and quality of pasture and water, thereby improving production and productivity of livestock that depends on the natural rangelands, reducing livestock deaths and improving productivity with better milk, meat, and other livestock products for PAP community members, enhancing their food and nutrition security. This in turn improves the adaptation capacities of the community to the impacts of climate change. Similarly, by managing the wetlands through appropriate practices and innovations, the project improves the productivity of wetlands thereby improving food security and climate resilience of the vulnerable communities, as wetlands provide critical flood mitigation services and help prevent water logging of cropland and pasture lands.	to lower carbon intensity per product and reduce livestock mortality during drought times to reduce carbon wastage. The project will include a specific GHG reduction indicator to measure progress because of the project interventions. agreed to work with ILRI to develop methodologies to measure.
Subcomponent 2.3: Resource-Related Conflict Management and Mitigation		
Capacity building	Resource-related conflicts in the PAP lowlands of Ethiopia are one of the major drivers of food insecurity. Due to conflicts, (many of which are climate-related in nature given the impact of climate change on key natural resource availability) the PAP communities are not able to move freely and feed their animals. This issue is exacerbated during drought times when natural resources significantly diminish. Conflict-affected areas are not accessible by people and animals for long periods, leading to encroachment by unpalatable, alien, and native invasive plant species, further deteriorating the already constrained rangeland ecosystem. Support conventional and indigenous conflict prevention and mitigation mechanisms through conflict analysis and mapping, capacity building, facilitating peace-building dialogues, and strengthening customary institutions to be able to protect and secure access to key natural resources, enhance unconstrained mobility of livestock and pastoralists ensure access to better pastures, water, and markets, and public services during drought. This subcomponent will also engage the government to formulate and enforce appropriate pastoral land tenure and use policy to legally recognize and certify	Investments under this subcomponent will Identify and promote low carbon technologies such as solar energy, energy efficient fuel-saving stoves, biodigesters, biogas using manure and livestock wastes, etc. Through promoting and supplying these lower-carbon technologies to replace less efficient technologies (i.e., traditional wood stoves that necessitate deforestation) these investments will minimize the burden on natural resources through reduced deforestation, leading to a substantial reduction in GHG emissions.

Summary of Climate Co-Benefits by Activity.	Adaptation	Mitigation
	traditional pastoral land ownership and resource rights. If PAP land and resource rights are protected by law and secured, communities can protect the health of their rangeland resources and, in turn, mitigate the impacts of climate change.	
Component 3: Climate Resilient and Sustainable Livelihoods		
Subcomponent 3.1: Crop and Livestock Productivity and Climate Resilience		
Capacity building, goods, and works	Support PAPs in the development and implementation of agricultural and livestock production/processing practices including breed, health, feed, good animal husbandry practices (GAHPs), nutrition-sensitive interventions, and market linkages. Promoting Good Animal Husbandry Practices (GAHPs) could contribute towards resilience building by contributing to building adaptive capacity. All together, these will enhance production and productivity, improved and sustainable household incomes and hence improved nutrition and food security, thereby enhancing resilience and adaptive capacities of PAPs to impacts of climate change.	Supporting the development and adoption of climate-smart practices to improve animal production efficiency (health, feed, and reproduction management), and thus reduce emission intensity. Promoting good animal husbandry practices could contribute toward resilience building by contributing to building adaptive capacity. Supporting animal health management and providing selected high-quality feed could result in lower emission intensity from healthier animals. Investments will also promoting climate-smart irrigation technologies (such as solar, drip irrigation, and so on) combined with improved agronomic practices could lead to reduce GHG emissions.
Subcomponent 3.2: Commercialization and Livelihoods Diversification		
Capacity building, goods, works, and capital investments in market infrastructure	The lack of alternative viable livelihood options in the climate vulnerable lowlands of Ethiopia is one of the major challenges for PAs. Therefore, supporting livelihoods diversification and promoting alternative options has been identified as a critical resilience pathway for climate resilient livelihoods. Therefore, the project's support for livelihood diversification and commercialization will play a critical role in enhancing adaptation and resilience among poor households, including women and youth as many have already moved out or are on the verge of moving out the PAP systems because of livestock loss due to drought related livestock loss.	supporting household, to diversify available resources and engage in climate friendly livelihood activities will enable them to shift away from more carbon-intensive activities such as fuelwood cutting and the use of charcoal.

Measuring Livelihood and Climate Resilience

1. Improving the livelihood and climate resilience of PAP households, communities, and ecosystems is the central focus of the project and all its undertakings. The project views household and community resilience as stemming from three types of capacities: absorptive capacity, adaptive capacity, and transformative capacity. Table 2.2. offers more detailed descriptions of these capacities along with examples of LLRP II interventions that aim to build these capacities and indicators that will be used to measure how they evolve.

Table 2.2. Addressing and Measuring Livelihood and Climate Resilience in LLRP II

Resilience Capacity	LLRP II Intervention Area	Components	Measurement Indicators in Results Framework
Absorptive Capacity (Capacity to take intentional protective action and cope with or bounce back after a shock by ensuring stability and limiting negative impacts)	• **Early warning and response system and CIS** to provide timely and relevant information on natural shocks will help communities and government to take appropriate actions to reduce impacts.	1.1	**IR indicator:** Beneficiaries with access to timely information from early warning and response systems and climate information services (percentage)
	• **Participatory rangeland and pasture management** will protect rangeland and pastures as natural capital	2.2	**PDO indicator:** Land area under sustainable landscape management practices (hectares)
	• **Woreda risk profiles** help take proactive decisions to protect community groups through risk reduction and contingency planning	1.1	**IR indicator:** Woredas with new or updated automated disaster risk profiles (number)
	• **Disaster preparedness and resilience investments** will enhance preparedness and resilience of communities, their ecosystem and production systems.	1.2	**PDO indicator:** Climate resilient public economic infrastructure constructed and operational
Adaptive Capacity (adaptation is the flexibility to better manage and accept an unpredictable change)	• **National RMS** covering land, soil, and water as an adaptation to climate change	2.1	**IR indicator**: National rangeland monitoring system (RMS) developed and operational (number)
	• **Rangeland management plans** as forward-looking decisions and innovations to implement nature-		**IR indicator:** Climate Smart and Nature based Rangeland Management Plans (RMPs)

Resilience Capacity	LLRP II Intervention Area	Components	Measurement Indicators in Results Framework
	based climate-smart land management practices	2.2	updated or formulated and rolled out for implementation (Number)
	• **Animal health services** including the One Health approach, feed husbandry practices, and market intervention to ensure access to markets, livestock, and input supplies	3.1	**PDO indicator**: Increase in yield of targeted livestock and crop commodities (Percentage) **IR indicator**: Project Beneficiaries that adopted two or more climate smart improved technologies and innovations* (Number) **IR indicator:** Area provided with new or improved irrigation
	• **Feed, animal husbandry practices and market** interventions	3.2	**IR indicator:** Annual increase in off take of animals from the project supported woredas
	• **Digital crop and livestock extension** for technological and social innovations	3.2	**IR indicator:** Project beneficiaries that adopted two or more climate-smart improved technologies and innovations (number)
	• **Women-focused community groups** as social network to have strong and diverse participation on diverse livelihoods options	3.2	**IR indicator:** Leadership positions held by women in all mixed (women and men) groups created/supported by the project (percentage)
	• **Policy, solutions, and strategic approaches** for supporting adaptations during changing conditions	4.2	**IR indicator:** National and Sub-national annual Policy dialogues organized and facilitated by MILLs on climate change and PAP development agenda (Number)
Transformative Capacity (Capacity to consciously	• **Conflict mitigation to protect land-use rights** for collaboratively		**IR indicator:** Feedback (complaints, queries, suggestions) addressed and

Resilience Capacity	LLRP II Intervention Area	Components	Measurement Indicators in Results Framework
engage in long time change process)	working together for shared management of natural resources	2.3	responded within stipulated timeframes publicly communicated by the project (percentage)
	• **Diversifying and commercializing livelihoods** to reorganize and potentially transform practices and system to generate momentum for change	3.2	**PDO indicator:** Beneficiaries with 25 % or more annual household income increment due to project interventions. **IR indicator:** Beneficiaries supported with potential and viable alternate livelihood options (Number)
	• **Productive marketing alliances** along value chains to engage in the long-term process of change addressing poverty and social movements ensuring sustainable and just features	3.2	**IR indicator:** Productive alliances established and functional between PAP producers and private sector actors

Annex 3: Map of Area of Operation

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 2: CI Logframe

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

Lowlands Livelihood Resilience Project - Phase 2

Logical Framework

Results Hierarchy	Indicators		
	Name	**Baseline**	**Mid-Term**
Outreach	**1 Persons receiving services promoted or supported by the project**		
	Males - Males	1 250 000	1 375 000
	Females - Females	1 250 000	1 375 000
	Young - Young people	500 000	700 000
	Total number of persons receiving services - Number of people	2 500 000	2 750 000
	1.b Estimated corresponding total number of households members		
	Household members - Number of people	2 500 000	2 750 000
	1.a Corresponding number of households reached		
	Households - Households	500 000	550 000
Development Objective: To improve the livelihoods and climate resilience of pastoral and agro-pastoral communi-ties in the lowlands of Ethiopia	***Land area under sustainable landscape management practices (Land brought u practices)***		
	Hectares of land - Area (ha)	400 000	700 000
	Beneficiaries with Improved food security and resilience capacities to impacts c		
	Total number of household members Number of people	0	825 000
	Households Percentage (%)	0	30%
	Households Households	0	165 000
	Beneficiaries with 25 % or more annual household income increment due to pro		
	Households (%)	0	30%
Outcome 1: Enhanced resilience of PAP communities and ecosystems through improved disaster risk mgt and better public infras-tructure	**Beneficiaries with access to timely information from the early warning and resp climate information services**		
	Household members - Number of people	0	1 100 000
	Households (%) - Percentage (%)	0	40%
	Households (number) - Households	0	220 000
	Climate preparedness and resilience building infrastructures constructed and c		
	Number	230	330
Output 1.1: Climate smart public economic infrastructure subprojects implemented	**Project targeted Woredas with new or updated and automated disaster risk prof**		
	Number of Woredas	0	60
	Regional Disaster Preparedness and Resilience-building Strategic Investment P endorsed by regional councils and automated for public use		
	Number	0	4
	National Rangeland Monitoring System (RMS) developed and operational		
	Number	0	0
Outcome 2 : Improved natural rangeland health and productivity to increase the absorptive and adaptive capacity of PAP ecosystems and reduced conflicts	**CI 3.2.1: Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestere**		
	tCO2e/20y	0	
	ha	0	
	tCO2e/ha	0	
	tCO2e/ha/yr	0	
Output 2.1: Demonstrated improvements in the health and productivity of natural rangelands within the target PAP ecosystems	**Climate Smart and Nature based Rangeland Management Plans (RMPs) updatec rolled out for implementation**		
	Number	28	28
Outcome 3: Increase, diversify and stabilize incomes to empower PAP households for better absorption	**Annual increase in off take of animals from the project supported woredas**		
	Percentage	0	12.5

of changes and livelihood transform-ation	**Increase in yield of targeted livestock and crop commodities**		
	Livestock type	15%	20%
	Crop type	15%	20%
	1.2.5 Households reporting using rural financial services		
	Total number of household members Number of people	250 000	425 000
	Households Percentage (%)	10%	15%
	Households Households	50 000	85 000
	3.2.2 Households reporting adoption of environmentally sustainable and climate technologies and practices		
	Total number of household members Number of people	0	500 000
	Households Percentage (%)	0	18%
	Households Households	0	100 000
	2.2.3: Rural producers' organizations engaged in formal partnerships/agreemen public or private entities		
	Number of POs	15	30
	Total Number of POs members	750	1500
	Women PO members	375	750
	Men PO members	375	750
	Young PO members	225	450
	1.2.8: Women reporting Minimum Dietary Diversity (MDDW)		
	Women (number)	0	125 000
	Women (%)	0%	21%
	Households (Number)	0	125 000
	Households (%)	0	21%
	Household members (Number)	0	625 000
	Area provided with new/improved irrigation or drainage services CRI		
	Hectare(Ha)	0	1 000
	MSEs established for targeted value chains and operational 1 year after establis least 35 % are women only MSEs)		
	Total SME established	0	1 640
	Only women-MSEs established and or strengthened (as multiplier)	0	574
Output 3.1: Productive marketing alliances along the value chains promoted; Women focused PASACCOS and MSEs established and functional	**1.1.2 Farmland under water-related infrastructure constructed/rehabilitated**		
	Hectares of land Area (ha)	0	1 000
	Leadership positions held by women in all mixed (women and men) groups crea project		
	Percentage	0	15
	Private capital Mobilized from MSE groups in conjunction with the matching gra		
	Amount(USD)	0	2 000 000
	New Pastoral and Agro-Pastoral Saving and Credit Cooperatives (PASACCO) Es Operational (of which 50 % will be women only PASACCOs		
	Number	500	750
Outcome 4: Enhanced project management, improved coordination mechanisms, and expanded multi-stakeholder partnershipst	**Feedback (complaints, queries, suggestions) through GRM including SMS servi responded to within stipulated timeframes publicly communicated by the projec**		
	Total number of household members Number of people	0	1 237 500
	Households Percentage (%)	0	45%
	Households Households	0	247 500
	IE.2.1: Individuals demonstrating an improvement in empowerment		
	Total persons (number)	0	300 000
	Total persons (%)	0	10%
	Females (number)	0	450 000
	Females (%)	0	10%

	Males (number)	0	225 000
	Males (%)	0	15%
Output 4: Policy dialogues organized and facilitated on climate change	**Policy 2 Functioning multi-stakeholder platforms supported**		
	Number Platforms	0	4

	Means of Verification			Assumptions
End Target	**Source**	**Frequency**	**Responsibility**	
1 500 000 1 500 000 900 000 3 000 000 3 000 000 600 000	Progress Report, project M&E data and report	Supervision missions, annually, MTR, completion	PMU	Assuming an average household size of 5 persons, and 50 % women and 30 % Youth
nder climate-resilient 1 000 000 **of climate change** 1 800 000 60% 360 000 **oject interventions** 60%	Progress Report, Mid-term and endline survey, reports and satellite imagery	Mid-term/endline	PMU, implementing agencies	- Conflicts and civil disturbances - Natural disasters - Pest outbreaks - Multi-sectoral coordination - Households willing to adopt technologies and practices promoted
onse systems and 2 400 000 80% 480 000 **operational** 510	Mid-term and endline survey, reports	Mid-term/endline	PMU, implementing agencies	- Conflicts and civil disturbances - Households willing to adopt technologies and practices promoted
file 120 **Plans prepared,** 8 1	Service providers reports, project M&E data and report.	Supervision missions, MTR, completion	PMU, services providers and implementing agencies	- Multi-sectoral coordination
ed -35998590 1030250 -34.9 -1.7	Service providers reports, project M&E data and report, COI survey	Supervision missions, MTR, completion	PMU, services providers and implementing agencies	- Households willing to adopt technologies and practices promoted
d or formulated and 29	Service providers reports, project M&E data and report.	Supervision missions, MTR, completion	PMU, services providers and implementing agencies	- Multi-sectoral coordination
25				

25% 25% 600 000 20% 120 000 **e-resilient** 1 000 000 33% 200 000 **ıts or contracts with** 45 2250 1125 1125 675 250 000 42% 250 000 42% 1 250 000 2 000 **shment (of which at** 3 280 1 148	Baseline, Mid-term, endline survey reports: COI survey	Baseline, Mid-term, and endline	PMU, implementing agencies	- Households willing to adopt technologies and practices promoted - Extreme climatic and weather conditions - Political will at all governance levels
2 000 **ated/supported by the** 30 **ant from the project** 4 000 000 **stablished and** 1 050	Service providers reports, project M&E data and report, COI survey	Supervision missions, MTR, completion	PMU, services providers and implementing agencies	- Individuals embrace the training - Conflicts and civil disturbances
ice, addressed and **ct** 2 700 000 90% 540 000 600 000 20% 300 000 20%	National statistics, baseline, Mid-term, endline survey reports: COI survey	Baseline, Mid-term, and endline	PMU, implementing agencies	- Households willing to adopt practices promoted - Political will at all governance levels - Women have access to incentives production - Multi-sectoral coordination

450 000				coordination
30%				
13				

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 3: Logframe

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

Lowlands Livelihood Resilience Project - Phase 2

Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services promoted or supported by the project				Progress Report	Annual	PMU	Key assumptions: - Conflicts and civil disturbances - Natural disasters - Pest outbreaks - Multi-sectoral coordination
	Males (number)	1250000	1375000	1500000				
	Females (number)	1250000	1375000	1500000				
	Young (number)	500000	700000	900000				
	Not Young (number)							
	Non-Indigenous people (number)							
	Total number of persons receiving services (number)	2500000	2750000	3000000				
	1.b Estimated corresponding total number of households members				Progress Report	Annual	PMU	
	Household members (number)	2500000	2750000	3000000				
	1.a Corresponding number of households reached				Progress Report	Annual	PMU	
	Households (number)	500000	550000	600000				
Project Goal								
Development Objective	Land area under sustainable landscape management practices CRI (CI 3.1.4 Land brought under climate-resilient practices)				Progress Report	Annual	PMU	
	Hectares of land (ha)	400000	700000	1000000				
	Beneficiaries with Improved food security and resilience capacities to impacts of climate change				Progress Report, Mid-term and endline survey, reports and satellite imagery	Mid-term/endline	PMU, implementing agencies	
	Households (%)	0	30	60				
	Households (number)	0	165000	360000				
	Total number of household members Number of people (number)	0	825000	1800000				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Beneficiaries with 25 % or more annual household income increment due to project interventions				Progress Report, Mid-term and endline survey, reports and satellite imagery	Mid-term/endline	PMU, implementing agencies	
	Households (%)	0	30	60				
Outcome Outcome 1: Enhanced resilience of PAP communities and ecosystems through improved disaster risk mgt and better public infrastructure	Beneficiaries with access to timely information from the early warning and response systems and climate information services				Mid-term and endline survey, reports	Mid-term/endline	PMU, implementing agencies	
	Households (number)	0	220000	480000				
	Households (%)	0	40	80				
	Household members - Number of people (number)	0	1100000	2400000				
	Climate preparedness and resilience building infrastructures constructed and operational				Mid-term and endline survey, reports	Mid-term/endline	PMU, implementing agencies	
	Number (number)	230	330	510				
	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered							
	Hectares of land (ha)		0	1030250				
	tCO2e/20 years (number)		0	-35998590				
	tCO2e/ha (number)		0	-34.9				
	tCO2e/ha/year (number)		0	-1.7				
Output Output 1.1: Climate smart public economic infrastructure subprojects implemented	Project targeted Woredas with new or updated and automated risk profile				Progress Report	Annual	PMU	
	Risk Profile (number)	0	60	120				
	Regional Disaster Preparedness and Resilience-building Strategic Investment Plans prepared, endorsed by regional councils and automated for public use				Progress Report	Annual	PMU	
	Investment Plans (number)	0	4	8				
	National Rangeland Monitoring System (RMS) developed and operational				Service providers reports, project M&E data and report, COI survey	Supervision missions, MTR, completion	PMU, services providers and implementing agencies	
	Number (number)	0	0	1				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outcome Outcome 2 : Improved natural rangeland health and productivity to increase the absorptive and adaptive capacity of PAP ecosystems and reduced conflicts	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered							- Households willing to adopt technologies and practices promoted
	Hectares of land (ha)		0	1030250				
	tCO2e/20 years (number)		0	-35998590				
	tCO2e/ha (number)		0	-34.9				
	tCO2e/ha/year (number)		0	-1.7				
Output Output 2.1: Demonstrated improvements in the health and productivity of natural rangelands within the target PAP ecosystems	Climate Smart and Nature based Rangeland Management Investment Plans (RMIPs) updated or formulated and rolled out for implementation				Progress Report	Annual	PMU	
	RMIPs (number)	28	28	29				
Outcome Outcome 3: Increase, diversify and stabilize incomes to empower PAP households for better absorption of changes and livelihood transformation	Annual increase in off take of animals from the project supported woredas					Annual	PMU	
	Woredas (%)	0	12.5	25				
	1.2.5 Households reporting using rural financial services					Baseline, Midline and endline survey		
	Total number of household members (number)	250000	425000	600000				
	Households (%)	10	15	20				
	Households (number)	50000	85000	120000				
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices					Annual		
	Total number of household members (number)	0	500000	1000000				
	Households (%)	0	18	33				
	Households (number)		100000	200000				
	1.2.8 Women reporting minimum dietary diversity (MDDW)							
	Women (%) (%)	0	21	42				
	Women (number) (number)	0	125000	250000				
	Households (%) (%)	0	21	42				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Households (number) (number)	0	125000	250000				
	Household members (number)	0	625000	1250000				
	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities				Baseline, Mid-term, endline survey reports: COI survey	Annually	PMU	
	Number of POs (number)	15	30	45				
	Total number of POs members (number)	750	1500	2250				
	Women PO members (number)	375	750	1125				
	Men PO members (number)	375	750	1125				
	Young PO members (number)	225	450	675				
	Increase in yield of targeted livestock and crop commodities				Baseline, Mid-term, endline survey reports: COI survey	Annual	PMU, implementing agencies	
	Livestock type (%)	15	20	25				
	Crop type (%)	15	20	25				
	Area provided with new/improved irrigation or drainage services CRI				Progress Report, Mid-term and endline survey, reports and satellite imagery	Baseline, Mid-term, and endline	PMU, implementing agencies	
	Hectares of land (ha)	0	1000	2000				
	MSEs established for targeted value chains and operational 1 year after establishment (of which at least 35 % are women only MSEs)				Progress Report, Mid-term and endline survey, reports and satellite imagery	Baseline, Mid-term, and endline	PMU, implementing agencies	
	Only women-MSEs established and or strengthened (number)	0	574	1148				
	Total SME established (number)	0	1640	3280				
Output Output 3.1: Productive marketing alliances along the value chains promoted; Women focused PASACCOS and MSEs established and functional	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated				Progress Report	Annual	PMU	
	Hectares of land (ha)	0	1000	2000				
	Leadership positions held by women in all mixed (women and men) groups created/supported by the project				Service providers reports, project M&E data and report, COI survey	Supervision missions, MTR, completion	PMU, services providers and implementing agencies	
	Percentage (%)	0	15	30				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Private capital Mobilized from MSE groups in conjunction with the matching grant from the project				Service providers reports, project M&E data and report, COI survey	Supervision missions, MTR, completion	PMU, implementing agencies	
	Amount (USD) (number)	0	2000000	4000000				
	New Pastoral and Agro-Pastoral Saving and Credit Cooperatives (PASACCO) Established and Operational (of which 50 % will be women only PASACCOs				Service providers reports, project M&E data and report, COI survey	Supervision missions, MTR, completion	PMU, implementing agencies	
	Number (number)	500	750	1050				
Outcome Outcome 4: Enhanced project management, improved coordination mechanisms, and expanded multi-stakeholder partnerships	Feedback (complaints, queries, suggestions) through GRM including SMS service, addressed and responded to within stipulated timeframes publicly communicated by the project				National statistics, baseline, Mid-term, endline survey reports: COI survey	Baseline, Mid-term, and endline	PMU, implementing agencies	
	Households (%)	0	45	90				
	Households (number)	0	247500	540000				
	Total number of household members Number of people (number)	0	1237500	2700000				
	IE.2.1 Individuals demonstrating an improvement in empowerment							
	Total persons (%)		10	20				
	Total persons (number)		300000	600000				
	Females (%)		10	20				
	Females (number)		180000	360000				
	Males (%)		15	30				
	Males (number)		120000	240000				
Output Output 4: Policy dialogues organized and facilitated on climate change	Policy 2 Functioning multi-stakeholder platforms supported				Progress Report	Annual	PMU	
	Number (number)	0	4	13				

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 4: Integrated Project Risk Matrix (IPRM)

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	**Substantial**	**Substantial**
Political Commitment	*Low*	*Low*
Governance	*High*	*High*
Macroeconomic	*Substantial*	*Substantial*
Fragility and Security	*Substantial*	*Substantial*
Sector Strategies and Policies	**Substantial**	**Substantial**
Policy alignment	*Substantial*	*Substantial*
Policy Development and Implementation	*Substantial*	*Substantial*
Environment and Climate Context	**Substantial**	**Substantial**
Project vulnerability to environmental conditions	*Substantial*	*Substantial*
Project vulnerability to climate change impacts	*Substantial*	*Substantial*
Project Scope	**Moderate**	**Moderate**
Project Relevance	*Moderate*	*Moderate*
Technical Soundness	*Moderate*	*Moderate*
Institutional Capacity for Implementation and Sustainability	**Moderate**	**Moderate**
Implementation Arrangements	*Moderate*	*Moderate*
Monitoring and Evaluation Arrangements	*Moderate*	*Moderate*
Project Financial Management	**Substantial**	**Substantial**
Project Organization and Staffing	*Substantial*	*Substantial*
Project Budgeting	*Substantial*	*Substantial*
Project Funds Flow/Disbursement Arrangements	*Substantial*	*Moderate*
Project Internal Controls	*Substantial*	*Substantial*
Project Accounting and Financial Reporting	*Substantial*	*Substantial*
Project External Audit	*Substantial*	*Substantial*
Project Procurement	**Substantial**	**Substantial**
Legal and Regulatory Framework	*Moderate*	*Moderate*
Accountability and Transparency	*Substantial*	*Substantial*
Capability in Public Procurement	*Substantial*	*Substantial*
Public Procurement Processes	*Moderate*	*Moderate*
Environment, Social and Climate Impact	**Moderate**	**Moderate**
Biodiversity Conservation	*Moderate*	*Moderate*
Resource Efficiency and Pollution Prevention	*Substantial*	*Substantial*
Cultural Heritage	*Moderate*	*Moderate*
Indigenous People	*Moderate*	*Moderate*
Labour and Working Conditions	*Substantial*	*Substantial*
Community health, safety and security	*Moderate*	*Moderate*
Physical and Economic Resettlement	*Moderate*	*Moderate*
Greenhouse Gas Emissions	*Low*	*Low*
Vulnerability of target populations and ecosystems to climate variability and hazards	*Moderate*	*Moderate*

Risk Category / Subcategory	Inherent risk	Residual risk
Stakeholders	**Moderate**	**Moderate**
Stakeholder Engagement/Coordination	*Moderate*	*Moderate*
Stakeholder Grievances	*Moderate*	*Moderate*
Overall	**Substantial**	**Substantial**

Country Context	**Substantial**	**Substantial**
Political Commitment	***Low***	***Low***
Risk: The political commitment on the project and its objectives is very high, with a renewed focus on the development of the lowlands by the government. This is demonstrated by the creation of the Ministry of Irrigation and Lowlands, whose mandate id the development of the lowlands into economically active and resilient regions of the country. The government has also initiated and committed to the preparation of an overall Lowlands Development and Investment Programme, of which this project will be part of. However, there is limited risk of a change of policy from government that may change priorities from the lowlands.	Low	Low
Mitigations: These risks will be mitigated by: • Continued, regular and strategic communication between government counterparts (project teams), World Bank and IFAD. • Enhanced transparency, (downward) accountability, and citizen engagement in project-supported activities. The project will directly contribute by improving citizens' access to improved socio-economic services, key resources (rangeland and water), and diversifying economic opportunities that increase incomes and reduce joblessness.		
Governance	***High***	***High***
Risk: The political and governance situation of the country has remained volatile, especially over the last four years. In the north, including the Afar Region where the project will be active, hostilities appear to have ceased following a peace deal between the federal government and the Tigray Regional Government in early November 2022. However, there are still sporadic incidences of conflict. In other parts of the country including parts of Oromia, Benishangul-Gumuz and Gambela Regions, there are localized conflicts, civil unrest and rebel activity.	High	High
Mitigations: These risks will be mitigated by: • Preparation and implementation of a Security Risk Assessment and Management Plan. • Careful planning and execution of implementation support missions that emphasize security. • Continued, regular and strategic communication between government counterparts (project teams), World Bank and IFAD. • Proper implementation and monitoring of Environmental and Social Framework instruments, including Security Risk Analysis and Security Management Plan. • Enhanced transparency, (downward) accountability, and citizen engagement in project-supported activities. The project will directly contribute to alleviating some of the drivers of the political unrest and civil protests, including by improving citizens' access to improved socio-economic services, key resources (rangeland and water), and diversifying economic opportunities that increase incomes and reduce joblessness.		
Macroeconomic	***Substantial***	***Substantial***

Risk: Macroeconomic imbalances have deteriorated resulting in high domestic inflation, forex shortages, and depletion of domestic and external buffers. Foreign exchange shortages are disrupting public and private sector activity and contributing to inflation. High levels of inflation and the distortions in the foreign exchange market could affect the activities envisaged under LLRP II. To get a better sense of potential impacts of the foreign exchange distortions, sensitivity analyses, including for shadow exchange rates, were incorporated in the economic analysis of the project. Private sector participation in the economy is constrained by various economic and financial parameters. Consequently,	Substantial	Substantial
Mitigations: In July 2024, The GoE has agreed to an economic reform package with the IMF and the WB, that is aimed at spearheading the economic recovery of the country, in an orderly and sequenced manner—minimizing social and poverty effects, the policies that are resulting in Ethiopia's macroeconomic distortions. Following theses agreement, the GoE has reached an in-principle agreement with its creditors for debt restructuring that will reduce debt the debt stress that the country was experiencing. The reforms seem to be having early positive results on the economy.		
Fragility and Security	***Substantial***	***Substantial***
Risk: The country is facing multiple shocks from political and security instability, which has been exacerbated by climate change, regional instability with a war in Sudan and instability in the Red Sea. Internal conflicts are main cause of fragility. This is associated to fragile climatic and environmental conditions with recurrent natural hazards such as droughts, floods and locust invasions. International geopolitics and conflicts disrupt the supply chains and have a significant impact on the socio-economic situation in the country.	Substantial	Substantial
Mitigations: The project is designed to be implemented flexibly through quick reallocation of funds, close community driven interventions and strong reliance on early warning systems. The project is also promoting use of local materials and inputs. Local level interventions help to sustain project activities and impacts. Close monitoring of the situation by the country team.		
Sector Strategies and Policies	**Substantial**	**Substantial**
Policy alignment	***Substantial***	***Substantial***
Risk: The policies affecting the lowlands of Ethiopia and livestock systems specific to the lowlands are constrained, by the absence and or inadequacy of sector policies and strategies. Moreover, the existing pastoral development policy and strategy is not comprehensive enough to guide a sustainable management and governance of rangeland resources.	Substantial	Substantial
Mitigations: In relation to policy support, activities will include a number of trainings for government officials and community leaders, in assessing policy gaps and formulating strategies. The project will support efforts such as the formulation of a national rangeland management policy and regulatory framework that guides the sustainable management and governance of rangeland resources and legal frameworks relating to the livestock tracking system. These activities will be carried out in coordination with the recently established Pastoral Advisory Council under MILLs.		
Policy Development and Implementation	***Substantial***	***Substantial***

Risk: The lowlands of Ethiopia and livestock systems specific to the lowlands are constrained, among other factors, by the absence and or inadequacy of sector policies and strategies. This includes the lack of land-use policy that considers pastoral production and livelihood systems and pastoral land tenure policy that recognizes ownership rights of pastoralists and community-based land tenure.	Substantial	Substantial
Mitigations: The project will mitigate these risks by: • Building capacities and engaging the Government to formulate and enforce appropriate pastoral land tenure and land-use policies and strategies. • Facilitating review of the existing pastoral policies and strategies, addressing gaps, and supporting the full-scale rollout of new or revised Policy. • Supporting policy dialogue platforms, think tanks, and coordination platforms including to strengthen the recently established Pastoral Advisory Council under the MILLs. Assist in the development of a lowlands development and Investment Programme, that will identify key policy and investments for the development of the lowlands.		
Environment and Climate Context	**Substantial**	**Substantial**
Project vulnerability to environmental conditions	***Substantial***	***Substantial***
Risk: The main environment risks include increase in water extraction, soil salination, soil nutrient management concerns, water consumption, pesticide use (although the project will not finance any), crop residue and solid waste management problems. The social risks include: (a) displacement due to land acquisition; (b) elite capture; (c) social exclusion of disadvantaged and vulnerable groups; (d) escalation of social tensions d; (e) forced labour, child labour, and discriminatory hiring practices; (f) an influx of labour; and (g) accidents and incidents. Contextual risks such as conflict, fragility, political instability, and internal displacement, particularly in some parts of the country, deepen the social risk of the project.	Substantial	Substantial
Mitigations: To mitigate the project's environmental and social risks and impacts, the project will closely monitor implementation of the ESF instruments including the ESMF, LMP, SA, SEP and ESCP. Each project investment will be screened based on the ESMF procedure during implementation phase. Subproject specific environment and social risk mitigation instruments such as environmental and social management plans (ESMPs) will be prepared and implemented following the ESMF guidance.		
Project vulnerability to climate change impacts	***Substantial***	***Substantial***
Risk: The project's Climate and Disaster Risk Screening has underscored that the majority of the project area faces significant exposure to climate change hazards. Ethiopia stands out as one of the most vulnerable countries to the impacts of climate change. According to both the World Vulnerability Index and the ND-GAIN Matrix, Ethiopia ranks as the 19th most vulnerable and 34th least prepared country in the world to face these challenges. Climate variabilities, notably in the form of floods and droughts, have long exerted adverse effects on crop yields, livestock, natural resources, infrastructure, livelihoods, and water availability in the region. Drought, a recurrent phenomenon in the project's areas of interest, has been intensifying in frequency and severity, directly impacting the resilience and livelihoods of communities involved. Similarly, flooding poses significant risks, potentially causing damage to both existing infrastructure and facilities financed by the project, as well as to rangelands and croplands.	Substantial	Substantial

Mitigations: Effort for mitigation climate resilience will be adopted, initiatives to ensure PAP communities to have reliable access to water resources will be introduced. This involves employing modern drilling machinery with reduced carbon emissions to create boreholes efficiently. Additionally, a multifaceted approach will be taken to mitigate the impacts of climate change. This includes implementing adaptive strategies aimed at enhancing productivity through the adoption of innovative climate-smart technologies. Addressing conflicts over land using Resolution tools for effective communication to resolve disputes amicably and the enforcement of appropriate land tenure policies. Furthermore, there is a concerted effort to raise awareness and disseminate information in lowland areas regarding strategies for adapting to the impacts of climate change at different levels (federal, regional and Wareda). The national early warning and response system will be modernized to ensuring it is equipped to effectively address emerging climate-related challenges. This multifaceted approach is to empower communities and institutions to proactively respond to and mitigate the effects of climate change and natural hazards.		
Project Scope	**Moderate**	**Moderate**
Project Relevance	***Moderate***	***Moderate***
Risk: Due to some fragile security conditions, development objectives can be constrained by emergency situations. If this happens, the project's development objective and structural long-term investment may give place to emergency. The populations and institutions may also not be opened for development structural activities.	Moderate	Moderate
Mitigations: Close monitoring by the country team Efforts to avoid insecurity of large amplitude from government side and willing political commitment for sustainable development Nexus Peace and Development as strategy for development partners in the country		
Technical Soundness	***Moderate***	***Moderate***
Risk: The project proposes relatively complex multisectoral interventions and intervenes in disaster-prone areas, some of which are also becoming increasingly insecure. This may require changes in technical designs of specific interventions. Moreover, the project is mainstreaming climate considerations across activities, which brings novelty and is critical for sustainability of the impacts, and this approach may require a slight shift from business as usual, which may encounter some resistance.	Moderate	Moderate
Mitigations: This set of risks will be mitigated by prioritizing interventions in different areas, so that implementation could continue if one area were inaccessible; adopting strong learning elements that will help regions move gradually toward the implementation of larger investments; and increasing their readiness and sustainability, sharing experiences and learning from each other. Moreover, additional staff will be hired to strengthen the PMU, and different national and international organizations will provide additional technical assistance for specific activities/components.		
Institutional Capacity for Implementation and Sustainability	**Moderate**	**Moderate**
Implementation Arrangements	***Moderate***	***Moderate***

Risk: The risk regarding institutional capacity for implementation and sustainability is considered as substantial based on: (a) limited institutional capacity of MILLs, the lead implementing agency, and other federal, regional, and decentralized entities to implement such a complex project—given that they are relatively new institutions; (b) the challenge of designing and implementing new systems introduced in LLRP II such as early warning and climate information systems, RMS, digital and private sector-led extension, mobile-based, interest-free, and other financial products; and (c) weak links and coordination among institutions, sectors, programs and projects at all levels. Additionally, some of the project areas have undergone administrative restructuring (the Southwestern Region, for example, is a newly formed region that was drawn from what used to be the Southern Nationals and Nationalities Regional State) that has weakened their overall administrative capacity.	Moderate	Moderate
Mitigations: The risk will be mitigated through awareness creation and training activities. The particular risk regarding MILLs will be mitigated by maintaining and strengthening LLRP I's PMU with recruitment additional staff for key positions relevant to the new design features of LLRP II with clearly defined job descriptions and accountability. To help mitigate coordination risk, the project will rely on existing government coordination platforms, including the MILLs-initiated Pastoral Development Council and the MoA-led Rural Economic Development and Food Security Sector Working Group. Furthermore, the project will coordinate with and build institutional partnerships between the PMU/MILLs (and regional implementing agencies) and relevant local and international specialized agencies, such as the ATI, EDRMC, EMI, ECC, MoA, EIAR, MLSs, ICIPE, Heifer International, and CGIAR programs, and institutes such as AICCRA, ILRI, ICARDA, Alliance Biodiversity International, International Centre for Tropical Agriculture (CIAT), and International Maize and Wheat Improvement Centre (CIMMYT).		
Monitoring and Evaluation Arrangements	***Moderate***	***Moderate***
Risk: The inclusion of new components on Disaster Risk Management, climate advisory service etc may stretch the capacity of the M&E.	Moderate	Moderate
Mitigations: Strengthening the capacity of the PCMU in general and the M and E specialist in particular. Introducing simple monitoring formats to be used by customary institutional entities to track project milestones focusing on results and budget use and to identify implementation problems and best practices; Digitized resource maps, pictographic information on the RMIPs and its implementation progress; facilitating periodic structured discussions on learning and findings; capacity building of customary institution leaders and committee members on managing relevant information and promoting learning from such information; (v) develop information sharing and learning hubs at range land level. As part of self-monitoring, accountability mechanisms such as social audit committees, public display of information, participation in meetings, and a participatory grievance redress mechanism will be implemented. LLRP II will also work with ILRI and AICCRA to increase data quality and adapt the ILRI's Tracking Adaptation in Livestock Systems tool to track adaptation and resilience to climate change among targeted PAP households. Performance monitoring and review of the effectiveness and assessing project results and outcomes against the Results Framework.		
Project Financial Management	**Substantial**	**Substantial**
Project Organization and Staffing	***Substantial***	***Substantial***

Risk: (i)Limited FM capacity due to the high turnover of fiduciary staff in the PCUs at federal, regional, and woreda level and the shortage of qualified accountants in the public bodies. The introduction of new implementing agencies at the federal level, the geographical expansion of the project in a new region (Diredawa), and the fact that 20 new woredas will require the recruitment of additional FM staff will increase the risk of lack of capacity; (ii)Out of the 120 woredas, 20 are new woredas that need continued capacity-building activities. This poses of a high FM risks as there are high number of decentralized FM Units, and setting up an effective internal controls and audits will be more challenging.	Substantial	Substantial
Mitigations: (i) FM capacity assessment will be conducted. FM readiness will be assured in all new 20 woredas and recruitment or assignment of one accountant for each new entity implementing the project (federal, regional, and woreda level, including new RSCT and CAs). Notify the World Bank of the assigned personnel within three months of effectiveness; (ii)Providing training to finance staff on the project FM requirements within one month of notification of the assignment of the FM staff to the World Bank and conducting continuous capacity-building trainings during the implementation to strengthen the capacity of the FM staff.		
Project Budgeting	***Substantial***	***Substantial***
Risk: The project will follow the Federal Government of Ethiopia's budgeting procedure and calendar. The FPCU, at MILLs, will prepare a consolidated AWPB. However, there is a risk of delay in the preparation and approval of the AWPB, and low budget utilization. Procurement risks are associated with capacity limitations at the PIU level, security concerns, market failures, shortages of foreign currency, price hikes, and shortage of construction inputs may also result in slow budget utilization.	Substantial	Substantial
Mitigations: (i)The project's Annual Work Plan and budget to be prepared and submitted to the World Bank by the end of May of each year. The budget will be notified before the start of the new FY; (ii)Timely preparation of the Project Procurement Strategy for Development (PPSD) and Procurement Plan; (iii)The FPCU will ensure that robust budget monitoring and control mechanisms are in place. IFRs will have budget monitoring reports including variance reports along with explanations of material variances and the management will take corrective measures based on the quarterly reports.		
Project Funds Flow/Disbursement Arrangements	***Substantial***	***Moderate***
Risk: Funds flow and Disbursement Arrangements LLRP II will become active before the existing Project, LLRP, is closed and the Project Coordination Units (PCUs) for LLRP will also continue to support this project. Therefore, there is a risk that the funds of LLRP II project will be comingled with the funds of the existing LLRP project.	Substantial	Moderate
Mitigations: (i)A Segregated Designated Account (DA) will be opened for the project and managed by the MILLs/FPCU; (ii)For advances to the Designated Account, the project will use report-based disbursement, with the submission of a six-month forecast as part of quarterly Interim Financial Reports; (iii) For the new 20 woredas, an FM assessment will be conducted when the woredas are identified. Unless the FM assessment is done, no project resources will be channeled to the new woredas.		

Project Internal Controls	***Substantial***	***Substantial***
Risk: (i)The project will be implemented in the 120 woredas and out of 120 woredas, 20 are new woredas. This poses of a high FM risks as there are high number of decentralized FM Units, and setting up an effective internal controls and audits will be more challenging; (ii) The PEFA scored Internal audit poorly (D+ overall). There is a risk of weak internal audit function and weak internal control at MILLs including audit issues; (iii) The project will also fund matching grants and access to finance where there is a high risk of misuse of funds.	Substantial	Substantial
Mitigations: (i)All the applicable Government internal control policies and procedures will be applied to the project. In addition, the project's Financial Management Manual (FMM) will incorporate detailed control procedures specific to the project; (ii)The internal audit unit of the FPCU will conduct quarterly internal audits and share the internal audit reports with the World Bank. Training will be provided to the internal auditors to enhance their capacity. The management will take the necessary actions to address the findings. Quarterly IFRs will disclose the status of the implementation of the findings; (iii)Assessment of the fiduciary capacity of implementing agencies at all levels and implementation of mitigation measures (action plans); (iv)Issuance of guidance notes to implementing entities to mitigate expenditure double-dipping; and potential deployment of a Third-Party Monitoring Agent (TPMA) to monitor and evaluate project activities including fiduciary aspects in inaccessible woredas and sites; (v) Matching grants to MSEs and access to finance- seed funding will have separate guidance on selection, implementation, administrative, and other procedural issues regarding the components which will include FM procedures and this will be effectiveness condition. The project's internal auditor will also check periodically on the proper management of this activity. The TPM will also include this in due diligence exercise to ensure that the funds are disbursed and being used for purposes intended as one of its roles. In addition, the FMM will also include detailed FM arrangements and requirements to manage this.		
Project Accounting and Financial Reporting	***Substantial***	***Substantial***
Risk: The fact that the Project will continue to operate along with the existing LLRP poses the risk of double dipping whereby expenditures may be comingled among the two projects given the capacity limitations. In addition, this may create some FM risks in conflict-affected woredas with accessibility limitations.	Substantial	Substantial
Mitigations: (i)Designing appropriate controls, including assigning separate accountants from the PIU to each project; maintaining separate accounting records and document filing systems for each project. These controls will help to ensure that the accounting records for the two projects are kept separate and that there is no risk of mixing them up; (ii)LLRP II will prepare a Financial Management Manual (FMM), which includes an acceptable Chart of Accounts within three months of the approval date, based on the experience of the existing LLRP FMM, and disseminate it to all implementers; (iii) The project will develop a chart of accounts that is adequate to capture the project expenditures by component, category and financier for LLRP II and share the COA with all implementers including the new woredas and federal entities. In addition, to comply with government reporting requirements, the project will have to maintain records through IFMIS; (iv)The FPCU will prepare the quarterly IFR for LLRP II and submit it to the World Bank within 45 days after the end of the quarter. Project annual financial statements will be prepared on time and strict follow-up on timely closure of accounts will be made.		
Project External Audit	***Substantial***	***Substantial***

Risk: (i)The Project is highly decentralized and there is a risk that external audit scope may not cover the high risk areas, and may be not adequate; (ii) Risk of late submission of the audit reports and the management letter.	Substantial	Substantial
Mitigations: (i)Recruitment of external Auditors within 6 months of effectiveness; (ii) Agree on the Audit ToR & IFR format; Matching grants and access to finance activities will be included in the external audit TOR and will be covered by the auditors during the external audit process; (iii)Submission of annual audited financial statements and audit report including the management letter within 6 months of the each fiscal year; (iv) The audit will be carried out as per the International Standards of Auditing issued by the International Federation of Accountants. The Project will also have an interim audit report arrangement which is part of the annual audit report; (v)An update will be made by MILLs on whether entity audit findings are being addressed or actioned.		
Project Procurement	**Substantial**	**Substantial**
Legal and Regulatory Framework	***Moderate***	***Moderate***
Risk: (i) Most of the central government institutions do not maintain databases or records for contracts including data on what has been procured, the value of procurement, and who has been awarded contracts. They prepare the performance report directly from the source document at the end. In addition, all central government institutions do not submit their procurement performance reports on time to the FPPA. (ii) Out of six key procurement information (1. Legal and regulatory framework for procurement, 2. Government procurement plan, 3. Bidding opportunities, 4. Contract awards, 5. Data on resolution of procurement complaints, 6. Annual procurement statistics) only legal and regulatory framework for procurement and bidding opportunities are made available to the public through appropriate means.	Moderate	Moderate
Mitigations: IFAD, in collaboration with the World Bank, can strongly encourage government through policy dialogue to accelerate the creation of a reliable record/database for monitoring procurement management, ensuring that central government institutions prepare accurate reports and submit them to the FPPA, so that the latter can populate the database. It is also important to ensure that accuracy and completeness of reports are verified by the FPPA or by an external auditor. At project level, the systematic use of the CMT should be ensured so as to improve procurement monitoring. In addition, policy dialogue between IFAD and the Government should encourage the latter to improve the completeness of procurement information available to the general public. For example, the FPPA website could be used to ensure access to such information, as it is already the case for the legal and regulatory framework and bidding opportunities.		
Accountability and Transparency	***Substantial***	***Substantial***
Risk: (i) Complaints are not reviewed by a body which is not involved in any capacity in procurement transactions or in the process leading to contract award decisions. Indeed, out of 5 members, only one is seen as independent, while the others are directly involved in procurement activities. (ii) Ethiopia has a score of 38/100 in 2020 in the Corruption Perception Index and ranked 96/198.	Substantial	Substantial

Mitigations: The Government should be encouraged to ensure that national provisions on complaint system are applied, according to which and independent and functional system should be available. Members of the Complaint Review Board should be selected accordingly. (ii) Programme and the Lead executing agency to ensure that any individuals, firms and Government stakeholders involved in the implementation of LLRP II are well informed of the Revised IFAD's Policy on Preventing Fraud and Corruption in its activities and operations.		
Capability in Public Procurement	***Substantial***	***Substantial***
Risk: Procurement risks are associated with capacity limitations at the PMU level, security concerns, market failures, shortages of foreign currency, price hikes, and shortage of construction inputs. MILLs and most regions have acquired adequate experience in procurement; however, the introduction of new federal level implementing agencies (EDRMC, ATI, and EMI), and the geographic expansion of the Project in a new region (Dire Dawa) and 20 new woredas as well as the emergence of new regions is likely to result in some capacity gaps.	Substantial	Substantial
Mitigations: Training on Project procurement policies for the procurement staff. • Timely preparation of project-specific procurement manuals satisfactory to the World Bank and IFAD. • Assessment of the procurement capacity of implementing agencies at all levels and implementation of action plans to address identified limitations as well as continuous capacity building (training). • For new project implementing regions and woredas, careful planning of capacity-building measures, including on STEP. • Timely preparation of the PPSD and Procurement Plan. • Potential deployment of TPMA to monitor and evaluate project activities including procurement aspects in inaccessible woredas and sites.		
Public Procurement Processes	***Moderate***	***Moderate***
Risk: There might be lack of compliance to procurement method.	Moderate	Moderate
Mitigations: The Lead executing agency to ensure that procurement planning and AWPB are joint activities between the procurement, finance and technical officers to ensure consistence and alignment of activities, guided by programme technical delivery to inform procurement plan and financial flow projections.		
Environment, Social and Climate Impact	**Moderate**	**Moderate**
Biodiversity Conservation	***Moderate***	***Moderate***
Risk: Climate change, use of agrochemicals (project will not fund the procurement and use of agro chemicals) as well as use of forest clearance may cause loss of biodiversity	Moderate	Moderate
Mitigations: The ESCMF will adequately consider this and a budgeted mitigation measure, including integrated pest management, will be considered.		
Resource Efficiency and Pollution Prevention	***Substantial***	***Substantial***

Risk: Wasteful/in-efficient use of water for irrigation and drinking. Construction of infrastructures such as irrigation schemes, storage facilities, market will lead to pollution of environmental media such as water, soil and air.	Substantial	Substantial
Mitigations: Capacity building and awareness creation will be organized for the beneficiaries and Kebele/Woreda level experts and Das to ensure efficient use of water. Furthermore, water use regulations and bylaws will be prepared and implemented. Compliance to SECAP and national law on pollution prevention and precautionary approaches and increase use of organic fertilizer		
Cultural Heritage	***Moderate***	***Moderate***
Risk: Some construction activities may impact historical, religious or cultural resources.	Moderate	Moderate
Mitigations: Appropriate screening of project/sub project, consultation with responsible government representatives and communities as well as SECAP compliance.		
Indigenous People	***Moderate***	***Moderate***
Risk: The project will be implemented in PAP areas which are considered as indigenous by IFAD.	Moderate	Moderate
Mitigations: Adequate consultations and engagement with the targeted PAP communities and their institutions.		
Labour and Working Conditions	***Substantial***	***Substantial***
Risk: Project activities may cause forced or child labour, gender-based violence, discriminatory and unsafe/unhealthy working conditions	Substantial	Substantial
Mitigations: Awareness creation and capacity development to ensure project activities are conducted in a safe working environment. Contractor contracts will include clauses to ensure adequate working conditions. Furthermore, GRM system will be established/strengthened so that affected people have access to address and resolve their complaints. Sensitisation will also be done in collaboration with relevant authorities to prevent GBV. As part of the ESCMF, Labour Management Plan will be prepared and implemented accordingly to ensure presence of conducive working environment and avoid/reduce exploitative labour practices		
Community health, safety and security	***Moderate***	***Moderate***
Risk: Construction activities, may have a negative impact on community health and safety. Furthermore, some project activities such as water ponds/diversions may cause water-borne or other vector-borne diseases (e.g., temporary breeding habitats), and/or communicable and non-communicable disease. COVID-19 is still potential health threat	Moderate	Moderate

Mitigations: Provision of PPE, Integrated Pest management practises and also deploying of COVID-19 preventing measures as well as SECAP compliance		
Physical and Economic Resettlement	***Moderate***	***Moderate***
Risk: The proposed infrastructure development such as irrigation schemes, warehouses, and rural roads may cause physical, economic and involuntary resettlement and limit access to natural resources.	Moderate	Moderate
Mitigations: Adherence to SECAP and national laws entails screening of project activities and elaborating ESCMPs for the infrastructure development. Resettlement Action Framework (RAF) will be prepared to guide the identification and consultations of Project Affected People (PAP), quantification of physical and economic resettlements as well as estimate compensations. Depending on the number of PAPs, RAF will also guide the preparation of RAP. Furthermore, PMUs will work hand in hand with Woreda and Kebele administrations to ensure that PAPs are adequately consulted and compensations effected prior to commencement of any physical activities. GRM should be strengthened to ensure timely and satisfactory responses to complaints.		
Greenhouse Gas Emissions	***Low***	***Low***
Risk: Livestock fattening may cause emission of small amounts of GHGs. Generally, the project's contribution to GHG emission is minor	Low	Low
Mitigations: The initiative ensures that there will be no expansion of arable land through deforestation to meet the demands of crop production. Instead, the program emphasizes sustainable agricultural practices that promote responsible land use. This approach aligns with Ethiopia's climate policy, which prioritizes environmental conservation and the reduction of greenhouse gas emissions. In adherence to this climate-conscious strategy, special attention will be dedicated to the promotion of low-emission livestock, including poultry, sheep, and goats. These animals are known for their relatively lower environmental impact compared to traditional livestock options. For instance, poultry farming tends to have a smaller carbon footprint, as it requires less land and water compared to larger livestock such as cattle. The emphasis on sheep and goats is strategic, as these animals are generally more adaptable to diverse and challenging environmental conditions. By focusing on these specific livestock types, the program not only addresses the growing demand for animal products but also contributes to mitigating climate change. Sustainable livestock practices can play a crucial role in fostering a balance between agricultural development and environmental conservation. This dual focus ensures that the program not only meets the nutritional needs of the population but also aligns with Ethiopia's broader goals of achieving climate resilience and sustainability in its agricultural sector.		
Vulnerability of target populations and ecosystems to climate variability and hazards	***Moderate***	***Moderate***
Risk: Programme interventions may increase exposure of communities, ecosystems and infrastructure to climate shock	Moderate	Moderate

Mitigations: LLRP II will support interventions that will enhance resilience of communities, infrastructure and ecosystem to the impact of climate change. Sub projects will be screened against climate impacts and appropriate mitigation/adaptation measures will be adequately integrated into project design.		
Stakeholders	**Moderate**	**Moderate**
Stakeholder Engagement/Coordination	***Moderate***	***Moderate***
Risk: There is a potential for: (a) the reemergence of political unrest and civil disturbances; (b) institutional/organizational restructuring/reorganization; (c) weak multisectoral coordination mechanisms; and (d) elite capture of project benefits and the exclusion of project beneficiaries, particularly underserved members of targeted communities. All stakeholders may not be adequately identified and engaged during project and implementation. Lack of budget may affect stakeholder participation as needed.	Moderate	Moderate
Mitigations: These risks will be mitigated through a series of carefully planned and properly executed consultations as per the Stakeholder Engagement Plan (SEP), during implementation. Elite capture risk mitigation measures will benefit from the experience of several World Bank-IFAD co-financed projects including, Pastoral Community Development Project II (PCDP II,P130276), LLRP (P164336). IFAD in co-financing with the World Bank also faces a moderate risk, experienced under the first phase of LLRP, that the World Bank cancels a proportion of its financing in response to the need for urgent responses to unanticipated events, (such as was the case of COVID19 under LLRP). This will be mitigated through continuous discussions with World Bank counterparts to ensure that IFAD is promptly advised of any such action.		
Stakeholder Grievances	***Moderate***	***Moderate***
Risk: Targeting of beneficiaries, construction activities, water and distributions, poor quality service are potential sources of grievances. GRM system may be non-existent or not functioning well and the GRM committees may not have the required capacity to resolve complaints in fair and timely manner.	Moderate	Moderate
Mitigations: Proper implementation of the targeting strategy/criteria, provision of quality services and establishment/strengthening of GRM system, awareness creation to complainants, capacity development/training to GRM committee		

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 5: CI Environmental safeguards review

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

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Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 12/14/2023 | Report No: ESRSA03197

I. BASIC INFORMATION

A. Basic Operation Data

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P180076	Investment Project Financing (IPF)	LLRP II	2024
Operation Name	Lowlands Livelihood Resilience Project, Phase Two (LLRP II)		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Ethiopia	Ethiopia	EASTERN AND SOUTHERN AFRICA	Agriculture and Food
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Ministry of Finance	Ministry of Irrigation and Lowlands	18-Jan-2024	29-Mar-2024
Estimated Decision Review Date	Total Project Cost		
10-Jan-2024	424,000,000.00		

Proposed Development Objective

To improve the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia.

B. Is the operation being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project Activities

[Description imported from the PAD Data Sheet in the Portal providing information about the key aspects and components/sub-components of the project]

Description Improving the livelihood resilience of pastoral and agropastoral communities in the face of increasing climate risks, including drought, flood, and higher temperatures, is the core development objective of the LLRP II project. Resilience is defined as “the ability of a system, community or society to anticipate, absorb, accommodate, transform or recover from the effects of a hazardous event in a timely and efficient manner, including ensuring the preservation, restoration, or improvement of its essential basic structures and functions.” In dealing with climate change, livelihoods resilience in LLRP II, refers to the combined efforts of improving livelihoods and climate resilience of

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the PAP households, communities and the ecosystem they depend on. Livelihood improvement in the context of LLRP II refers to the betterment of living conditions. This can be achieved through better and sustainable in comes from enhanced production and productivity of livestock and crops, as well as through diversified income sources, leading towards food and nutrition secured, prosperous and sustainable livelihoods. Improving climate resilience in LLRP II refers to the heightened capacity of the PAP's households, communities, and the ecosystems they depend on, to anticipate, absorb, adapt to, transform, or recover from climate-risk in a timely and efficient manner to achieve the desired status, while ensuring the health and regeneration of the ecosystem and its natural resource bases. The project will have four complimentary climate-risk responsive components to improve the livelihoods and climate resilience of the PAPs. Component 1: Pastoral Risk Management for Resilience (PRMR) (initial allocation of US$248 M, including US$191.7 M IDA, and US$56.3 M IFAD) This component will enhance absorptive and adaptive capacities of PAP communities and their ecosystem through by strengthening DRM capacities and implementing climate preparedness and resilience building infrastructure. Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services (US$9M, including US$7m IDA and US$2M IFAD) This subcomponent will strengthen the early warning and response system and climate information services (CIS) already operating in Ethiopia's lowlands with a focus on "last mile connectivity." It will also finance preparation or updating of Woreda Disaster Risk profiles. This focus is to ensure that information and advice about impending climate change exacerbated hazards (including drought, floods, conflicts, livestock disease outbreaks, and higher temperatures which could increase pest infestations) reach households across PAP areas in a timely fashion. To strengthen the early warning and response system, the project will: (i) build government and community's awareness on DRM ; (ii) support the EDRMC's roll out the new Multi-Hazard, Impact-Based Early Warning and Early Action System (MH-IB-EW-EAS) roadmap for 2023–2030, in the lowlands including by helping it develop region-specific implementation plans; (iii) support the implementation of the National Framework for Climate Services (NFCS) in the lowlands by the Ethiopian Meteorology Institute (EMI); (iv) strengthen partnerships and coordination among MILLs, EDRMC, and the EMI to ensure the successful implementation of the MH-IB-EW-EAS and NFCS in the lowlands; and (v) build the institutional, organizational, and human capacity of key stakeholders including the EDRMC and EMI (at the federal, regional, and woreda levels), with a focus on forecasting and last mile communications in the lowlands of Ethiopia. In relation to CIS, the project will build capacities to collect, analyze, process, and disseminate information by: (i) procuring automated weather stations (AWSs) and virtual weather stations (VWSs); (ii) developing the use of various communication channels like SMS, community networks, local media, and public address systems; (iii) investing in data storage and management capacities and other IT infrastructure; and (iv) enhance knowledge on climate change adaptation and mitigation via training programs and South-South exchange. The subcomponent will also finance preparation of Woreda Disaster Risk Profiles (WDRPs). WDRPs will be prepared or updated (where they already exist) for all 120 of the project woredas in the 8 regions outlining the major climate change vulnerabilities facing each woreda. In a process led by EDRMC, WDRPs will be prepared using participatory processes involving community representatives and key stakeholders at the woreda level. Experienced international organizations such as, the International Institute for Rural Reconstruction (IIRR) may facilitate the process and prepare a report using an interactive online platform to be hosted by the EDRMC. CGIAR through AICCRA project will support the integration of climate information into WRPs. The capacity-building activities under Subcomponent 1.1 will be coordinated with partners like the Asian Disaster Preparedness Centre (ADPC), and projects like the Ethiopian Flood Management Project (EFMP), the Netherlands' Water @the Centre of Climate Project, the European Union Disaster Risk Reduction (EU-DRR) project and Building Resilience in Ethiopia (BRE) project. The subcomponent will also seek technical support from ILRI's Accelerating Impacts of CGIAR Climate Research for Africa (AICCRA) project. Subcomponent 1.2: Prioritization and Funding of Disaster Preparedness and Resilience Investments (US$239M, including US$184.7M IDA and US$54.3M IFAD) This subcomponent will support the identification of, and selectively fund, a range of investments in climate-smart PEI, that is, physical infrastructure that can help mitigate the impacts of climate-related (and other) hazards on PAP systems

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and communities. Eligible climate-smart PEI investments include the construction, upgrading or rehabilitation of: (i) water resources both for human and livestock consumption (such as deep water well, small, and micro-dams) to build drought resilience; (ii) small-scale irrigation schemes (including solar and drip irrigation technologies) (up to 500 hectares); (iii) all-weather feeder roads; (iv) cold storage and feed stores; (v) livestock market facilities; (vi) veterinary service facilities, and (vii) wetland and flood management works. PEI investments will be strategically sited along key migration and trade corridors; and water supply infrastructure will be sited with careful consideration of available grazing resources to avoid overgrazing and degradation in their vicinity. Up to 1 percent (US$2.4 million) of the subcomponent envelope will fund preparatory work (WRP and DPRSIP preparation) and the balance (US$237.6 million) will fund PEI investments. The identification, selection, and planning of PEI investments will proceed as follows. (a) Regional Disaster Risk and Resilience Investment Plans (DPRSIPs). Based on the WDRPs prepared under subcomponent 1.1. of this project and the rangeland management and investment plans (RMIPs) that were prepared under LLRP I, regional-level disaster preparedness and resilience-building strategic investment plans (DPRSIPs) will be prepared for each of the eight project regions in consultation with selected woredas and communities. Each DPRSIP will lay out a 5–10-year regional investment plan addressing key socioeconomic and climate-related challenges. Investment activities will be selected for inclusion in DPRSIPs based on their expected impacts, sustainability, and feasibility. The plans' preparation will be supported by the International Institute for Rural Reconstruction (IIRR) and the International Livestock Research Institute (ILRI). Once finalized, the plans will become public documents (made available on the EDRMC's online platform) and the intent is for the actions they identify to be financed by multiple development partners active in the lowlands. (b) Climate-Smart PEI Investment Plan for LLRP II. Facilitated by the MILLs (LLRP II PCUs) the project at this step will involve the elaboration of an overall PEI investment plan for LLRP II, aggregating a subset of PEI investments to be carried out by the project. The full implementation of DPRSIPs is likely to require a large funding envelope that exceeds LLRP II's budget. Thus, the project will screen and select a subset of DPRSIP activities to finance. The screening will also apply to 94 PEI subprojects already identified by LLRP I for which feasibility studies are underway. Selection criteria will include readiness, sustainability, climate change sensitivity, complementarity with Components 2 and 3 and other ongoing initiatives (for example, the World Bank DRIVE project), and the strength of operation and maintenance (O&M) arrangements. The screening process will be participatory and involve region-level government authorities ("sector bureaus"). (c) Climate-Smart PEI Investments. At this stage, the project will move into the implementation of the project's climate-smart PEI investment plan in collaboration with the concerned sector bureaus in each project region. Several investments will be possible starting in year 1 of the project considering that some subprojects have already been designed and planned under LLRP I. Other subprojects will be carried out in subsequent project years. To ensure climate resilience, the design and specifications of the PEI investments will be informed by climate vulnerability assessments. For water resources development to improve drought resilience, focus will be on selected drought prone regions, such as Afar, Somali, and Oromia. In these areas water supply and sanitation schemes will focus on already drilled boreholes and procuring and supplying deep well drilling machines with all accessories. The details on the operational modality of the machines will be outlined later. The project will ensure establishment of O&M mechanism for all LLRP II financed PEIs. The project to the extent possible will promote the use of green energy for the water supply and sanitation interventions. Tailored capacity building training will be provided on modern technologies on groundwater investigation and operations management. Component 2: Integrated Rangeland Management (IRM) (initial estimate US$65M, including US$50.24M IDA and US$14.76M IFAD) Building on the successful initiative of LLRP I, the project will continue to use rangelands as entry point for investments. Component 2 aims to improve absorptive and adaptive capacities of the PAP ecosystems through improving the health and productivity of natural rangeland resources (improving their soil stability, hydrologic function, vegetation productivity and biotic integrity), and attenuate community-level conflict in PAP areas. Healthier and more productive rangelands, in turn, will increase livestock productivity, PAP households' livelihoods, and PAP systems' overall resilience. They will also increase above- and below-

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ground soil carbon stocks, contributing to climate change mitigation and resilience. To achieve these results, the component will apply integrated, participatory, nature-based, and climate-smart approaches and leverage renewable and efficient energy sources and technologies. It will also leverage selected research outputs and innovations generated by ILRI's AICCRA project on feed, pasture management, and integrated rangeland management in the lowlands. Subcomponent 2.1. Rangeland Health Monitoring and Institutional Capacity Building (US$5.2 M, including US$4.02M IDA and US$1.18M IFAD) The subcomponent will support (a) the establishment of national rangeland monitoring system, and (b) rangeland monitoring and management institutions, proactively targeting women in capacity building efforts. (a) Rangeland Monitoring System (RMS). The subcomponent will finance the establishment and operationalization of a national RMS that monitors the overall health of national rangeland and related trends. In collaboration with MoA, ATI and ILRI, the project will develop the system and ensure its capacity to (i) synthesize remote sensing data and leverage it to generate usable products or report; (ii) ground-truth analysis derived from satellite-based imagery in ways that draw on women's and their communities' insights; and (iii) disseminate synthesized information and advisories to different users in a timely fashion by leveraging user-friendly digital platforms and public and private delivery channels providing information on the status of the rangelands for timely actions. The RMS may be leveraged to estimate baseline GHG emissions and enable PAP communities to participate in future carbon market schemes with the potential to incentivize the adoption of climate-smart rangeland management strategies. The project will ensure the integration of the RMS database with the MoA's existing system for data sharing. (b) Rangeland Management and Monitoring Institutions. The subcomponent will strengthen the capacity of rangeland management institutions, including existing and newly established rangeland management committees (RMCs) and customary institutions. RMC members, who are elected (by members of rangeland clusters put in place by LLRP I) and often include community leaders and experts, are expected to play a critical role in monitoring users' adherence to rangeland management bylaws, monitoring rangeland conditions, and enforcing grazing and herd management plans. Customary institutions will be supported in the implementation of traditional (indigenous) rangeland management practices such as livestock mobility, herd dispersal, and segregation. Subcomponent 2.2 Participatory Rangeland and Pasture Management (PRPM) (US$51.8M, including US$40.03M IDA and US$11.77M IFAD) This subcomponent will support (a) rangeland management plans, (b) rangeland and pasture development, and (c) the production and marketing of forage and feed. (a) Rangeland Management Plans (RMPs). The subcomponent will finance the updating of the existing 28 rangeland management and investment plans (RMIPs) prepared under LLRP I, and the formulation of new RMPs through participatory rangeland management (PRM) principles to identify additional climate-smart climate change mitigation and nature-based solutions, validate their feasibility based on indicative land-use planning and characterization and formulate rangeland management bylaws. (b) Rangeland and Pasture Development. Guided by the RMPs, and privileging inclusive, climate-smart, and nature-based solutions, the subcomponent will finance rangeland and pasture development activities. They may include: (i) the delineation, mapping, and land-use characterization of the project intervention areas; (ii) the restoration of degraded and overgrazed rangelands through physical, biological, and agronomic soil and water conservation measures including sowing, reseeding, and community based and temporary area closures, (iii) the development of silvo-pastoral and agro-silvo-pastoral systems through the plantation and management of multipurpose trees; (iii) rangeland rehabilitation and management; (iv) wetland protection and maintenance; and (v) the management of invasive species using multiple techniques such as prescribed fire (which should reduce vulnerability to uncontrolled wildfire exacerbated by climate change), targeted and selective clearing and de-rooting, and management by utilization (for example, the use of Prosopis juliflora as a source of biomass energy and feed). Through these interventions and water infrastructure investments carried out under Subcomponent 1.2, the project will facilitate the sustainable management of water for livestock and human consumption in dry and wet season grazing areas and livestock migration and trade corridors. (c) Production and Marketing of Forage and Feed. The subcomponent aims to improve the quantity and quality of supplementary feed with the aim of increasing livestock

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productivity in normal times and ensuring their survival in times of drought. Guided by the fodder and feed value chain analysis carried out under LLRP I, the subcomponent will support the production and marketing of forage and feed by: (i) supporting the establishment of fodder producer and marketing cooperatives and micro and small enterprises (MSEs) with focus on women; (ii) developing productive alliances between fodder producers and traders; and (iii) promoting the joint management of feed stores via support for public-private partnerships. The project will not encourage the government-led mass production and free distribution of fodder, as this would impede the sector's commercialization. However, in the event of a drought emergency (per the rainfall and vegetation condition forecasting under Subcomponent 1.1 and 2.1), the project may facilitate and support fodder production and marketing in drought hotspot areas in collaboration with MSEs, for example, through the provision of inputs and advisory services. Subcomponent activities will be closely coordinated with Subcomponent 1.2, which may finance feed processing plants, as well as Subcomponent 4.2, under which the project will support the development or updating of policies and strategies on the privatization and commercialization of fodder and feed production in PAP areas. Subcomponent 2.3. Resource-Related Conflict Management and Mitigation (US$8M, including US$6.18M IDA and US$1.82M IFAD) This subcomponent will equip PAP stakeholders with tools and capacities to address the resource-related root causes of community-level conflict in PAP areas. To this end, it will: (a) support conventional and indigenous conflict prevention and mitigation mechanisms by carrying out conflict analysis and mapping, building capacity, and facilitating peace-building and dialogue; (b) strengthen the capacity of customary institutions to protect and secure access to key natural resources; (c) engage the government to formulate and enforce appropriate pastoral land tenure and land use policies that legally recognize and certify customary pastoral land ownership and resource rights; and (d) identify and promote gender-sensitive and climate-smart technologies including solar energy, fuel-efficient cook stoves, and biogas. Component 3: Climate Resilient and Sustainable Livelihoods (CSRL) (Initial Allocation US$88M, including US$66M IDA and US$20M IFAD) This component aims to enhance the absorptive and transformative capacities of the PAP household by increasing, diversifying, and stabilizing the incomes of PAP households, including those who are moving out of the pastoral system, with a focus on promoting climate-smart technologies and value chains towards fewer animals with higher productivity. Subcomponent 3.1. Crop and Livestock Productivity and Climate Resilience (US$31M, including US$23.95M IDA and US$7.05M IFAD) This subcomponent will promote the development and adoption of a range of gender-sensitive and climate-smart technologies and practices that increase the productivity and output of crop and livestock production systems, while simultaneously reducing their carbon intensity. Bundles of adapted technologies and practices will be identified for different project locations, in so-called "smart-packs." These will be put together in collaboration with the Ethiopian Institute of Agricultural Research (EIAR), regional universities and research centers, and relevant CGIAR institutes such as ICARDA and AICCRA. To transfer these technology packages to PAP households, the subcomponent will work with existing public and private extension and advisory services and build their capacity in targeted ways. The project will leverage existing pastoral and agro-pastoral training centers (PAPTCs) wherever they exist and use the agropastoral field school (AFS) approach. The project will also adopt and pilot the ILRI's Pioneer Positive Deviance (P-PD) approach for PAP-led adaption to climate change on livestock. By working with multiple extension service providers, including Digital Ethiopia, the Agricultural Transformation Institute (ATI), and private advisory service providers supported by AICCRA such as Lersha, the project will support the government's pluralistic approach to extension. Smart-packs will be developed for: (a) nutrition-sensitive agropastoralism, (b) livestock breeds, (c) One Health, (d) feed, and (d) husbandry and herd management. (a) Nutrition-Sensitive Agropastoralism (NSA). Forms of agropastoralism featuring both crop production and transhumance are growing in PAP areas. In this context, the subcomponent will promote improved crop varieties including ones that are higher-yielding, more nutritious and drought-tolerant, and suited to improved dryland farming practices such as crop rotation, intercropping, agroforestry, or green manure production. The subcomponent will also support nutrition education with a focus on improving dietary diversity particularly women and children. Combined with other interventions addressing key drivers of child

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undernutrition and demand-driven nutrition-sensitive irrigation (NSI) (water, sanitation, and hygiene) and human and animal health services, the project's nutrition-sensitive pastoral and agropastoral (NSPAP) activities, will accelerate stunting reduction if they are. Annex 5 has further details on NSA. (b) Livestock Breeds. The subcomponent will finance breed diversification and improvement by supporting the Community Based Climate Resilient Breeding Program (CBBP) which focuses on the selection of local breeds of small ruminants and cattle with preferred traits. Animals are bred for qualities such as heat and disease tolerance, feed efficiency, productivity, and reproductivity. Some of these qualities are associated with lower carbon intensity, including by reducing the time to slaughter. The subcomponent will work with communities, women, and extension workers to promote and expand CBBP activities across project regions, including through artificial insemination. The project will also facilitate the provision of targeted technical support to the CBBP by ICARDA. (c) Animal health Service and One Health. The subcomponent will strengthen public and community-based animal health services to control the burden of animal disease. Doing so is expected to increase livestock productivity and reproductivity, reduce livestock and especially calf mortality, and mitigate the sector's carbon intensity and carbon wastage. The subcomponent will (i) expand community-based animal health service delivery by upgrading existing community animal health workers (CAHWs) to Community Agro-Vet Entrepreneurs" (CAVEs) and by training new CAVEs with a focus on women. It will (ii) provide targeted support to public livestock health services, including mobile veterinary clinics. The subcomponent will (iii) combat the spread of zoonotic disease, including Trypanosomiasis, which is spread by tsetse flies. For example, in collaboration with the International Centre of Insect Physiology and Ecology (ICIPE), the project will promote collar-mounted tsetse fly repellents (on cattle) as well as tsetse traps and targets (insecticide-impregnated screens) and support community action groups (CAGs)—primarily women-led ones—to become involved in the production and sale of traps. In addition, the subcomponent will (iv) support the coordination of environmental, human, and animal (livestock and wildlife) health policies and measures at the woreda and regional levels by supporting the existing One Health Steering Committee (at the federal and regional levels) and facilitating its downscaling to the woreda level. The project will also support South-South exchange on One Health topics and experience. In promoting the One Health approach, the project will partner with MoA, the Ethiopian Public Health Institute, the Wildlife Conservation Authority, the Environmental Protection Authority (EPA), Forest, and Climate Change Commission, and Vétérinaires Sans Frontières Suisse (VSF-Suisse) and draw on the practical experiences generated by the VSF and ILRI One Health for Humans Environment, Animals and Livelihoods (OH4HEAL) project. (d) Feed. With focus at household level, the subcomponent will increase PAP households' and MSEs' access to improved feed and forage resources including seeds(in coordination with Subcomponent 2.2). Doing so is expected to improve animal nutrition, increase animals' feed conversion rate, and reduce the sector's resource and carbon intensity. The subcomponent will support the adoption of: (i) highly digestible, higher-yielding, and heat-tolerant forage species in backyards and crop farms; (ii) innovative and improved climate-smart fodder production and management practices (at times in coordination with irrigation infrastructure built under Subcomponent 1.2); (iii) hydroponics, the technique of growing fodder using a water-based nutrient solution rather than soil, to grow fast-growing, high-quality, and environmentally sustainable fodder; and (iv) small-scale innovative feed processing technologies. (e) Husbandry and Herd Management. The subcomponent will support good animal husbandry practices with a focus on getting animals to market in a timely fashion (that is, when they have attained a marketable weight) and on removing non-productive animals from the herd. These changes will enhance herd productivity and reduce herd and sector-level carbon intensity. Subcomponent 3.2. Commercialization of Crop and Livestock, and Livelihoods Diversification (US$57M, including US$ 44.04M IDA and US$ 12.96M IFAD) This subcomponent will foster the commercialization of PAP production systems and the diversification of PAP household incomes by supporting the development of crop and livestock value chains, reducing exposure to and dependency on drought vulnerable livelihoods). Focus value chains will include those for live animals (including camel), red meat, milk, hide and skin, fodder, fishery, honey, gums and resins, horticulture and potentially others. (a) Producer Groups. The subcomponent will support a range of private sector initiatives driving

sector commercialization and income diversification. For example, it will: (i) help establish and strengthen 1,000 MSEs involved in the production, aggregation, trading, and processing of crops, livestock, and other commodities, with a focus on women-led businesses (50% of the MSEs will be only women group); (ii) train and technically support Business Development Skills (BDS), innovations, technologies, and improved practices; (iii) provide matching grants of up to US$10,000 per group; (iv) support and facilitate graduation of CIGs into MSEs; (v) offer leadership and business development skills training and technical assistance to women's groups (PASSACOs, MSEs, and CAGs), including to identify and pursue new income- and resilience-enhancing skills and activities (for example, carpentry, masonry, weaving, livestock fattening, the exporting of live animals, beekeeping, poultry, hide and skin processing, milk processing, gum and resins production, aquaculture, horticulture and community tourism), and to access finance. It is through this activity that the project will support businesses producing tsetse fly traps. The project with technical support from ICIPE will integrate beekeeping with PAP system as a means of livelihood diversification in pastoral and agro-pastoral areas of Ethiopia. In addition, technical support can be sought on value chain development from Heifer International. Up to 50 percent of the beneficiaries will be women. (b) Access to Finance (support for PASACCOs and PASSACO unions). The subcomponent will expand access to finance (for things like climate-smart farm inputs, mechanization services, and other productive equipment) in three main ways. It will (i) help establish 500 new and strengthen 1000 existing PAP savings and credit cooperatives (PASACCOs). All 500 of the new PASACCOs will be women-only groups. They will be provided with seed money (up to US$10,000) with clear qualification criteria. Up to 1,000 existing PASACCOs will only receive technical and advisory support, without seed funding. The new and existing PASSACOs will mobilize savings from their members which will be leveraged with the project seed capital and other financing from commercial banks nd MFIs. This will help them to provide small loans and other financial services to their members to engage in income generating business activities. The project will help link the PASACCOs to microfinance institutions (MFIs) and the Development Bank of Ethiopia (DBE), from which they could seek loans. Customized training programs will be developed for these groups covering skills like leadership, conflict management, business development, marketing, and financial management and veterinary care. Wherever there is geographic overlap with the DRIVE project, LLRP II will encourage project beneficiaries to buy index-based livestock insurance (IBLI) policies. The subcomponent will also: (ii) support the development and strengthening of unions of PASACCOs, to improve their access to financial services provided by MFIs, the DBE, and commercial banks; and (iii) promote interest-free (Islamic) finance and mobile banking, in partnership with ATI, Digital Ethiopia, and private sector service providers like Lersha. (c) Market Access and Linkages. The subcomponent will support market infrastructure and market access in close coordination with Subcomponent 1.2, under which market facilities and transportation (road) upgrade investments will be undertaken, and Component 4, under which national standards for market facilities will be updated, respectively. Complementing these actions, the subcomponent will: (i) support the establishment and strengthening of productive alliances between producers (including PAP marketing cooperatives and Small and Micro enterprises) and downstream actors such as off takers, processors, traders, and abattoirs; (ii) pilot a public-private livestock market co-management model developed by Heifer International in Kenya; (iii) link newly constructed or upgraded livestock markets facilities to the livestock market information system (LMIS) supported by the DRIVE project; and (iv) attract traders and exporters to markets, by bringing attention to road and market upgrades, and operational improvements. Component 4: Project Management, ME&L, and Policy Support (Initial estimate US$39M, including US$30.15M IDA and US$8.85M IFAD) This component will handle (i) project management; monitoring, evaluation, and learning (ME&L); and (ii) knowledge management and policy support. Subcomponent 4.1. Project Management and Monitoring, Evaluation and Learning (ME&L) (US$36M, including 27.82M IDA and 8.18 M IFAD) (a) Project management. This subcomponent will handle project management as well as ME&L. In relation to project management, it will: (i) facilitate institutional coordination and partnerships among ministries and nongovernmental and international organizations; (ii) strengthen the capacity of project coordination units (PCUs) at the federal, regional, and woreda levels to recruit and manage human resources;

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(iii) engage in project planning including by generating annual work plans; (iv) develop and oversee project implementation procedures and processes including all aspects relating to fiduciary oversight and management of environmental and social risks; and (v) monitor project implementation and outcomes. Project rules and procedures will be outlined in the project implementation manual (PIM), which will be adapted from Phase I incorporating lessons learned. (b) ME&L. The project's ME&L activities will cover all project activities from technical to project management ones. The ME&L function will carry out tasks that include: (i) tracking project inputs and outputs to ensure the project's resource accountability; (ii) carrying out institutional mapping and performance monitoring ; (iii) assessing project results and outcomes against the results framework; (iv) evaluating the project by carrying out baseline, mid-term, and final assessments; and (vii) facilitating learning fora , regional and federal levels, including through regular biannual project implementation review and annual work plan and budget planning workshops. The project will expand the functionality of LLRP I's MIS by linking it to the new early warning and early response system, CIS, RMS,GEMS, grievance redress mechanism (GRM), and other systems supported by the project. The project will partner with ILRI to increase the quality of data it collects for project assessment purposes with a focus on developing sound data collection instruments and methodologies for baseline, mid-term and endline surveys. LLRP II will also work with ILRI and AICCRA to mainstream the use of the ILRI's Tracking Adaptation in Livestock Systems (TAiLS) tool into the project M&E. Subcomponent 4.2. Knowledge Management and Policy Support (US$3M, including US$ 2.32M IDA and US$ 0.68M IFAD). This subcomponent will support knowledge management and policy-related aspects of the project, leveraging project data and learning to continuously refine the design and support the implementation of project activities across its components. In relation to knowledge management, the subcomponent will (i) carry out studies of direct relevance to project activities; (ii) support the establishment or strengthening of a national level think tank and policy platform on PAP livelihood resilience in the lowlands, which will sponsor academic policy research and create a space for national-level policy dialogue on pertinent issues; and (iii) establish pastoral and agropastoral centers for knowledge (PACKs) at the woreda level. Physically located in woreda agriculture or pastoral and livestock offices and equipped with digital equipment, PACKs will offer venues for demonstrating early warning, climate information, and rangeland management systems and various technologies and innovations to PAP households and extension workers (in local languages). PACK facilities will be managed by the project for at least six months before being handed over to their hosts. Project policy support activities will include a limited number of trainings for government officials and formulation of a national rangeland management policy and regulatory framework that guide the sustainable management governance of rangeland resources. These will be carried out in coordination with the recently established Pastoral Advisory Council under MILLs. The project will also support formulating and updating of communication strategies for the project and the MILLs.

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D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

[Description of key features relevant to the operation's environmental and social risks and opportunities (e.g., whether the project is nationwide or regional in scope, urban/rural, in an FCV context, presence of Indigenous Peoples or other minorities, involves associated facilities, high-biodiversity settings, etc.) – Max. character limit 10,000]

The LLRP II will be implemented in the lowlands areas of eight (8) regions, including the seven (7) regions covered by the parent LLRP (Afar, Benshangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, and Southwest Ethiopia) and the Dire-Dawa administrative region where pastoral and agro-pastoral communities reside. Physical and biological environment: The physical environment of the pastoral and agro pastoral areas of Ethiopia are mostly arid and semi-arid, intersected by large rivers such as the Baro, Awash, Wabe-Shebelle, Omo-Gibe and Genale-Dawa. These areas are lowlands less than 1,500 masl. Rainfall is erratic and mean annual rainfall is generally less than 900 mm, annual mean temperatures

are above 180C, and these areas are mostly faced with recurrent drought. The project area is exposed to climate change hazards (rising temperature, intensified precipitation and extreme flooding and drought. The vegetation cover of the regions where LLRP II is proposed to be implemented is savanna type (bushed grassland with patches of woodland). Natural habitats and national parks that are found in the project areas include the Awash and Yangudi Rasa National Parks (Afar Region), Yabello Sanctuary in Borena (Oromia Region) and the Babile Wildlife Sanctuary (Somali Region) and Gambella National Park (Gembella Region). In these parks, there are a number of mammals, birds, reptiles, amphibians, fishes, and invertebrates uniquely adapted to the arid and semi-arid conditions. However, none of the project activities will be implemented inside the national parks.

Socio-economic environment: The seven project benefiting regions (except Dire Dawa) fulfill the criteria of historical underserved people and are categorized under the ESS7. The main economic stay of the pastoralist and agro-pastoralist in the arid and semi-arid lowlands is livestock rearing and to some extent mixed farming. These activities have in the long term resulted in rangeland degradation and encroachment by invasive plant such as Prosopis juliflora. In these areas, feed and water supply are getting scarce from time to time due to over grazing and exploitation of ground water in unsustainable manner. Overgrazing coupled with the invasion of noxious weeds in some places of the project areas have led to the loss of indigenous plant species and biodiversity. The regions of the project areas are characterized by water shortage, frequent drought, shortage of grass/fodder, outbreak of human disease (particularly, malaria), livestock diseases and gender disparities in accessing productive assets which are the main sources of vulnerability. Besides, they are characterized by poor infrastructure developments, limited social services (and therefore low education and literacy levels), susceptibility to natural hazards, increasing competition for scarce resources and limited livelihood opportunities.

Major lessons learnt and considered for LLRP II include; (i) introduction of disaster risk management to the overall resilience framework of the project, (ii) enhanced focus and coordinated capacity building support across components including inclusion of a dedicated capacity building officer to the project structure, (iii) systematically address the disproportionate impacts of climate on women and vulnerable community groups through specific and targeted supports across components particularly under component 3, (iv) Focused and targeted support for research and policy agendas as compared to the broader support under LLRP phase one, (v) enhanced institutional and implementation arrangement with better coordination and partnership mechanism between key government and nongovernmental organizations as well high level technical supports from international organizations, deployment of Third-Party monitoring agency to inaccessible projects areas, (vi) consideration of improved and modern technologies and innovations and approaches, such as: early warning and action system, automation of woreda risk profiling and DPRSIPs, CIS, interactive and satellite based RMS, digital financing, private sector and digitized extension service, collar-mount Tse-Tse fly control, Climate Change adaptation and resilience tracking tool, establishing a dedicated hotline number for short message service (SMS) for the project's GRM accessible to the public, integration of all the systems under the project in to integrated MIS system including GEMS Kobo toolbox and Power BI, etc., and (vii) consideration of Third-Party Monitoring Arrangement for inaccessible project areas.

D.2 Overview of Borrower's Institutional Capacity for Managing Environmental and Social Risks and Impacts
[Description of Borrower's capacity (i.e., prior performance under the Safeguard Policies or ESF, experience applying E&S policies of IFIs, Environmental and social unit/staff already in place) and willingness to manage risks and impacts and of provisions planned or required to have capabilities in place, along with the needs for enhanced support to the Borrower – Max. character limit 10,000]

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The Project Coordination Unit (PCU), which is currently under the Ministry of Irrigation and Lowlands (MILLs), has more than ten years of experience in implementation of World Bank financed projects. The World Bank financed projects which were or have been implemented by the Federal PCU include Pastoral Community Development Project (P075915); Pastoral Community Development Project II (P108932); Pastoral Community Development Project III (P130276); and Lowlands Livelihood Resilience Project (P164336). As a result, it has developed the capacity to manage environmental and social risks of projects. For the ongoing project (Lowlands Livelihood Resilience Project (P164336)), the client has recruited two environmental and social risk management (ESRM) experts (one social and one environmental) and GBV/SEA/SH specialists in the federal PCU and six ESRM experts at regional PCUs. It has also assigned E&S focal persons at the operational/Woreda levels. The federal and regional E&S experts have been trained on the environmental and social framework (ESF) of the World Bank. Similarly, E&S experts or focal persons who are working at Woreda levels were trained on the parent project Environmental and Social Management Framework (ESMF), Social Assessment (SA) including the Social Development Plan (SDP) and Resettlement Policy Framework (RPF), which were prepared for the parent project.

In sum, experience/lessons from the parent project show that the ESRM arrangement in place is satisfactory. Activities that have been implemented in compliance with the requirements of the ESF of the project among others include: i) deployment of safeguards staff/focal persons from the federal PIU to woreda levels; ii) training of the experts/focal persons on the GRM; iii) screening of the project activities based on their environmental and social risks; iv) preparation of site-specific environmental and social risk management tools where appropriate; v) environment, health and safety considerations in the construction bid documents; vi) good environment, health and safety (EHS) compliance monitoring and reporting; and vii) allocation of budget for EHS risk management and monitoring activities. The design of the proposed project will consider lessons learned so far from the ongoing LLRP and other related projects by development partners, including integrating climate change mitigation and adaptation with disaster risk management.

The PCU will maintain the existing ESRM arrangement of the parent project including the E&S staff and focal persons for the purpose of LLRP II and will hire additional staff for the newly added regions, like Dire Dawa city administration including Woreda focal persons. If there is any turnover of E&S staff, replacements will be recruited immediately. The World Bank will organize refresher ESF training for all E&S staff and focal persons soon after the effectiveness of LLRP II. Compliance with environmental and social standards shall be monitored in different ways by the Bank team, PCU and the regional PCUs. The regional PCUs will prepare quarterly and annual social and environmental monitoring reports which will be reviewed by the World Bank. There will be independent environmental and social audit every two years. The Regional/Woreda Environmental Protection Authority (EPA) will review and endorse site-specific ESRM instruments and will also monitor compliance with the regulatory requirements.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC) — Substantial

A.1 Environmental Risk Rating — Substantial

[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 4,000]

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As it has been the case for the parent project, LLRP II is expected to have a range of environmental benefits as it will support invasive plant species (Prosopis juliflora) control activities in addition to financing rangeland management, energy-efficient technologies, and soil and water conservation measures. However, there are also potential negative environment, health and safety risks and impacts that could result from the LLRP II activities. The EHS risks and impacts could result from some of the project activities/investments which will be supported under i) Component 1 such as small-scale irrigation, rural access roads, energy-efficient technologies (solar), livestock clinics/laboratories and flood control structures; and ii) Component 2 such as smallholder irrigation and feed/forage production and management. The anticipated risks/impacts are elaborated below: New water supply schemes from groundwater could lead to unmanaged local livestock movements and ecologically destabilizing overgrazing. Development of water resources often involves balancing competing qualitative and quantitative human needs with the rest of the environment. This is a particularly challenging issue in the absence of a clear allocation of water rights which should be resolved with the participation of appropriate parties in advance of project design and implementation. Both surface water and groundwater supplies can become contaminated with potentially toxic substances of natural and anthropogenic origins, including pathogens, toxic metals (e.g., arsenic), anions (e.g., nitrate), and organic compounds. Groundwater could be depleted as a result of water development activities, and pumps could malfunction if excessive amounts of water are discharged. SSI may lead to an increase in water extraction, soil salination, soil nutrient management concerns, water consumption, pesticide management (although the project will not finance any pesticide), crop residue and solid waste management concerns, and potential risks to biodiversity and ecosystem. Other environmental issues and ecological impacts of livestock production include small scale GHG emissions; hazardous material management from animal clinics and labs and solar panels); animal disease outbreaks; threats to biodiversity and the environment from pasture and farmland expansion, or the introduction of new animal breeds, seed, and plant and crop species; and possible failure of small dam structures could cause safety risks. Construction of flood control, feed and food stores could lead to generation of wastes, noise, and consumption resources such as water and other construction raw materials. There are also various occupational health and safety (OHS) issues that may result from the project activities such as physical hazards, biological hazards, and chemical hazards. Component 4 will support Type 2 TAs such as policy engagement on strategic issues for the sector (including policy gap assessments and dialogue forums), and targeted research works (at federal level) pertinent to the overall project development objectives. Experience from the implementation of the parent project (LLRP) shows that the risks and impacts from the project's subprojects are site-specific, small in scale and readily manageable. Hence, the environmental risk of the LLRP is rated as Substantial considering security and climate disaster risks. However, LLRP II has to come up with a more holistic approach to address climate change-related risks such as drought and flooding. This includes the introduction of a new and dedicated Disaster Risk Management and Climate Change Mitigation and Adaption component.

A.2 Social Risk Rating Substantial

[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 4,000]

The LLRP II is expected to have positive social impacts corresponding to its development objectives including building community resilience to climate change and drought, strengthening social capital in dispute resolution, and building the capacity of the public sector to provide services. However, there are also potential social risks due to the nature of the proposed subproject activities, and the social risks for the proposed project is rated 'substantial'; the same as the parent project's social risk rating. The social risk and impacts that may result from the proposed project are (i) land acquisition especially for activities related to Component 1, 2 and 3 (such as water resource rehabilitation and

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development, small holder irrigation rehabilitation and development, rural access roads, livestock infrastructures (cold-chains, clinics, laboratories, diagnostic centers, markets, abattoirs, etc.); (ii) there might be a risk related to elite capture as a result of insufficient community and relevant stakeholder engagement/consultation as per the ESS10 and ESS7 requirements; (iii) the project activities may also create or exacerbate the existing social discrimination or exclusion and vulnerability of the disadvantaged and vulnerable groups in the subproject implementing areas, particularly those living in relatively remote and conflict-affected areas; (iv) social tensions/conflicts may be induced by competition over the existing natural resources as well as the proposed subproject activities including access to water and road resources as well as livestock infrastructures; (v) there might be forced labor, child labor, discriminatory hiring practices, and poor safety and health measures during the construction of infrastructures, development and rehabilitation activities as well as in the supply chain associated with the production of solar equipment and others. Besides, there may be labor influx and associated risks including risks to community health and safety including gender-based violence, sexual exploitation and abuse, and sexual harassment (GBV/SEA/SH); (vi) security risks including temporary inaccessibility of the project implementation areas for the implementation, follow up and monitoring of sub-projects activities, criminal targeting of project assets (robbery/ theft), safety hazards at project sites, demonstrations/ civil unrest and others in the implementation areas; and (vii) other possible risks and impacts on communities may include dust from construction activities, construction noise, as well as road accidents or fatalities. The prevailing conflicts will affect the implementation of the proposed project.

[Summary of key factors contributing to risk rating. This attribute is only for the internal version of the download document and not a part of the disclosable version – Max. character limit 8,000]

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B. Environment and Social Standards (ESS) that Apply to the Activities Being Considered

B.1 Relevance of Environmental and Social Standards

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts	Relevant

[Explanation - Max. character limit 10,000]

As noted in Section II.A, there are various Environmental, Social, and Health (EHS) risks and impacts that could result from the proposed activities. These include EHS risks and impacts during the construction/rehabilitation/operation of small-scale irrigation schemes, animal health clinics/laboratories, rural roads, storage facilities, etc. These risks include inappropriate use, handling, and disposal of agrochemicals including pesticides or other agrochemicals; overuse of water and water contamination by agrochemicals; degradation of soils; direct and indirect impacts on biodiversity and ecosystems; local environmental pollution e.g., air, waste, noise, and water pollution because of the construction activities; and GHG emissions though not anticipated to be significant. The occurrence of human wildlife conflict may be possible and consequently, in some cases incidents of loss of livestock and human life can be encountered. There are also community and workers health and safety hazards (occupational health safety risks to workers during construction activities; community health and safety risks due to gender-based violence, waterborne diseases, small dam failure, traffic, road safety concerns, etc.). With interventions on natural resources, some ecosystem services could be affected through water use, restriction of access to natural resources, etc. Potential social risks include those related to the potential need for land acquisition including temporary or permanent resettlement, impacts on underserved vulnerable groups, labor and working conditions including labor influx, child labor, forced labor, discriminatory hiring practices, risks related to community health & safety during construction work (such as

rehabilitation and development of access, infrastructures, facilities and so on), as well as potential GBV/SEA/SH risks, lack of proper community consultation and stakeholders engagement, social tensions/conflicts induced by competition over the existing natural resources. Possible impacts on communities may include dust from construction activities, construction noise, road accidents or fatalities, and so on. To identify and manage environmental and social risks and impacts of the LLRP II (P180076), the project prepared updated versions of the parent Environmental and Social Management Framework (ESMF), Resettlement Framework (RF), and Social Assessment SA (including the social development plan (SDP)) , based on ESF requirements. The ESMF includes, among others, screening, risk assessment, general mitigation measures, guidance for site-specific instrument preparation, exclusion/eligibility criteria for the avoidance of high impact subprojects, a supervision template to monitor implementation of mitigation measures (i.e., review of bidding and contractual documents, field supervision mission), provisions for the vulnerable groups, etc. Subproject specific ESIAs/ESMPs will be prepared during the implementation stage as appropriate following the procedure specified in the ESMF. The required number of ESIA/ ESMP instruments will be determined with consideration of grouping the subprojects based on subproject number, similarity of topology and geographical location. A Security Risk Assessment (SRA) has been conducted by the client to minimize the risk of conflict and insecurity situation in the project implementation areas, including Benishangul-Gumuz, Afar, Gambella, and parts of Oromia regions. Based on the SRA, a Security Management Plan (SMP) is prepared. The Plan incorporated the mechanisms for delivery of activities in the context of the evolving security situation. The preparation of the SRA and SRMP were completed prior to project appraisal. The client has prepared an Environmental and Social Commitment Plan (ESCP) outlining the measures to be implemented during the project lifetime that included implementation arrangements, monitoring and reporting on implementation of ESRM tools and plans in line with the ESF prior to appraisal. Besides, the client has developed and disclosed a Stakeholders Engagement Plan (SEP), Labor-Management Procedures (LMP), and Sexual Exploitation and Abuse, and Sexual Harassment (SEA/SH) action plan. The client will adopt technically and financially feasible measures to avoid or minimize water usage so that the Project's water use will not have significant adverse impacts on communities following the Bank's Good Practice/Guidance Note. The small dams to be financed in this Project shall be designed and implemented in compliance with ESS4 and other good international industry practices. The small irrigation schemes, especially small dams, will be designed and implemented in compliance with the requirements of ESS4. Small dams that could cause safety risks and large dams will not be financed by this project. The technical assistance (TAs) activities which will be financed under Component 4 are not expected to have adverse environmental and social risk as they do not involve feasibility or design studies that can have significant downstream risks. However, all TAs shall be designed and implemented in compliance with the requirements of the ESF and the OESRC Advisory Note on TAs. The requirements set out in paragraphs 14-18 of ESS1 will be applied to technical assistance activities as relevant and appropriate to the nature of the risks and impacts. The terms of reference (ToR), work plans, or other documents defining the scope and outputs of technical assistance activities will be prepared in such a way that the advice and other technical support provided is consistent with ESSs. The ESMF and ESCP include exclusion criteria for activities that may have significant/high adverse environmental and social risks. These include: o Sub-projects/ Activities that have significant adverse Environmental and Social risk and impacts which cannot be easily managed or mitigated to acceptable level. o Sub-projects/ Activities that may cause damage to physical and cultural resources. o Activities that involve construction of reservoir dams that are above 15 meters height. o Involve removal or conversion of forests and other designated natural resources and wildlife reserved areas. o Activities that may cause degradation of biodiversity and living natural resources as well as on habitats of significant value for biodiversity such as critical and natural habitats. o Involve land use changes such as drainage of wetlands and cultivation. o Activities that may potentially affect the quality or quantity of water or a waterway shared with other nations. o Activities that may cause significant loss of biodiversity. o Activities that may

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have any potential adverse direct impacts on village centers (because it is located inside a village or close enough to a village); o Activities which are likely to have significant adverse environmental and social impacts that are sensitive, diverse, irreversible or unprecedented use.

ESS10 - Stakeholder Engagement and Information Disclosure Relevant

[Explanation - Max. character limit 10,000]

Stakeholder engagement is key to the success and sustainability of the project development objectives. Besides, it will help to engage stakeholders to incorporate views from all stakeholders through meaningful consultations and feedback to improve the environmental and social sustainability of the project, enhance its acceptance, and make a significant contribution to successful project design and implementation. The MILLs has prepared, consulted upon, and disclosed an inclusive country-level Stakeholder Engagement Plan (SEP) in accordance with the requirements of ESS10 with consideration of the nature and scale of potential risks and impacts. The SEP will be implemented throughout the project implementation period. During project preparation (i) initial stakeholder consultations were conducted to inform stakeholders to disseminate the relevant project activities including information on project benefits, and additional consultations with the local communities are conducted during the preparation of ESMF, SA, SEA/SH Action Plan, and LMP. The communities were informed about the project activities, E&S risks and impacts of the project, mitigation measures, the developed SEP, and other E&S risk management instruments under preparation for the project. The stakeholder and community consultations are being carried out at federal, regional, Woreda, and Kebele levels. At the federal level, consultations were conducted at the LLRP coordination office. Different stakeholders have participated in the consultation including FAO Ethiopia, EMI, MoA, MoWSA, ILRI/AICCRA, LLRP, MoP, and FEPA. Besides, consultation was conducted with five regional levels of relevant stakeholders including Benishangul Gumuz, Dire Dawa city, Southwest, and Somali Region to assess the potential benefits and impacts of the LLRP II components' activities. The main issues raised during the consultation were (a) how to analyze and facilitate the potential risk management process in compliance with the relevant National Legislation; (b) the applicable World Bank's E&S Framework (ESF) and other requirements for the implementation of sub-projects under the project in a coherent manner; (c) discussion on the potential benefits and risks of LLRP II components such as Pastoral Risk Management, Integrated Rangeland Management, Climate Smart and Resilient Livelihoods, and (d) the roles, responsibility as well as the potential benefits to community. The ultimate outcome of the stakeholder and community consultation sessions is to come up with clear, comprehensive, and practical guidance to the client on integrating an environmental and social due diligence process into the LLRP II implementation. In addition, the consultation findings were captured during the preparation of the ESRM instruments to avoid, minimize, and mitigate the environmental and social risks and impacts that are likely to arise during the planning, design, and implementation of sub-project level activities. In addition, during subprojects implementation, consultation will be conducted with all stakeholders like the regional, woreda, and kebele level experts, community members, women, and vulnerable groups, among others. Building on the experiences of the parent LLRP, the client will seek stakeholder feedback and opportunities for proposed future engagement, ensuring that all consultations are inclusive and accessible (both in format, language, and location) and through channels that are suitable in the local context. SEP has been prepared for the project. The SEP includes a summary of stakeholder consultations made such as how the stakeholder inputs are considered in the design and preparation of E&S instruments. If major changes are made to the SEP, the SEP will be revised and redisclosed publicly. Besides, the borrower will engage in meaningful consultations with all stakeholders throughout the project lifecycle, paying attention to the inclusion of historically underserved communities and disadvantaged groups (including the elderly, persons with disabilities, female-headed households, orphans, and

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vulnerable children). In addition, the SEP ensures that vulnerable groups including historically underserved communities can access project benefits. The stakeholder engagement process shall ensure that their views and concerns are incorporated in project design and implementation, and that risks are adequately assessed and mitigated. Due to the presence of historically underserved communities in all project implementation areas, any specific engagement requirements for their participation are provided in the SEP. Stakeholders for the project include: (i) directly and indirectly likely to be affected stakeholders, including pastoralist and agro-pastoralist communities, farmers, relevant government offices at national (such as ATI, EIAR, DRMC, and ECC) regional, zonal, woreda and kebele level, Development Partners including Japan Social Development Funds (JSDF), local organizations including informal institution, NGOs/CSOs (like ILRI and UN-FAO), religious leaders and environmental public sector agencies; and (ii) other interested parties, including politicians (national and regional state leadership), research institutes international, national, and local media, social media activists, and the public at large. The SEP includes a grievance mechanism (GM) to ensure complaints and concerns of stakeholders are adequately managed. A grievance redress mechanism (GRM) guideline prepared for parent LLRP is updated/revised and will be used to strengthen and support the establishment of project GRMs. The revised GRM guideline captures the specific protocols to address sensitive complaints related to GBV/SEA/SH, corruption, and procurement and contract management. A Grievance redress committee will be established in the new project implementing Woreda and Kebele level composed of the local community to ensure accessibility and transparency of the GRM.

ESS2 - Labor and Working Conditions Relevant

[Explanation - Max. character limit 10,000]

ESS2 is relevant due to potential risks to labor and working conditions for applicable workers including direct and contracted workers as well as the voluntary use of community labor (associated with civil works especially those associated with the activities to be financed under Component 1&2 such as small-scale irrigation, rural roads, storage facilities, and other small infrastructure). It is anticipated that workers under the four categories: direct, contracted, community and primary supply workers will be engaged in the proposed project activities. The project implementing entity has prepared a Labor Management Procedures (LMP) as part of the ESMF which identified the main labor requirements and labor risks associated with the Project based on the requirements of ESS2 and national labor laws and disclosed prior to appraisal. The LMP summarizes procedures to address labor issues including, but not limited to: (i) child labor and forced labor; (ii) contracts of employment and terms and conditions of employment, (iii) protection of wages including fair treatment, non-discrimination, and equal opportunity of Project workers, (iv) occupational, health and safety issues which will be applicable to all Project workers, (v) labor influx and associated risks including GBV; (vi) security provisions for workers involved in the distribution of innovative technologies and different agricultural inputs; (vii) grievance mechanism for workers with accessible means to raise workplace concerns.; and (viii) codes of conduct for project workers including norms of conduct with SEA/SH provisions. Considering that the project intends to procure solar equipment, a language on forced labor will be incorporated in the procurement contracts. The LMP has specified the circumstances in which bidders will be required to provide a Forced Labor Performance Declaration (to cover past performance), and a Forced Labor Declaration (to cover future commitments to prevent, monitor, and report on any forced labor, cascading the requirements to their own sub-contractors and suppliers). Further, the LMP addresses the use of voluntary community workers through (i) including provisions to verify and document that work is truly voluntary (not coerced) and benefits are not conditioned to participation, (ii) ensuring that conditions are agreed and include proper OHS arrangements and access to project grievance mechanism, and (iii) providing clarity on the responsibility for managing community labor and applying the LMP to

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community workers. Proposed OHS risk mitigation measures among others include as: (a) identification of potential hazards to Project workers during construction and operational phases; (b) provision of preventive and protective measures, including elimination of hazardous conditions or substances; (c) training of Project workers and maintenance of training records; (d) documentation and reporting of occupational accidents, diseases, and incidents; (e) emergency prevention and preparedness and response arrangements to emergency situations; (f) remedies for adverse impacts such as occupational injuries, disability, and disease. Contractors will be required to prepare and implement Occupational Health & Safety Plans (OHSP) following the World Bank Group General and relevant industry specific Environment, Health, and Safety (EHS) Guidelines, adopt a code of conduct for all workers and establish a worker specific GM (accessible for direct and contracted workers) before commencement of the civil works. General guidance on the management of OHS risks is included in the ESMF. Bidding documents for the small infrastructure activities shall include budget provisions for the management of labor issues including all OHS provisions. The project will ensure a basic, responsive grievance mechanism to allow workers to have a venue to inform management of labor issues, such as a lack of PPE, and unreasonable overtime via the client. The client must report any incidents or accidents that could occur in connection with the project workers.

ESS3 - Resource Efficiency and Pollution Prevention and Management Relevant

[Explanation - Max. character limit 10,000]

ESS3 is relevant as the activities to be financed under Component 1, 2 and 3 involving construction of community infrastructure such as small-scale irrigation schemes, rural roads, storage, and other facilities can contribute to environmental pollution such as air, soil, noise, and water pollution. Small scale irrigation can lead to an increase in application of pesticides and other agrochemicals (although the project will not finance any agrochemicals) that can account for environmental pollution due to pesticide containers, waste pesticides, and pesticide packaging material risks. Pests should be managed, through a process of integrated pest management (IPM) which combines chemical and non-chemical approaches to minimize the impacts of pesticides on the environment. Pesticides should be used only to the extent necessary under an IPMP in line with applicable WB EHS Guidelines. Pesticides products that contain active ingredients restricted under applicable international conventions will not be used. Where pesticide use is warranted, they should be stored, handled, and applied in a manner consistent with the recommendations for hazardous materials management to prevent, reduce, or control the potential contamination of soils, wildlife, groundwater, or surface water resources caused by accidental spills during the transfer, mixing, storage, and application of pesticides. A guidance for management of hazardous chemicals, including Integrated Pest Management Guideline have been annexed to the ESMF. Where relevant, Waste Management Plan will be prepared and implemented following ESMF procedure. For subprojects that may involve the use of pesticides, an IPMP will be developed and implemented through (i) collection of data on pesticide use, type of product, frequency of application, and application method from the responsible implementing bodies for planning, procurement, and application of the pesticides, (ii) assessing the risks and impacts of pesticides based on the information collected, (iii) selecting appropriate mitigation and management alternative, and (iv) developing an implementation monitoring plan. The use of solar energy for pumping water from wells is considered a positive step for energy use in these mostly arid and semi-arid borderlands, where grid electric connection is not available. However, hazardous wastes may be generated from solar energy generation activities including due to inefficient waste disposal and management of damaged batteries, solar appliances, and panels. Chemical degradation of soil may result from unsuitable land management techniques. Chemical degradation of soil may result from insufficient or inappropriate use of mineral fertilizers, failure to recycle nutrients contained in crop residues, and failure to correct changes in soil pH that result from long-term use

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of nitrogen fertilizers and excessive use of poor-quality water, resulting in salinization. The Project is not expected to result in significant emission of greenhouse gases due to the CDD nature of Project activities. There are also potential risks associated with overuse of limited water resources for irrigation activities, cumulative impacts of small-scale water use and waterlogging. Hence, when irrigation is used, the project implementing entity will implement irrigation water conservation techniques such as feasible water-efficient irrigation systems and regular maintenance of the irrigation system, as well as that of its associated channels and infrastructure; and avoiding over-irrigation, which may result in leaching of nutrients and contaminants. Furthermore, per the Bank "GPN on ESS3 for Water Use", the following will apply for subprojects that may have high water demand (e.g., irrigation). A detailed water balance will be developed, maintained, monitored, and reported periodically during implementation. Hydrological Balance Analysis (including groundwater abstraction when applicable) should inform the design and the development of drought management measures would be recommended depending on the level of risk. Opportunities for improvement in water use efficiency will be identified and implemented during implementation. If a subproject or group of subprojects within a basin, sub-basin, or watershed have high water consumption (e.g., irrigation coupled with other water uses), water resources assessment and implementation of water management measures at basin, sub-basin, or watershed level will be made. In such a case, a watershed hydrological assessment including water balance is prepared as part of environmental and social assessment instruments I.e., ESCP and ESMF. The ESMF includes the mitigation measures on water use such as improving water efficiency through technologies, water use scheduling, reducing water loss in the system, and increased water use monitoring. Other measures to be considered include water use caps, mandated environmental flows, and setting operating rules, where applicable. In sum, as some subprojects will use a valuable natural resource, i.e., water for either agricultural or animal feed production through irrigation, efficient utilization of the resource will be factored in the design (prior to ESMP preparation) and in the operation of these subprojects. The same efficient use of construction materials (such as extraction of sands and gravels) will be adopted and whenever possible be part of the design process for construction activities, which were presented as part of the ESMF. All issues related to ESS3 has been assessed as part of the ESMF, and site-specific assessments will be conducted as part of ESIAs/ESMPs during the project implementation period. Besides, the project activities will be implemented in compliance with the relevant World Bank Group Environmental, Health, and Safety Guidelines.

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ESS4 - Community Health and Safety Relevant

[Explanation - Max. character limit 10,000]

Community Health and Safety risks are likely to be associated with activities under Component 1, 2 and 3 which involves construction of small- scale infrastructure. For civil works, it is anticipated that most of the unskilled workers will be sourced from the community at the subproject sites and that semi-skilled and skilled workers are likely to be nationals from outside of the subproject implementation area. The likelihood and extent of such an influx will need to be considered as part of the ESIA/ESMP that will be prepared for sub-projects. Labor influx , if any, can lead to the risk of sexual exploitation and abuse and sexual harassment (SEA/SH) especially of women and girls due to the presence of workers in the communities. SEA/SH Prevention and Response Plan were prepared as part of the ESMF and disclosed to address the risks including access to complaints mechanism and services for survivors during implementation but prior to the start of any civil works. The action plan includes an assessment risk, , plan for sensitization/awareness raising for the community and intended training activities for workers; mapping of service providers, reporting and response frameworks, and establishment of GBV sensitive GRMs. The SEA/SH Prevention and Response Plan will be adopted by subprojects and site-specific instruments (ESIAs/ESMPs) will consider the risks and measures proposed in

the plan. In addition, the SEA/SH specialist will be hired at the FPCU level within three (3) months of the project Effective Date. Construction activities may pose potential health and safety concerns for the inhabitants within the vicinity of works, especially when construction is carried out near a village/community. In conducting technical assistance and capacity building activities, community health safety risks may arise in association with field survey, workshop, and stakeholder engagement. Transport of materials, equipment and workers will use existing roads which may cause disruption or accidents resulting in injuries. Use of green technologies, including biodigesters may cause health and safety concern to the community due to potential explosion, asphyxiation, disease, and hydrogen sulfide poisoning risk. For mitigating the risk of green technology, emergency preparedness and response procedure will be prepared as part of site specific ESIA/ ESMP. There are also potential community HS risks due to (1) water borne diseases resulting from irrigation areas/activities, and (2) supply of water to communities that may not meet applicable drinking water standards (e.g., drinking untreated ground water). Mitigation measures have been included in the ESMF, and the risks and measures will be further assessed and proposed as part of site specific ESMPs/ESIAs. This includes measures such as the development of traffic management procedures, engagement with stakeholders to advise them of the risks and monitoring requirements. Site specific environmental and social risk management tools will cover specific measures to address traffic risk mitigation measures. As part of the ESMF and subproject E&S risk management tools, the client has potential community health and safety risks and impacts emanated from the generation of wastes, particularly from wastes, noise, and dust, transportation and disposal of solar panels, batteries, pesticide containers, and other construction materials, etc., in the project sites during construction and operation. With interventions on natural resources, some ecosystem services could be affected through water use, restriction of access to natural resources, etc. The project will not finance any large dam and small dams that can cause safety risks in line with ESS4. However, small dams may be built or rehabilitated for irrigation or flood management. As such, the client will make sure that such small dams are designed and constructed in such a way that potential community health and safety risks are minimized or avoided. It will ensure that dam safety measures are designed by qualified engineers and it will be supervised by the project civil engineer and / or supervising firm during the construction phase of small dams in accordance with Good International Industry Practice such as Food and Agriculture Organization, Manual on Small Earth Dams: A Guide to Siting, Design and Construction (FAO, 2012; World Bank Good Practice Note on Dam Safety, 2020; and World Bank Small Dam Safety Technical Note4, 2021). There are security concerns in various part of Ethiopia. These security risks can influence the project's ability to undertake meaningful implementation of the project activities. To address security risks, a security risk assessment has been conducted and security risk management plans (SRMP) have been prepared based on the ESF requirements, particularly ESS 4 related to security. The SRMP will be adopted by subprojects and site-specific instruments (ESIAs/ESMPs) will consider the risks and measures proposed in the SRMP. In addition, the SRA/SRMP will be updated to capture the local context during the implementation in each region. The technical team has considered the preparation of a Disaster Risk Assessment (DRA) to assess disaster risks and associated disaster risk management measures to mitigate them (including relevant risk of drought, flooding, etc.) in the ESMF as well as part of site-specific ESIAs/ or ESMPs.

ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement Relevant

[Explanation - Max. character limit 10,000]

ESS5 Land Acquisition, Restrictions on Land Use, and Involuntary Resettlement ESS5 is applicable for the proposed project. Land acquisition, restrictions on land use, and involuntary resettlement may result from subprojects such as water resource rehabilitation and development, smallholder irrigation rehabilitation and development, rural access roads, livestock infrastructures (cold chains, clinics, laboratories, diagnostic centers, markets, abattoirs, etc.),

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multipurpose emergency stores, flood control structures, feed and food stores, small scale agro-processing facilities, agricultural products collection and storage facilities, energy-efficient technologies (solar, biogas, wind, etc.), water-saving technologies (household drip irrigation, mulch farming, etc.), and other related activities under component 1, 2 and 3. For the parent project, a Resettlement Policy Framework (RPF) was prepared and disclosed based on OP 4.12 and national law requirements to mitigate impacts and risks related to land acquisition. So far, in the parent project, there is no physical displacement due to project activities, but there was land acquisition and economic displacement. Accordingly, 12 households have encountered economic displacement, and a total of 14.31 Ha land were acquired (two in Gambelia, three in Oromia, four in SNNP, and one in Afar regional states) for subproject activities and compensation were made as per the plans prepared based on the RPF. The RPF is revised based on the ESF requirements, particularly ESS 5 in addition to the applicable national legislations and disclosed prior to project appraisal. The revised RF has resettlement principles and procedures including for setting eligibility criteria for resettlement entitlements, organizational arrangements, and the establishment of a project-level Grievance Mechanism (GM) to be used during the preparation of site-specific instruments to address potential land acquisition issues. In addition, the RF indicates procedures to address any impact due to restrictions/loss of access to natural resources by the project activities. Component 1, 2 and 3 subproject activities of LLRP II will be screened for resettlement impacts, and proportionate Resettlement Plans (RPs) will be prepared and implemented where applicable before the commencement of any subproject activities that involve private land acquisition. Further, to the livelihood losses due to land acquisition, the project will develop and implement livelihood restoration plans (LRPs) to address any economic losses due to land use change/displacement of land users because of project activities as part of the RPs. In the case of small-scale land acquisition through voluntary land donation (VLD), VLD guidelines are developed and annexed into the RF to ensure adherence to the principles and VLD protocol outlined in ESS5 satisfactory to the Bank. The prepared RF provides an overall approach for assessing impacts on existing land tenure systems (individual or collective) as a result of subprojects involving infrastructure rehabilitation and development. In addition, the framework provides principles and procedures to address project impacts on defined, unclear, overlapping, and insecure land tenure systems. Site-specific RPs will be prepared to mitigate impacts on land tenure systems, including loss of livelihood and income, food insecurity, disproportionate harm to vulnerable groups, loss of ecosystem services, etc. Similarly, the RF outlines procedures to address water rights and restriction of access to resources due to project activities. Some of the subprojects will compete for available water resources for drinking, animal watering, and other domestic uses, thereby affecting the livelihood of the PAP communities. Subprojects could also restrict access to land, water, and ecosystem services on which the communities' livelihood depends. Site-specific RPs or process frameworks will be prepared and include measures to address impacts on water rights and access to resources.

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources Relevant

[Explanation - Max. character limit 10,000]

Given the CDD nature of the project investment, no large-scale habitat conversion or major biodiversity loss is anticipated. Some of the project activities such as control of invasive species (Prosopis juliflora) will have positive outcomes on the biodiversity of project areas. Hence, preparation of a standalone biodiversity management plan is not anticipated at this stage. However, there may be localized/ small scale risks to biodiversity and habitats because of small-scale irrigation activities, rural roads, and other investments. The project activities may have impacts on biodiversity and ecosystems because of pollution. Inappropriate use of pesticides or waste disposal can result in

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contamination of air, soil, and water resources which in turn could cause loss of biodiversity including destroying beneficial insect populations which act as natural predators for some pests and bees. If any potential adverse impacts on biodiversity are identified based on E&S screening of the subprojects (following a screening procedure included the ESMF that helps to exclude protected areas and critical habitats), the subproject E&S risk management instruments (ESIAs/ESMPs) will include mitigation measures for potential risks on biodiversity. Such screening can help with the scoping of priorities for further assessment, if complete avoidance is not possible, thus reducing unnecessary biodiversity and/or ecosystem impacts. Screening should be conducted to identify species and sites of importance within the project sites. Tools, such as the Integrated Biodiversity Assessment Tool (IBAT) can facilitate access to key international data sets. In case of significant impacts due to subprojects in or potentially adversely affecting non-critical habitats (those habitats that are not legally protected or proposed for protection and do not have as high a conservation value), if any, Biodiversity Management Plans (BMPs) will be developed. Potential risks to ecosystem services were assessed as part of the ESMF. There are some sensitive natural habitats and protected areas in the Regional States which will implement the project such as Awash and Yangudi Rasa National Parks (Afar Region), Yabello Sanctuary in Borena (Oromia Region), the Babile Wildlife Sanctuary (Somali Region), and Gambella National Park (Gembella Region). However, no project activity will be implemented near or in these protected areas as it has been the case for the parent project. The ESMF and the ESCP subprojects eligibility criteria therefore will cover exclusion of any investment that may involve alien species and any significant risks to biodiversity, animal welfare, results in land conversion, or affects legally protected natural resources. Subprojects in critical habitats or potentially adversely affecting critical habitats will be excluded from the project. Where relevant, the client will follow measures outlined in the IFC Good Practice Note on Improving Animal Welfare in Livestock Operations. This would entail among others that genetic selection should always consider the health and welfare of animals; animals chosen for introduction into new environments should be suited to the local climate and able to adapt to local diseases, parasites, and nutrition; the physical environment should allow comfortable resting, safe and comfortable movement, including normal postural changes, and the opportunity to perform types of natural behavior that animals are motivated to perform; etc. Further details are available in the Good Practice Note, which were used during the development of the ESMF.

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ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities Relevant

[Explanation - Max. character limit 10,000]

The proposed activities of LLRP II may potentially impact the historically underserved people who meet the criteria of ESS7 since the project will be implemented in Afar, Somalia, Gambella, Benishangul, and areas where there are pastoralists and agro-pastoralists in Oromia and Southern region, who meet the requirement of historically underserved people in Ethiopia. A Social Assessment (SA) including a Social Development Plan (SDP) was prepared and disclosed for the parent project (LLRP). The parent project's SA including SDP was updated based on the ESS7 requirements for the purpose of LLRP II. The social risks and impacts relating to ESS7 are assessed in the Ethiopian context through an enhanced SA (including SDP) based on an extensive engagement process with potential project beneficiaries including those who will be identified as vulnerable groups and underserved peoples. The SA targets the historically underserved people and vulnerable groups, and the SDP emphasized to ensure benefit sharing mechanisms during implementation of subprojects. The SDP have concert actions that will enhance the benefit-sharing mechanism for them with an appropriate budget. The concerns and preferences of historically underserved people should have been addressed through meaningful consultations and integrated into subproject designs. Free,

Prior, and Informed Consent (FPIC) does not apply for the project as the project targeted the entire HUPs and the a SA has included SDP to address the concerns of the underserved groups and HUP. Provisions for implementation of benefit sharing in subproject design are also included in the ESCP and key findings of the SA has also informed the project design. The SA (including the SDP) has been consulted on by and disclosed prior to project appraisal. The main issues raised during the consultation were (a) how to analyze and facilitate the potential risk management process in compliance with the relevant National Legislation; (b) the applicable World Bank's E&S Framework (ESF) and other requirements for the implementation of sub-projects under the project in a coherent manner; (c) discussion on the potential benefits and risks of LLRP II components such as Pastoral Risk Management, Integrated Rangeland Management, Climate Smart and Resilient Livelihoods, and (d) the roles, responsibility as well as the potential benefits to community. The ultimate outcome of the stakeholder and community consultation sessions is to come up with clear, comprehensive, and practical guidance to the client on integrating an environmental and social due diligence process into the LLRP II implementation. In addition, the consultation findings were captured during the preparation of the E&S risk management instruments to avoid, minimize, and mitigate the environmental and social risks and impacts that are likely to arise during the planning, design, and implementation of sub-project level activities. A detailed matrix outlining the GRM, benefit-sharing approach, participation, monitoring and evaluation, potential social risks, and mitigation actions are included in the SA specifically in the SDP. Besides, due to the presence of vulnerable groups and historically underserved people in all project implementing regions, any specific engagement requirements for their participation were provided in the SEP. The SEP will ensure the participation of these groups in the project benefits and development process as outlined under ESS10. As a key focus of the project is to ensure these vulnerable groups can access project benefits, the stakeholder engagement process during project implementation shall ensure that their views are incorporated in subproject activities design and implementation and that risks, particularly those affecting women and girls, are adequately assessed, and mitigated. The project will ensure that the Grievance Mechanism to be established (in new subproject implementing areas) and strengthened under ESS10 should be fully accessible for these communities.

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ESS8 - Cultural Heritage Relevant

[Explanation - Max. character limit 10,000]

No adverse impacts on cultural heritage are anticipated at this stage. However, the Chance Finds Procedure shall be adopted for precautionary reasons for infrastructure investments to address unknown archeological or historical remains and objects. An exclusion criterion to avoid cultural heritage sites is included in the ESCP and ESMF. Moreover, if significant impact will be foreseen during implementation, a cultural heritage management plan will be developed.

ESS9 - Financial Intermediaries Not Currently Relevant

[Explanation - Max. character limit 10,000]

No FI will be involved

B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways Yes

OP 7.60 Operations in Disputed Areas No

B.3 Other Salient Features

Use of Borrower Framework No

[Explanation including areas where "Use of Borrower Framework" is being considered - Max. character limit 10,000]

None

Use of Common Approach No

[Explanation including list of possible financing partners – Max. character limit 4,000]

none

B.4 Summary of Assessment of Environmental and Social Risks and Impacts

[Description provided will not be disclosed but will flow as a one time flow to the Appraisal Stage PID and PAD – Max. character limit 10,000]

Environmental Risks: As it has been the case for the parent project (LLRP), LLRP II is expected to have a range of environmental benefits as it will support invasive plant species (Prosopis juliflora) control activities in addition to financing rangeland management, energy-efficient technologies, and soil and water conservation measures. However, there are also potential negative environment, health and safety risks and impacts that could result from the LLRP II activities. The EHS risks and impacts could mainly result from the project activities/investments which will be supported under i) Component 1: such as small-scale irrigation, rural access roads, energy-efficient technologies (solar), livestock clinics/laboratories and flood control structures; and ii) Component 2 such as smallholder irrigation and feed/forage production and management. New water supply schemes from groundwater (for livestock and human use in the pastoralist areas) could lead to unmanaged local livestock movements and ecologically destabilizing overgrazing. Development of water resources often involves balancing competing qualitative and quantitative human needs with the rest of the environment. This is a particularly challenging issue in the absence of a clear allocation of water rights which should be resolved with the participation of appropriate parties in advance of project design and implementation. Both surface water and groundwater supplies can become contaminated with potentially toxic substances of natural and anthropogenic origins, including pathogens, toxic metals (e.g., arsenic), anions (e.g., nitrate), and organic compounds. Groundwater could be depleted as a result of water development activities, and pumps could malfunction if excessive amounts of water are discharged. Small scale irrigation may lead to an increase in water extraction, soil salination, soil nutrient management concerns, water consumption, pesticide management (although the project will not finance any pesticide), crop residue and solid waste management concerns, and potential risks to biodiversity and ecosystem. Other environmental issues and ecological impacts of livestock production include small scale GHG emissions due to CDD nature of the activities; hazardous material management from animal clinics and labs and solar panels); animal disease outbreaks; threats to biodiversity and the environment from pasture and farmland expansion, or the introduction of new animal breeds, seed, and plant and crop species; and possible failure of small dam structures (no large dam will be financed). Construction of flood control structures, feed and food stores could lead to generation of wastes, noise, and consumption resources such as water and other construction raw materials. There are also various occupational health

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and safety (OHS) issues that may result from the project activities such as physical hazards, biological hazards, and chemical hazards. Component 4 will support Type 2 TAs such as policy engagement on strategic issues for the sector (including policy gap assessments and dialogue forums), and targeted research works (at federal level) pertinent to the overall project development objective. The potential downstream strategic level EHS risks of these Type-2 TAs will be assessed as part of the ESMF once the TAs are clearly defined. Experience from the implementation of the parent project (LLRP) shows that the risks and impacts from the project's CDD subprojects are site-specific, small in scale and readily manageable. Hence, the environmental risk of the LLRP is rated as Substantial considering contextual security and climate disaster risks. However, LLRP II has to come up with a more holistic approach to address climate change-related risks such as drought and flooding. This includes the introduction of a new and dedicated Disaster Risk Management and Climate Change Mitigation and Adaptation component.

Social Risks: The proposed project is expected to have positive social impacts corresponding to its development objectives, including building community resilience to climate change and drought, strengthening social capital in dispute resolution, and building the capacity of the public sector to provide services. However, there are also potential social risks due to the nature of the proposed subproject activities, and the social risk for the proposed project is rated 'substantial'; the same as the parent project's social risk rating. The key Social related risks and impact are (I) instability in the some of the project implementing areas such as Benishangul-Gumuz, Afar, Somalia, and Gambella regions, (ii) land acquisition especially for activities related to Component 1, 2 and 3 (such as water resource rehabilitation and development, small holder irrigation rehabilitation and development, rural access roads, livestock infrastructures (cold-chains, clinics, laboratories, diagnostic centers, markets, abattoirs, etc.); (iii) there might be a risk related to elite capture as a result of insufficient community and relevant stakeholder engagement/consultation as per the ESS10 and ESS7 requirements; (iv) the project activities may also create or exacerbate the existing social discrimination or exclusion and vulnerability of the disadvantaged and vulnerable groups in the subproject implementing areas, particularly those living in relatively remote and conflict affected areas ; (v) social tensions/conflicts may be induced by competition over the existing natural resources as well as the proposed subproject activities including access to water and road resources as well as livestock infrastructures; (vi) there might be forced labor, child labor, discriminatory hiring practices, and poor safety and health measures during the construction of infrastructures, development and rehabilitation activities, as well as in the supply chain associated with the production of solar equipment and others. Besides, there may be labor influx and associated risks including risks to community health and safety including gender-based violence, sexual exploitation and abuse, and sexual harassment (GBV/SEA/SH); (vi) security risks including temporary inaccessibility of the project implementation areas for the implementation, follow up and monitoring of sub-projects activities, criminal targeting of project assets (robbery/ theft), safety hazards at project sites, demonstration/ civil unrest and others in the implementation areas. The prevailing conflicts will affect the implementation of the proposed project; and (vii) other possible risks and impacts on communities may include dust from construction activities, construction noise, as well as road accidents or fatalities.

To address and mitigate the risk and impacts related to the project activities, the client has developed the relevant E&S risk management instruments, such as Environmental and Social Commitment (ESCP), Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP), SEA/SH Prevention and Response Action Plan, and Security Risk Assessment (SRA), including action plan developed and disclosed prior to the project appraisal. In addition, the parent Social Assessment (SA) including the Social Development Plan (SDP), Environmental and Social Management Framework (ESMF), and Resettlement Policy Framework (RPF) are updated based on the requirements of the World Bank ESF and consulted upon and disclosed prior to the project appraisal; and will be implemented throughout the project period.

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C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by implementation?

[Description of expectations in terms of documents to be prepared to assess and manage the project's environmental and social risks and by when (i.e., prior to Effectiveness, or during implementation), highlighted features of ESA documents, other project documents where environmental and social measures are to be included, and the related due diligence process planned to be carried out by the World Bank, including sources of information for the due diligence - Max. character limit 10,000]

To address and mitigate the risks as well as impacts related to the project activities, the project has prepared Social Assessment (SA) including the Social Development Plan (SDP), Environmental and Social Management Framework (ESMF), and Resettlement Framework (RF) based on the requirements of the World Bank Environmental and Social Frameworks (ESF) and consulted upon, and disclosed prior to the project appraisal. In addition, Environmental and Social Commitment (ESCP), Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP), SEA/SH Prevention and Response Action Plan, and Security Risk Assessment (SRA), including action plan are developed and disclosed prior to the project appraisal, and will be implemented through out the project lifetime. Moreover, the site-specific instruments, such as ESIA/ or ESMPs will be prepared and disclosed prior to commencement civil work.

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Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 6: CI Project Implementation Manual (PIM)

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East and Southern Africa Division
Programme Management Department

DRAFT

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

LOWLANDS LIVELIHOOD RESILIENCE PROJECT, PHASE TWO (LLRP II)

(P180076)

PROJECT IMPLEMENTATION MANUAL

VOLUME-I: MAIN TEXT

Ministry of Irrigation and Lowlands

June 2024

List of Abbreviations and Acronyms

AICCRA	Accelerating Impacts of CGIAR Climate Research for Africa
ADPC	Asian Disaster Preparedness Centre
API	Application Program Interface
ATI	Agricultural Transformation Institute
AWPB	Annual Work Plan and Budget
AWS	Automatic Weather Station
BREP	Building Resilience in Ethiopia Project
CAHW	Community Animal Health Worker
CAVE	Community Agro-Vet Entrepreneur
CBBP	Community-Based Climate Resilient Breeding Program
CCDR	Country Climate and Development Report
CGIAR	Consultative Group on International Agricultural Research
CIAT	Centre international d'agriculture tropicale (International centre for Tropical Agriculture)
CIG	Common Interest Group
CIMMYT	Centro Internacional de Mejoramiento de Maíz y Trigo (International Maize and Wheat Improvement Centre)
CIS	Climate Information Services
COSOP	Country Strategic Opportunities Program
CPF	Country Partnership Framework
CRSL	Climate Resilient and Sustainable Livelihoods
CSPEII	Climate Smart Public Economic Infrastructure Investment
DBE	Development Bank of Ethiopia
DPRSIP	Disaster Preparedness and Resilience-Building Strategic Investment Plans
DRM	Disaster Risk Management
ECC	Ethiopian Cooperative Commission
EDRMC	Ethiopian Disaster Risk Management Commission
EFMP	Ethiopian Flood Management Project
EIAR	Ethiopian Institute of Agricultural Research
EMI	Ethiopian Meteorology Institute
ERR	Economic Rate of Return
ET-LITS	Ethiopian Livestock Identification and Traceability System
EW4All	Early Warning for All Initiative
EWEAS	Early Warning and Early Action System
FAO	Food and Agriculture Organization
FAOWaPOR	Food and Agriculture Organization Water Productivity Open-access Portal
FCV	Fragility, Conflict, and Violence
FGD	Focus Group Discussion
FM	Financial Management
FPCU	Federal Project Coordination Unit
GDP	Gross Domestic Product

GEE	Google Earth Engine
GEMS	Geo-Enabled initiative for Monitoring and Supervision
GHG	Greenhouse Gas
GIS	Geographic Information System
GoE	Government of Ethiopia
GPS	Global Positioning System
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HPI	Heifer Project International
ICARDA	International Center for Agricultural Research in the Dry Areas
ICIPE	International Center of Insect Physiology and Ecology
ICPC	Inter-Communal Peace Committee
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IFR	Interim Financial Report
IGAD	Inter-Governmental Authority for Development
IIRR	International Institute for Rural Reconstruction
ILRI	International Livestock Research Institute
IPF	Investment Project Financing
IRM	Integrated Rangeland Management
LFSDP	Livestock and Fishery Sector Development Project
LITS	Livestock Identification and Traceability System
LLRP	Lowlands Livelihood Resilience Project
LMIS	Livestock Market Information System
M&E	Monitoring and Evaluation
MFD	Maximizing Finance for Development
MFI	Microfinance Institution
MH-IB-EW-EAS	Multi-Hazard, Impact-Based Early Warning and Early Action System
MILLs	Ministry of Irrigation and Lowlands
MIS	Management Information System
MoLS	Ministry of Labour and Skills
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MoP	Ministry of Peace
MSEs	Micro and Small Enterprises
NAP	National Adaptation Plan
NBS	Nature-Based Solutions
NDC	Nationally Determined Contribution
NFCS	National Framework for Climate Services
NPV	Net Present Value
PACK	Pastoral and Agropastoral Center for Knowledge
PAD	Project Appraisal Document

PAP	Pastoral and Agropastoral
PASACCO	Pastoral and Agropastoral Saving and Credit Cooperative
PCE	Private Capital Enabling
PCU	Project Coordination Unit
PDO	Project Development Objective
PEI	Public Economic Infrastructure
PEIIP	Public Economic Infrastructure Investment Plan
PIM	Project Implementation Manual
P-PD	Pioneer Positive Deviance
PPSD	Project Procurement Strategy for Development
PRMP	Participatory Rangeland Management Planning
PRMR	Pastoral Risk Management for Resilience
PRPM	Participatory Rangeland and Pasture Management
RHM	Rangeland Health Monitoring
RMIP	Rangeland Management and Investment Plan
RMP	Rangeland Management Plan
RMS	Rangeland Monitoring System
RPCU	Regional Project Coordination Unit
RRA	Risk and Resilience Assessment
RS	Remote Sensing
SFDRR	Sendai Framework for Disaster Risk Reduction
SLM	Sustainable Land Management
SMEs	Small and Medium Enterprises
SMS	Short Message Service
SRM	Sustainable Rangeland Management/Sustainable Landscape Management
SSRLD	Strategy for Sustainable and Resilient Livestock Development
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
ToC	Theory of Change
TPMA	Third-Party Monitoring Agent
TTL	Task Team Leader
VSF-Suisse	*Vétérinaires Sans Frontières Suisse* (Veterinarians without Borders Switzerland)
WDRP	Woreda Disaster Risk Profile

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1. About the Manual

1. Ethiopia has two major land use topographies: the Highlands and the Lowlands. The arid and semi-arid areas of lowlands and extensive livestock system supported by it directly contributes to the lives and livelihoods of 15 million people and account for 44% of the total livestock population in the country. The Lowlands Livelihood Resilience Project Phase II (LLRP II) aims to build resilience and inclusiveness aligned with the World Bank's country partnership framework and also in line with the key National Development Strategies including the 10-year development plan (2021-2030).

2. As per the financing agreement signed between the Ministry of Finance and the World Bank, the host Ministry (Ministry of Irrigation and Lowlands) is to prepare and adopt a Project Implementation Manual (PIM) as an effectiveness condition to kick start project implementation. The PIM will outline the detailed project rules, procedures and guidelines for implementing LLRP II. The project will be declared effective once the Government of Ethiopia represented by Ministry of Finance (MoF) adopt the PIM prepared through the Ministry of Irrigation and Lowlands (MILL), which will also expected to be reviews by IFAD and approved by the World Bank.

1.1 Purpose of the PIM

3. The Project Implementation Manual (PIM) is the principal guidance and reference document to ensure shared understanding among project stakeholders and guide streamlined implementation of the LLRP II activities. Specifically, the objective of the PIM is to provide procedures, processes and structures for the implementation of the LLRP II on all key issues. The PIM guides the governance structures, implementing agencies, coordination and management structures, implementing partners and technical assistance service providers for implementing the project.

1.2 Structure and Contents

4. The financing agreement elaborates through section 1.B.1 of the schedule-II. The provisions in accordance with the PIM has to be prepared. The PIM is divided into four main parts.

- Part-I: Overall Project Features and Documents
- Part-II: Detailed Project Component Descriptions
- Part-III: Implementation Structures
- Part-IV: Project Management Arrangements

1.3 Legal Covenants

5. The provisions of the PIM are consistent with: (i) the Financing Agreement (FA); (ii) the Project Appraisal Document (PAD); and (iii) any other relevant guidelines/directives of the World Bank especially relating to Procurement, Financial Management, Disbursement, Environment, Social Safeguards and Monitoring and Evaluation. In case of any inconsistency arises, the provisions of the FA and contents of the PAD shall prevail. The PIM or any of its parts, as approved and adopted shall not be amended, repealed or suspended without the prior agreement of the World Bank.

1.4 Amendments to the PIM

6. The PIM is an evolving document that will be updated with the emerging needs of LLRP II implementation based on field level experience and lessons learned. Any amendments to the PIM will be reviewed by the National Project Manager (LLRP II) together with the World Bank Task Team Leader (TTL). The proposal for the revision to the PIM will be discussed by the Federal Technical Committee, approved by the Ministry of Irrigation and Lowlands (MILLS) and also reviewed by IFAD. The revised PIM will be formally submitted to the World Bank after approval by the Ministry of Irrigation and Lowlands for endorsement. The updated version of the PIM will be disseminated

among all project implementing and partnering agencies. All amendments to the PIM will be documented and appended to the PIM.

Part-I: Overall Project Features

2. Introduction

2.1 The Project

7. The Lowlands Livelihood Resilience Project Phase Two (LLRP II) is developed as the second phase of LLRP I. The project aims to achieve Government of Ethiopia's (GoE) goal for the development of PAP systems and communities in the lowlands of Ethiopia. The project is financed by the World Bank (IDA) amounting to USD 340 million and co-financed by International Fund for Agricultural Development (IFAD) USD 80 million and contributions from MSEs amounting to USD 4 Million.

LLRP I – Some basic details	
Start Date	: May 2019
Closing Date	: October 2025
Allocation USD M	: 325
Direct	: 2.5

8. The project is approved in March 2024 and is expected to close in June 2029. Therefore, the project will be implemented over a period of five years. The primary implementing agency for the project is **Ministry of Irrigation and Lowlands (MILL).** There are seven implementing partners to the project including:

(i) Ministry of Agriculture (MoA);
(ii) Ethiopian Institute of Agricultural Research (EIAR);
(iii) Agricultural Transformation Institute (ATI);
(iv) Ethiopian Disaster Risk Management Commission (EDRMC);
(v) Ethiopian Meteorological Institute (EMI);
(vi) Ministry of Labour and Skills (MoLS); and
(vii) Ethiopian Cooperative Commission (ECC).

9. The Project will support building climate resilient PAP production system and livelihoods. The Project will also introduce and implement innovative technologies on disaster risk management, Integrated Rangeland Management and Climate Smart Livestock and Agriculture to improve food security in PAP areas.

2.2 Pastoral and Agro-pastoral Livestock System

10. Livestock production on rangelands and natural pastures is the primary livelihoods of about 15 million pastoralists and agro-pastoralists who live in the arid and semi-arid lowlands areas of Ethiopia. The main livestock species are cattle, small ruminants-sheep, goats and camels. Nearly half of the national livestock population is in the PAP lowlands and almost all of Ethiopia's live animal exports originate from PAP areas. The pastoral and agro-pastoral areas in the drought prone arid and semi-arid environment of Afar, Somali, Dire Dawa, parts of Oromia and South Ethiopia have low erratic and unpredictable rainfall, while western lowlands of Gambella, Benishangul-Gumus and South-West Ethiopia are moist. Extreme weather events like drought or flooding are major causes of losses in livestock and crop leading to increase poverty. The frequency and intensity of occurrence of drought in the PAP areas are increasing which cause significant damage to their livelihoods. Land degradation in PAP areas due to poor and unsustainable land management, livestock overgrazing and increasing human population add to the vulnerabilities and exposure to shocks. Absence of institutional, technological, and financial capacities affect their coping mechanisms to shocks. The PAP locations are remote, their social capital is weak, the eco system are fragile, basic services are poor, infrastructure is underdeveloped and opportunities to generate income from non-farm or non-pastoral activities are limited.

2.3 Project Development Objectives and Key Indicators

11. The Project Development Objective is to improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia.

12. The main indicators to measure achievement of the PDO are:

(a) Climate preparedness and resilience building infrastructure constructed and operational (number)
(b) Land area under sustainable landscape management practices (hectares)
(c) Increase in yield of selected livestock and crop commodities (percentage)
(d) Beneficiaries with 25 percent or more annual household income increment due to project interventions (percentage).

2.4 Project Area and Beneficiaries

13. The geographic area of project implementation covers pastoral and agro-pastoral areas of the country and is informed by learning and experiences from the first phase of the LLRP. The project design identified geographic areas primarily based on mapping and documentation of mobility routes, migration corridors and wet and dry season grazing areas.

14. The project will cover eight regions in Ethiopia. These include the seven regions covered under LLRP I (Afar, Benishangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, and Southwest Ethiopia People's regions) and the newly added region of Dire Dewa administration. A total of 120 woredas, including 100 woredas covered under LLRP I and 20 newly added ones, will benefit from the project. With additional resources, the project may expand to 30 more woredas. The detailed list of woreda's and rangeland unit (clusters) covering the project area of operation is given in **Annex 1.** The project will directly benefit 3 million PAP people (about 600,000 households) Women and youth will account for 50 and 30 percent of LLRP II beneficiaries, respectively. In addition, 2 million PAP community members will benefit indirectly from the project investments. The project will also benefit a range of organizations including various ministries and institutions, delivering public goods and services.

2.5 Project Period

15. The project is an Investment Project Financing (IPF) which will be implemented over a period of five years from June 2024 to 2029. The expected project closing date is 30 June 2029.

2.6 Overall Project Components

16. The project rests on four complementary components that aim to improve the livelihood and climate resilience of PAP households, communities, and ecosystems. Resilience is defined as "the ability of a system, community or society exposed to hazards to resist, absorb, accommodate, adapt to, transform and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions through risk management. In the context of LLRP II, improving livelihood and climate resilience rests on enhancing the capacity of lowland PAP households, communities, and production systems to anticipate, absorb, accommodate, adapt to, transform, or recover from climate shocks in a timely and efficient manner, while (and including by) ensuring the health and regeneration of lowland ecosystems and natural resources. Increases in production and productivity, better access to markets, roads, services, health, education, diversified diets, energy, and sustainable sources of income, and enhanced capacity to manage local resource-related conflicts are expected, among other improvements, to contribute to these outcomes. The four project components are:

- Component 1: Pastoral Risk Management for Resilience
- Component 2: Integrated Rangeland Management
- Component 3: Climate Resilient and Sustainable Livelihoods
- Component 4: Project Management, Monitoring, Evaluation and Learning

17. The overall project components are graphically presented in figure 2.1.

Figure-2.1: Components and Subcomponents of the Project

2.7 Results Chain

18. The project builds on a clear theory of change vis-à-vis the project objective of improving the livelihoods and climate resilience of pastoral and agropastoral communities. The project design including the scope of activities are synthesized into the theory of change, participatorily developed with project teams and in discussion with other stakeholders. Based on the lessons learnt from earlier and similar operations in the region, the ToC maps the casual relationship among the activities with immediate outputs and how these are leading to the achievement of the PDO as well as long-term outcomes. The most critical challenges are also the assumptions for achieving these interrelationships.

19. The Theory of Change as summarized above is given in Figure-2.2.

Figure-2.2: LLRP I-Theory of Change

2.8 Project Financing

20. The project overall cost is estimated to be USD 424.00 Million. This will be financed by the World Bank through IDA credit to the tune of USD 340 Million, International Fund for Agricultural Development (IFAD) amounting to USD 80 Million and commercial financing to the extent of USD 4 Million. The component-wise project financing is included in Table 2.1

Table 2.1: Component-wise project financing

Component	Total Cost USD M	World Bank (USD M)	IFAD (USD M)	Other Sources (USD M)
Component 1: Pastoral Risk Management for Resilience	**228.00**	**184.00**	**44.00**	
Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services	9.00	7.00	2.00	
Subcomponent 1.2: Implementing Disaster Preparedness and Resilience Investments	219.00	177.00	42.00	
Component 2: Integrated Rangeland Management (IRM)	**64.48**	**52.16**	**12.32**	
Subcomponent 2.1: Rangeland Health Monitoring and Institutional Capacity Building	4.35	3.48	0.87	
Subcomponent 2.2: Participatory Rangeland and Pasture Management (PRPM)	52.50	42.50	10.00	
Subcomponent 2.3: Resource-Related Conflict Management and Mitigation	7.63	6.18	1.45	

Component 3: Climate Resilient and Sustainable Livelihoods	**91.49**	**71.45**	**16.04**	**4.00**
Subcomponent 3.1: Crop and Livestock Productivity and Climate Resilience	37.00	30.00	7.00	
Subcomponent 3.2: Commercialization and Livelihood Diversification	55.00	42.00	9.00	4.00
Component 4: Project Management, Monitoring, Evaluation and Learning	**40.03**	**32.40**	**7.64**	
Subcomponent 4.1: Project Management and Monitoring, Evaluation, and Learning	37.03	30.00	7.03	
Subcomponent 4.2: Knowledge Management and Policy Support	3.00	2.40	0.6	

2.9 Collaboration between IFAD and World Bank

Being a co-financed project, the IFAD will collaborate with the World Bank in ensuring fiduciary compliance and contributing to the efficient planning and delivery of the project. The specific responsibilities to be supported by IFAD inter alia include:

- Ensure transparency, accountability and efficient use of funds by sharing fiduciary standards with the World Bank;
- Streamline project preparation, implementation and procurement processes through an efficient collaborative mechanism;
- Build sustainable capacity, arrange for technical assistance and ensure knowledge sharing with key project stakeholders;
- Knowledge transfer from specialized, similar and implementation experience;
- Approval of Annual Work Plans (AWP) and budgets prepared by FPCU.

2.10 Lessons Learnt and Reflected

21. Major lessons learned and reflected in the design of LLRP II include:

(i) Bring DRM into the resilience framework elaborated under LLRP I, with a focus on building the capacities of PAP communities to better prepare for disaster and break the cycle of disaster and short-term response.

(ii) Better coordinate capacity-building efforts across components to use project resources more efficiently (a dedicated capacity-building officer will be hired for this);

(iii) Systematically design more targeted programs to address the disproportionate impacts of climate change on women and vulnerable groups;

(iv) Carry out more focused and targeted research to facilitate policy reform;

(v) Seek more technical backstopping from international organizations; and

(vi) Introduce more technologies and innovations, including in the preparation and automation of WDRPs and DPRSIPs (for example, interactive and satellite-based RMS, digital banking and fintech, private and digital extension services, collar-mounted tsetse fly control, adaptation and livelihood resilience tracking tool, and integration of the GEMS Kobo toolbox in the project MIS).

Part-II: Detailed Description of Project Components

3. Component 1: Pastoral Risk Management for Resilience

22. The PAP communities are affected by drought, torrential rain and flood, erratic rainfall, diseases and pests. Climate change induced extreme events affect the cropping system and pasture and forage production and result in degradation of land, depletion of water resources, outbreaks of diseases and pests. Component 1 is expected to enhance disaster risk management capacities and support PAP communities to adapt to the climate change induced difficulties.

3.1 Risks in the PAP System

23. The unpredictable impacts of climate change are adversely affecting pastoralists and agro-pastoralists due to their heavy reliance on natural resources and eco system services for their livelihoods, including livestock and crop production. Their institutional, technological and financial capacities to cope with climate related disruptions are limited. They are in remote arid and semi-arid areas. Their heavy dependence on primary natural resources and its depletion, underdeveloped infrastructure, poor living conditions and their inability to generate income from non-agricultural and non-pastoral activities pre-dispose them to various hardships. Additionally, there is a prevalence of violent conflicts in these areas. Risks refer to the likelihood of damage, injury, loss or other adverse incidents that can disrupt the lives of PAP communities and their livelihoods. Happenings like drought, flood, violent conflicts etc. are called risks events. The damage or negative impact of an event to the PAP community is also referred to as the consequence. This component 1-Pastoral Risks Management is about undertaking risks and events and managing them to reduce the negative impacts. Actions taken by the project to reduce the risks are called mitigation measures.

3.2 Resilience is about Capacity

24. A related aspect of risk is resilience. Resilience is about enhancing the capacities of the PAP communities to pro-actively and positively manage the changes happening to the PAP systems around them. The project will provide protective measures to limit the negative impacts of shocks. The project is implementing various components and activities to build the resilience capacities of PAP communities and to reduce the impacts of various commonly occurring risks in the PAP system. The project is aware that resilience capacities are shaped by gender, age, ability, and socio-economic conditions. gender inequalities, for example, affect women's capacities to cope with and react to shocks, increasing their vulnerability to crises and stressors. While the focus of the project is on "communities," the intervention will ensure specific attention to build the capacities of women and youth in PAP communities, redressing some of the existing disparities in terms of access to and control over information, services, resources, and assets.

25. The various turbulence and uncertainties happening to the lives and livelihoods of the PAP communities can be addressed only by enhancing their capacities to cope with or bounce back after extreme adverse events like floods and drought. Such strengthening of capabilities to deal with risks are called `absorptive capacity of resilience.' In addition to the absorptive capacity, the project will also build the `adaptive capacity' to enhance their flexibility to manage and accept in a better way the unpredictable changes. The third aspect is the `transformative capacity' to help them consciously engage in long term change process.

3.3 Subcomponents of PRM

26. The disaster risk management for PAP communities and enhancing capacities for climate change mitigation and adaptation. These objectives will be pursued through two subcomponents:

(i) Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services, focusing on strengthening integrated early warning and response systems, which addresses climate-related hazards and involve multiple agencies.

(ii) Subcomponent 1.2: Implementing Disaster Preparedness and Resilience Investments, supporting the planning and implementation of climate-smart disaster preparedness and resilience building strategic investments in the project targeted areas.

3.4 Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services

3.4.1 Overview

27. The Ethiopian Disaster Risk Management Commission (EDRMC) is responsible for implementing Early Warning and Response System (EWRS), which includes the Climate Information Service (CIS). This system aims to provide advanced information and precautionary advice regarding imminent disaster events such as drought, flood, conflicts, livestock disease outbreaks, high temperature and crop pest infestations. The subcomponent will ensure that such information timely reaches the PAP households. The prompt dissemination of the information among PAP communities will enable proactive management of the impacts of the commonly occurring risks, thereby enhancing their ability to take protective actions and recover from negative events, thereby overall limiting the negative impacts of disasters. This proactive approach ultimately helps to limit the overall negative impacts of disasters. Additionally, climate change is exacerbating the frequency and intensity of various hazards, further emphasizing the importance of proactive risk management measures.

3.4.2 Key Elements

28. The subcomponent consists of the following key elements and implement three critical activities, also shown in Figure 3.1:

(i) Preparing/updating Woreda Disaster Risk Profiles (WDRP);

(ii) Supporting roll out of the Multi-Hazard Impact Based Early Warning and Early Action System (MH-IB-EW-EAS); and

(iii) Support to strengthening Climate Information Services (CIS).

Figure 3.1: Key Activities under Subcomponent 1.1

(i) Woreda Disaster Risk Profile (WDRP) Development

29. WDRPs will be prepared using participatory processes involving community representatives and key stakeholders at the woreda level.

30. ***What is WDRP?*** WDRP is to document, using an interactive online platform the existing climate and non-climate related disaster risks pertaining to each Woreda. The WDRP will help understand the disaster risk management in pastoral and agro-pastoral areas (disaster risk profiles) and will aid in taking care of these risks by mainstreaming them into the planning. WDRP map risk elements including hazards, vulnerability and capacity. Risk profiles are indicative information generated through regular risk assessment and analysis of the vulnerability to disaster or climate change. The profile shows situation, pattern and trends of risk to people in a given geographical or institutional setting, here for pastoral and agro-pastoral woredas. The purpose of preparing WDRP is to help prepare comprehensive contingency plan for the woreda.

31. ***Scope:*** The WDRP will be prepared or updated where it has been already prepared, for 120 pastoral and agro-pastoral Woredas in the 8 regions. The WDRP will aggregate community/kebele-level risk information from areas with different hazards and livelihood zones. The WDRP will outline the major climate change vulnerabilities faced by each Woreda, with the goal of informing the preparation of the contingency plan at the scheme level. The WDRP will encompass all relevant indicators to comprehensively capture the various components of disaster risks, including hazards, vulnerabilities and capacities related to PAP systems.

32. ***Implementation:*** The online platform to prepare WDRP will be hosted by EDRMC and facilitated by International Institute for Rural Reconstruction (IIRR). The CGIAR through AICCRA project will support integration of climate information into WDRPs. The process will be owned and facilitated by the Woreda Disaster Risk Management (DRM) office in collaboration with LLRP II Woreda Project Coordination Units (PCUs) and the woreda administration.

33. ***Utility and Usefulness of WDRP:*** WDRP for the 120 woredas will be prepared automated/digitally. It will form the basis for informing an effective and efficient early warning system and contingency planning. The WDRP will be the database of early warning and early actions for mitigating underlying risk factors. In addition, WDRPs will be used as the inputs for the preparation of regional levels DPRSIPs in the 8 project regions.

34. ***Steps to prepare* WDRP**: WDRP will be prepared using a bottom-up and participatory methodology with the involvement of the community and as validated by the relevant stakeholders. The WDRP will be prepared with the following steps:

- Appointing *technical assistance* to provide technical support on training, conducting workshop, carrying out field survey and data collection.
- Developing detailed *checklist and template guidelines* including sector specific risk assessment tool for conducting multi-hazard risk assessment in the lowland pastoral woredas.
- Collecting quantitative data using field survey questionnaire from of statistically significant number of households.
- Collecting qualitative data using participatory approaches like Focus Group Discussion (FGD) and key informant interviews involving women and youth community representatives as well as relevant key stakeholders at woreda, zonal and regional officials including development partners.
- Capacity building training to relevant experts and institutions for preparing/updating woreda level risks profiles.
- Supervising and monitoring the data collection.
- Data entry, analysis, validation and publication of the profile including generation of a report.

- Data sharing of the validated and approved WDRP for use by development partners, government sectors, preparation of contingency plan and feeding into MH-IB-EW-EAS.

(ii) Multi-hazard, Impact-based Early Warning and Early Action System (MH-IB-EW-EAS)

35. PAP systems are particularly vulnerable to disasters and the early awareness of impending threads allows PAP communities to prepare adequately. By anticipating disasters, these communities can take proactive measures to safeguard themselves and minimize the resulting impacts. The second activity of this component involves forecasting and predicting the likelihood of disasters so that information can be disseminated to PAP communities and specialized institutions responsible for disaster management activities including project institutions at federal, regional, woreda and kebele levels.

36. ***What is MH-IB-EW-EAS?*** Early Warning System is an integrated system for hazard, monitoring and forecasting disasters or a risk event. The system will help assess, generate and disseminate timely and meaningful warning information on different hazards (multi-hazard). The warning information will help authorities to prepare for and act appropriately sufficiently ahead of the event to help reduce the possibility of harm or loss. Early warning and early action refer to the provision of timely and effective information through specialized mandated institutions which will allow individuals and communities being affected to take early actions and get themselves prepared for effective response. EWAS help reduce the disaster risks in advance of hazardous events.

37. ***Key features:*** The MH-IB-EW-EAS for pastoral areas of Ethiopia will have the following characteristics:

- The warning will cover key disaster risks PAP communities and systems are commonly affected (multi-hazard).
- Ensuring that the system will deliver the key alerts, warnings, forecasts, preparedness actions related communication messages up to the PAP communities which are scattered in remote areas (last mile communication).
- The early warning and action system will be implemented in accordance with the DRM policy of Government of Ethiopia is well-aligned with international frameworks and accords, such as the Sendai Framework for Disaster Risk Reduction Framework (SFDRR), the Paris Agreement, the Agenda 2030 for Sustainable Development, the Early Warning for All initiative (EW4All).
- Not only that the services reach out to the PAP communities but are to be clearly targeted towards women, children, people with disabilities, the aged and those belonging to the most marginalized and vulnerable social sections.
- Women, youth and most vulnerable will participate in all priority hazards and their priority issues are promptly and regularly addressed.
- The early warning service will be seamlessly and uninterruptedly implemented covering all the critical actions of data collection analysis reporting, messaging, early action and response-end-to-end system.

38. ***Scope of Activities:*** The EW and EAS will be implemented across each of the administrative tier consisting of federal level DRMC and technical task force, the regional governments, woreda administration and community level.

- A detailed guideline elaborating the methodologies, tools and standard operating procedures for the system will be prepared, updated and disseminated.
- Building capacity of personnel and system building for organization capacity at all levels.
- Supporting collection of data (through automated mode), modelling, forecasting in a harmonized and improved manner.
- Producing virtual messages, bulletins, alerts and forecasting in close collaboration with MIS experts for digital library and web portal management.

- Generating impact-based warning messages including reaching out to remote pastoralist communities and institutions. Messages (contended format) will be tailored to the needs of this population group (Literacy level, mobility etc.), taking into consideration gender, age and ability status of the target audience.
- Promoting disaster preparedness for early actions, effective response and recovery aligned with the woreda disaster risks (WDRP) initiatives.

39. **Implementation and Governance:** The Early Warning and Early Action System (EWEAS) will strengthen the organizational arrangement for disaster risk management in the PAP system. The implementation will be streamlined as follows:

- Ethiopian Disaster Risks Management Commission (EDRMC) will be the lead implementing agency in charge of coordinating and carrying out the EW and EAS system through three technical task forces set up at each of the administrative level.
- As recognized by the DRM policy, the EDRMC will collaborate with the different sectors implementing early warning governance-integrated system.
- The partnership and coordination among MILLs, EDRMC, Ethiopian Meteorological Institute (EMI) and Ethiopian Space Science and Technology Institute (ESSTI) and others as appropriate to facilitate the successful rollout and implementation of the system.
- Partners such as the World Bank financed Ethiopian Flood Management Project (EFMP), the Water @ center of Climate Action project, European Union Disaster Risk Reduction EU-DRR Project, Asian Disaster Preparedness Centre (ADPC) and the Building Resilience in Ethiopia (BREFONS Project). The UNDP and the accelerating impacts of CGIR Climate Research for Africa (AICCRA Project) will be supporting the coordination of project's capacity building and technical support.
- The accountabilities and governance matrix of the actors and collaborators of EW and EAS system as mandated by the country DRM policy for each of the type of hazards or adverse incidents is given in table-3. I.

Table-3. I: Accountabilities and Governance Matrix for Implementing EWS in Ethiopia

Hazard Types/Incidents	Lead Agency (mandate)	Collaborating Agencies (mandates)
Crops and Livestock related hazards	Ministry of Agriculture	EDRMC, EMI, EIAR, MILLS relevant UN agencies, NGOs, private insurance, micro-financial institutions, USAID, FCDO, EU, World Bank and other humanitarian-development partners
Forest and bush fire, climate change and environment pollution related hazards	Environmental Protection Authority and Ethiopian Forest Development	EDRMC, EMI, relevant UN agencies and NGOs
Human health epidemic related hazards, including malnutrition	Ministry of Health	EDRMC, ERCS, relevant UN agencies and NGOs
Flood, water supply and water dam related hazards	Ministry of Water & Energy, Ministry of Irrigation & Lowlands (MILLs)	EMI, EDRMC, MoH, MoD, ERCS
Geological hazards (seismic and volcanism), landslide and slope failure related hazards	Ministry of Mines	EDRMC, MoA, Centre for Seismic Studies (A.A.U)
Urban infrastructure/ fire	Ministry of Urban & Infrastructure City Administration/Fire Brigade	Municipality and Regional Administration, EDRMC City Administration
Transportation related hazards	Ministry of Transport	EDRMC

Conflict, Displacement and refugee	Ministry of Peace/National Regional States	MoP, IOM, EDRMC, ERCS, Refugees and Returnees service (RRS)

(iii) Strengthening Climate Information Services (CIS)

40. ***The need:*** The project will implement climate information services in Ethiopia's lowlands with the primary objective of reaching out to all the PAP communities and their institutions even located in the remotest and inaccessible locations-ensuring *last mile connectivity*. PAP system in Ethiopia is increasingly becoming *vulnerable to risks* associated with extreme weather and climate events like drought and flood. *The topographical features* of the country coupled with large-scale *forcing factors* like the Intertropical Convergence Zone (ITCZ), El-Nino Southern Oscillation (ENSO), Indian Ocean Dipole (IOD) and East African Monsoon are largely responsible for stronger spatial and temporal variability of climate patterns affecting the PAP areas.

41. In addition to absence of specific climate information, there are also issues relating to low capacity in understanding and using the information for risk management practices. There are also problems with accuracy of data collected from surface stations. Some of the data are delayed reaching the designed purposes on time. Scientific meteorological forecasting systems are largely absent in the lowlands.

42. ***Climate Information Service:*** *Climate* refers to the statistics of weather, like long-term averages, the probability distribution around the average, seasonal cycles and any long-term trends. *Weather* on the other hand refers to the state of atmosphere at any given time. *CIS*, according to World Meteorological Organization is the dissemination of climate information to the public or a specific user. In detail, the *CIS* is about gathering, analysis and interpretation including dissemination of weather and climate information among targeted user groups. The *climate information* refers to gathering and analysis of actual weather and climate observations including simulations of the climate for the past, present and the future for helping the users for decision making and managing risks. The climate information services will include immediate and short-term weather forecast and advisories. It will also include longer term trends in climate change information to manage risks and climate events like drought and flood.

43. ***Key Elements:*** The project will institutionalize the CIS by establishing and facilitating the following key elements:

- Automatic Weather Systems (AWS) equipped with different sensors
- Support development of communication channels
- Support implementation of the National Framework for Climate Services (NFCS)

44. ***Automatic Weather Station:*** The project will support establishment and functioning of automated weather system in project woredas. AWS will be fitted with different sensors for collecting data on air temperature, rainfall, relative humidity, solar radiation, wind speed and wind direction. Data will be collected, analyzed and processed every 15 minutes or less 24/7 in near real time by AWS and data transmitted to servers/data centers using GPRS network. AWS will help data collection to provide different meteorological forecast services for the public short and long-term basis.

45. ***Implementation:*** Ethiopia Meteorological Institute (EMI) [formerly National Meteorological Agency (NMA)] is mandated to investigate and study the weather and climate conditions and provide different meteorological forecast services. The Standard Operating Procedures (SOP) and technical requirements of the instrument will be prepared by EMI. The AWS will be implemented following the below mentioned steps:

- Inventorying all available AWA stations and networks in the lowlands. There are 12 existing AWS in different cluster of project woredas.
- Procuring and installing 107 Automatic Weather Stations (AWS) in Pastoral and Agro-Pastoral Woredas in 8 Regions and fencing infrastructure
- Supporting data storage and managing processing capacities by providing targeted IT infrastructure, as these AWSs uses Ethio-telecom GPRS network and Central Data Collection System (CDCS) to transmit the data automatically as scheduled.
- The details of AWS system's functional requirements will be prepared by EMI or legally represented body
- The technical assistance (TA) will be obtained from the CGIAR Climate Research for Africa (AICCRA) in capacity building training and Ethio telecom

46. ***Communication Channels:*** Developing mobile-based applications for the CIS for collecting, analyzing, processing and disseminating information. The communication channels like short message service (SMS), community networks, local media, and public address system will be used. Support will be provided in data storage and management capacities and other IT infrastructure. These AWSs uses Ethio-telecom GPRS network and Central Data Collection System (CDCS) to transmit the data automatically as scheduled. Data are collected 24/7 in near real time basis from the AWS and data logger to receive data from various meteorological sensors and store the values within it at minimum of one year back up on disconnection of the network and should be able to send all pending data when the network is active. The stored data should be retrieved by direct connection to the logger with laptop computer through Standard RS232 or USB port and also transmits to the central data receiving system via GPRS modem. Support the packaging of CIS/EW into the use of text messaging (SMS) and public service announcements on local media airtime payment for different languages that are appropriate for target PAP households is crucial for success in triggering decisions actions by the PAP community and institutions.

47. ***National Framework for Climate Services (NFCS):*** The National Framework for Climate Services (NFCS) is a coordinating mechanism for climate services, aimed to improve risk management by incorporating science-based climate information into decision and policy making delivery of climate services in key climate sectors (water and energy, agriculture, health, disaster risk management, and environmental protection). An NFCS aims at delivering reliable climate services customized to different groups of users and building the capacity of climate institutions thereby contributing to effectiveness of the climate resilient green economy (CRGE) strategy and other overarching development plans of the country.

48. ***Implementing NFCS:*** The main steps in implementing NFCS include:
- Identify key institutions that can champion CIS and its implementation as a technology to the pillars of CSA.
- Support institutional capacity building through trainings and materials supply to enhance partner's capacity in climate information services.
- Training in technical aspects of data storage and management capacities and other IT infrastructure.
- Transferring knowledge on climate change adaptation and mitigation through training programs and South-South exchange.
- Establishing platform with sectors and climate information and advisories and Integrating Disaster Risk Reduction and Climate Adaptation into Development.
- Identify and listing institutional arrangements that can be established in the implementation of CSA.
- Ensuring gender equality in accessing climate information services.

3.4.3 Building Institutional, Organizational Human Resource Capacity

49. The project provides support to build the institutional, organizational and human resource capacity of key stakeholders, including the EDRMC and EMI (at the federal, regional, and woreda levels), with a focus on forecasting and last mile communications in the lowlands of Ethiopia. In relation to CIS, the project supports human capacity of the institutions involved in the NFCS to collect, analyze, process, and disseminate information.

50. The following capacity building events are planned. Detailed capacity building and Institutional Development activities will be further elaborated in the annual work plan and the budget will be finalized accordingly:

- Organizing a national stakeholder consultation workshop on climate services.
- Support experience sharing events including South-South exchange.
- Technical support will be obtained from the Accelerating Impacts of CGIAR Climate Research for Africa (AICCRA) Project of the International Livestock Research Institute (ILRI).
- Organizing stakeholder engagement for the EMI and its descending structures.
- Engagement of international Research Partners (e.g. ACCIRA) and national organizations (e.g. Ethiopian Institute of Agricultural Research (EIAR), Ministry of Agriculture (MoA), Ethiopia Disaster Risk Management Commission (EDRMC) and their down structures and communities.
- Closely coordinated partnership arrangement with the Asian Disaster Preparedness Center (ADPC) and projects including the Ethiopian Flood Management Project (EFMP), the Netherlands' Water at the Center of Climate Project, the European Union Disaster Risk Reduction (EUDRR) Project, and the Building Resilience in Ethiopia (BRE) Project.

3.4.4 Success Monitoring

51. The success of the component will be measured using two **intermediate level result (IR) indicators**, both of which will measure:

(i) Percentage of beneficiaries with access to timely information from the EWEAS and Climate Information Services (CIS)-80% to be achieved by the close of the project; and

(ii) Number of Woredas with new or updated automated disaster risk profile-120 by closure of the project.

52. Additionally, the component will have the following **outputs**:

(i) Number of automatic weather stations established - 107 by the end of the project;

(ii) Database of meteorological real time data (Central Data Collection System) from the PAP woredas established, validated and maintained in a ready to use format;

(iii) Climate bulletins, forecast messages and other advisories issued on CIS and accessed by PAP communities.

(iv) Number of officials in implementing agencies and partnering institutions participated in various capacity building events on EWEAS; and

(v) Number of PAP community leaders and office bearers receiving training on climate information services and its use.

3.5 Subcomponent 1.2: Implementing Disaster Preparedness and Resilience

53. Government of Ethiopia consider it as a priority to build resilience to PAP communities given the risks faced by them and to reduce the aftermath of multiple disasters and security risks. The plan developed by the Government, `Ten Year Development Plan, a Pathway to Prosperity 2021-2030' focus on growth and climate resilient investments. Subcomponent 1.2 will implement a range of disaster preparedness and resilience building investments. These investments are climate-smart Public Economic Infrastructure (PEI) that will help PAP systems and communities reduce the impacts of disasters.

3.5.1 Public Economic Infrastructure

54. This subcomponent will help the planning and implementation of strategic Public Economic Infrastructure (PEI) that will help climate change mitigation and improve adaptation capacities. The PEIs are physical infrastructure to help PAP communities, mitigate the impacts of climate related and non-climate related hazards in the PAP system. The PEIs will also enhance the community's preparedness to climate related disaster risks and beyond, support integrated and nature-based rangeland management, serve as a catalyst for commercialization and hence strengthen trade networks, promote economic growth, and facilitate humanitarian services in times of crisis. In short, these PEI help to absorb, adapt, and mitigate the impacts of climate-related (and other) hazards on PAP systems and communities.

3.5.2 Process Cycle and Investment Milestones

55. This subcomponent will support identification, selection and prioritization of, and selectively finance, a range of climate-smart (CS) public economic infrastructures (PEI). Consistent with the step-by-step implementation required for the component, a process approach with clearly defined 6 phases of activities will be followed. Out of the 6 phases, the first four will happen sequentially, while the last mentioned two are concurrent with other phases. However, some of the activities though in a different phase will have its inter-relationship with activities of the other phases. Typical of this process approach, the component will generate 3 critical milestones during the implementation process coinciding with the different phases. These milestones are the physical plans and basis for the actual investments under the component. The phases and milestones are summarized in Table 3.2

Table-3.2: The Phases of Activities and Investment Milestones for Component 1.2

Implementation Phases	Milestones
1. Initiation	• **Regional Disaster Preparedness and Resilience Building Strategic Investment Plans (DPRSIP)-**holistic long list. • **Climate Smart PEI Investment Plan** for LLRP II-prioritized short list.
2. Planning	
3. Design and Execution	• **Climate Smart PEI Investments** established-specific sub project.
4. Operation and Maintenance	• **Delivery of Services** to reduce climate vulnerabilities of PAP systems and communities.
5. Monitoring and Reviewing (parallel phase)	
6.Capacity Building (parallel phase)	

Figure 3.2: Public Economic Infrastructure Process and Roadmap

3.5.3 Initiation Phase

56. The initiation phase marks the beginning of the subcomponent implementation. In order to achieve the desired outcomes and meeting stakeholders' expectations. This Phase need to achieve shared understanding among stakeholders about the goals to be achieved and lay the foundation for successful achievement of subsequent phases.

57. The critical activities to be undertaken during the phase inter alia. include:

- Defining the objectives, purposes, goals and scope;
- Setting the expected outcomes and deliverables;
- Identifying key stakeholders and important teams;
- Defining roles and responsibilities of key stakeholders and important teams; and
- Identifying vital schedules (timelines) and resources (budget estimates).

3.5.4 Planning phase

58. The key task of this phase is creating a roadmap and detailed (specific) plan, which includes activities, timelines, resource allocation, budgets, and risks that could impact the achievement of the subcomponent. It involves creating a set of plans to help guide the subcomponent through the successful implementation of climate-risk responsive activities to improve the livelihood resilience of the PAPs.

3.5.5 Regional Disaster Preparedness and Resilience Building Strategic Investment Plans (DPRSIPs)

59. A range of investments in climate smart Public Economic Infrastructure (PEI) will be broadly and comprehensively identified first and then selectively funded under the component.

60. ***What is DPRSIP?*** DPRSIPs are regions specific road map (generic plan) laying out a 5-10year regional investment plan to address key socio-economic and climate related challenges in the lowlands. The starting point for DPRSIPs preparation is the WDRPs and the Rangeland Management and Investment Plan (RMIPs/RMPs) that were prepared under LLRP I. RMIPs have been prepared

for the 28 clusters which were later aggregated into regional and national RMIPs. RMPs will be formulated for the additional clusters in view of the 20 new woredas included in LLRP II. Investment activities will be identified and selected for inclusion in DPRSIPs based on their sensitivity for climate and non-climate hazards, contribution for the PDO, expected impacts, size/scope of investments, sustainability, feasibility and others. The preparation, validation and endorsement of DPRSIPs will be undertaken for all the 8 project regions. DPRSIPs are broader development and investment framework for climate change mitigation and adaptation interventions both directly by the project and by the Government as well as other development partners. The time frame of DPRSIP therefore will contain investments within the project period and beyond the project period.

61. ***Scope of DPRSIP***: The DPRSIP will include a range of solutions and mitigation measures for the existing climate and non-climate related risks identified and documented in the WDRP. The scope of the regional DPRSIPs will be broader and beyond the budget envelop of LLRP II. Thus, LLRP II will finance selected activities and the rest of the investments will be left for other development partners active in the PAP areas. Once finalized, DPRSIPs will become public documents made available on the EDRMC's online platform. The DPRSIPs will include detailed socio-economic situation analysis prioritized disaster risks and proposed interventions to strategically address the disaster risks, enhance climate change mitigation and build resilience capacities of PAP communities in the project areas.

62. ***Process Steps:*** The DPRSIPs preparation will be automated. The Consultations with the regional, cluster and woreda level stakeholders and PAP communities along with different sector representatives will take into consideration the key socio-economic and climate-related challenges. Climate resilient strategic investments will be identified and included in the DPRSIP to improve the disaster preparedness and resilience building capacities of the PAP households and communities. The plan preparation in each region will be supported by the International Institute for Rural Reconstruction (IIRR). This institute will take the lead role on the plan preparation up to its publication. Being a process driven implementation the DPRSIP preparation will be done with the following steps:

- Mapping key stakeholders and relevant teams involved in the process. The process will be as participatory as possible, ensuring representation of different population groups within the PAP communities in particular: women, youth and persons with disabilities;
- Formulation of teams responsible for the development of the plan at regional and cluster levels;
- Defining roles and responsibilities of stakeholders and planning teams;
- Collecting and reviewing the regional DRPs and RMPs;
- Setting the objectives, purposes, goals, and scope of the plan;
- Determining expected outcomes of the plan;
- Defining a set of criteria for inclusion of selected investments in the DPRSIP (which will include a mix of economic, technical and social criteria);
- Identification of investment activities to meet the objectives and purposes of the DPRSIP;
- Determining resources and a timeline needed to implement the investments;
- Finalizing and validating the DPRSIP at regional level;
- Developing a national level DPRSIP and publication online; and
- Distributing/disseminating the endorsed DPRSIP to all involved in the process.

3.5.6 Climate Smart PEI Investment Plan (CS-PEIIP) for LLRP II

63. The DPRSIP being a generic plan with long list of investment opportunities requiring large funding envelope making it beyond the scope of investments under LLRP II. Hence a select subset of investment opportunities will be identified for project investment to be completed within the timeline before project closure.

64. ***What is CS-PEIIP?*** CS-PEIIP is a specific plan prepared at regional level, typically for LLRP II financing, containing a short list of climate resilient PEI investments, identified through a set of screening and selection criteria, from the long list of investments in the DPRSIPs. The objective is to improve the livelihood and climate resilience of the lowland communities with the time frame of the plan confined to the life span of the project. Thus, the subcomponent will screen and select a subset of the DPRSIP activities to be reflected in the CS-PEIIP for subsequent financing by LLRP II.

65. ***Selection Criteria:*** In order to screen the long list of investments in the DPRSIP and to select investments to be included in CS-PEIIP, the following selection criteria will be used:
(i) Potential contribution to the PDO;
(ii) Expected impacts;
(iii) Technical feasibility and financial viability;
(iv) Size/scope of investments within project guidelines;
(v) Sustainability of investments and results;
(vi) Potential mitigation response to climate change and non-climate hazards;
(vii) Alignment with livestock movement and trade corridors;
(viii) Complementarity with Component 2 and 3 activities;
(ix) Not duplicating other ongoing WB and IFAD initiatives;
(x) Robustness of operation and maintenance arrangements;
(xi) Implementation readiness (for shelf subprojects only); and
(xii) Other sector specific criteria as appropriate.

66. ***Screening Methodology:*** The screening methodology will involve stakeholders at regional, cluster, and woreda levels with a guidance from the MILLs (FPCU) and IIRR. Participation of concerned government and non-governmental stakeholders at regional level will be ensured. The screening will also apply to the 71 PEI subprojects[1] worth US$104 million already identified by LLRP I for which feasibility studies and detail designs are either fully completed or will be completed by the time LLRP II will be implemented.

67. ***Process steps:*** The same stakeholders and teams involved in the DPRSIP preparation will continue to be engaged on the development of the CS-PEIIP. Though, some of the steps for the preparation of CS-PEIIP overlap with the procedures for developing DPRSIP, the major steps for CS-PEIIP preparation are:

- Reviewing of investment activities reflected in the regional DPRSIP;
- Defining a set of screening and selection criteria for short listing the investments in the DPRSIP;
- Determining resources and a timeline needed to implement the CS-PEI investments (subprojects);
- Screening and selection of appropriate CS-PEI investments that meet the objectives and purposes of the plan;
- Finalizing and validating the plan at regional level;
- Developing a national level plan and publication; and
- Disseminating the endorsed plan to all involved in the process.

3.5.7 Design and Execution

68. ***Feasibility Study and Design:*** Once the specific PEI investments (subprojects) for financing under LLRP II, through the CS-PEIIP, are identified, the project will finance the detailed preparation/updating of feasibility study & detail design documents based on the endorsed regional Annual Work Plan & Budget (AWPB) of the respective implementation years. The total cost of the

[1] LLRP I supported feasibility studies and detailed designs for approximately 71 subprojects across the seven project regions that it did not have the resources to implement. The detail studies are completed for 49 subprojects while the studies for 22 subprojects can be completed within few months. These subprojects include 27 water, 9 small-scale irrigation schemes, nearly 748 km rural access and feeder roads, 3 bridges, and 9 livestock facilities, and so on.

above two phases (initiation and planning) including the detailed preparation/updating of study documents should not exceed 5% of the total investment cost allocated for the CS-PEI subprojects.

69. ***Subproject Preparation:*** The major activities in this phase can be categorized into CS-PEI subprojects preparation/ updating i.e., design of subprojects (feasibility study & detail design), and actual execution of subprojects i.e., construction of CS-PEI subprojects. This phase is also known as the implementation phase in which the specific CS-PEIIP designed in the previous phase is put into action through the use of suitable modalities in line with the working principle and procurement manual of the project (please refer the project's Procurement Manual for details). The intent of the design and execution phase is to bring about the expected results of the project and the component (Component-I) in general, and the subcomponent (subcomponent 1.2) in particular. The actual investments are set to reduce the climate vulnerability of the PAPs. Normally, this is the longest phase, next to the operation & maintenance (O&M) phase, among the others in the realization of subcomponent activities where most resources are spent.

70. ***Insourcing/Own-force and Outsourcing:*** Both the design and actual execution of subprojects under this phase will follow either the own-force account or outsourcing modality based on the outcomes of the rapid capacity assessment to verify whether regions have adequate capacity in terms of skilled manpower, required competence and experiences, machineries and equipment, etc. to handle the tasks. The own-force account modality will try to exploit internal capacity from relevant sector bureaus (government personnel, machines, equipment etc.) in each region either for the design or execution of planned subprojects. At times when regions do not have the required capacity to undertake subprojects through own-force account option, this phase will involve the procurement of qualified service providers (selection, evaluation, and awarding) to fill in the available gaps in delivering the required services at a reasonable cost, time, and quality, and the detail processes will be guided by the Procurement Manual of the project.

71. ***Implementation Steps:*** Specific steps for this phase might include, among others:

- Reviewing and identifying of CS-PEI subprojects from the approved AWPB of the region;
- Preparation of Terms of Reference (ToR), specifically for subprojects design, or Standard Bid Documents (SBD) which sufficiently describes the subprojects intended to be implemented;
- Defining resources and a timeline needed to materialize the CS-PEI investments (subprojects);
- Determining the capacity of relevant regional sector bureaus in managing the design or execution of subprojects;
- Selecting appropriate insourcing and outsourcing modality based on the existing capacity of regions;
- Formulating a team of experts/a crew with relevant inputs to run the subprojects in case of own-force account option or procurement of a service provider as per the procurement manual of the project for the other method;
- Signing of Memorandum of Understanding (MoU) for the own-force account method or contract signing following the procurement procedures of the project for the other modality;
- Tracking the progress of the subprojects; and
- Reporting progress to stakeholders.

3.5.8 Climate Smart PEI (CS-PEI) Investments

72. The WDRP identified risks and vulnerable hotspots in the lowlands, the DPRSIPs came up with solutions to mitigate socio-economic and climate related vulnerabilities and the CS-PEIIP selected climate-smart subprojects to be implemented under the project. Each of the climate- smart subproject will be elaborated for implementation.

73. ***CS-PEI Investments:*** Climate-smart Public Economic Infrastructure Investments are specific investment project prepared and implemented in collaboration with sector bureaus in each of the project regions. The objective of CS-PEI investments are to reduce climate and non-climate related vulnerabilities help mitigate impacts of hazards and provide economic opportunities for PAP livelihood enhancement.

74. ***Eligible Investments:*** Eligible CS-PEI investments to be financed under this subcomponent include the construction, upgrading/expansion, or rehabilitation of:
(i) Drought-resilient water resource infrastructures both for human and livestock consumption in rural PAP areas (such as deep-water wells – maximum depth of 400 m, small dams – height less than 15 m and a maximum storage capacity of 10 million metric cube, and micro dams - height less than 10 m and a maximum storage capacity of 5 million metric cube, water supply & sanitation schemes, spring with distribution systems, large community ponds – minimum storage capacity of 50,000 metric cube, etc.);
(ii) Efficient and innovative small and medium scale irrigation schemes (up to 500ha per scheme);
(iii) All-weather feeder roads (with a maximum length of 20 km per subproject) and bridges (short and medium span);
(iv) Cold storage and feed stores;
(v) Livestock market facilities;
(vi) Veterinary service facilities, and
(vii) Flood management works identified under Component 2 that actually require engineering interventions.

75. ***Ensuring Resilience:*** To ensure climate resilience, the design and specifications of the CS-PEI investments will be informed by the climate vulnerability assessments made possible through the preparation of WDRPs. A concerted effort will be made in water resources development to improve the drought resilience capacity of regions hit by recurring climate related hazards such as Afar, Somali, and Oromia. In these areas, water supply and sanitation schemes will focus on the already drilled boreholes to maximize efficient utilization of available resources and to quickly address the intended service in a way to reduce the consequences of adverse drought in the regions.

76. ***Deep-well Drilling:*** The CS-PEI investments will be designed to mitigate climate vulnerabilities. In order to improve drought resilience in Afar, Somali and Oromia selected drought prone regions, water supply and sanitation schemes will focus on already drilled boreholes (deep tube wells) and supplying deep well drilling machines. The areas have been continuously hit by recurring and devastating droughts and are the main lowlands where PAP systems and communities exist. The project will procure and supply deep water well drilling machines with all accessories to these regions in facilitating the expedited implementation of water related developments and also to avoid excessive delays in the procurement and execution of drilling activities. The arrangement for operating and maintaining the drilling facilities are described in operation and maintenance details below.

77. ***Main Guidelines:*** The key rules for identifying and implementing CS-PEI Investments are:
- As some projects have already been planned and designed under LLRP I, several investment projects will be implemented in year 1.
- Other subprojects will be taken up and implemented during the subsequent years.
- All subprojects will utilize high design standards with respect to climate considerations.
- The CS-PEI investments will be strategically sited along key livestock movement and trade corridors.
- The water supply infrastructures will be located with careful consideration of available grazing resources to avoid overgrazing and degradation in their vicinity.

- To the extent possible, the project will promote the use of green energy for water supply and sanitation subprojects, irrigation schemes, and all other facilities such as marketing centers, cold storages, feed stores, laboratories etc.
- The planning and execution of CS-PEI Investments shall afront involve the PAP communities and sector bureaus to maintain full ownership by the regional government and sustainability of the services provided.

3.5.9 Monitoring and Reporting

78. The monitoring and reporting phase happen concurrently with the design and execution stages of subprojects. It involves annually checking the progress and quality to ensure that the service providers/ regional sector bureaus are implementing subprojects as per the agreed schedule, cost, and quality requirements set in the agreed-upon contracts/MoU. It also ensures that everything adheres to the approved plan and signed contracts/MoU. This process oversees all the tasks and contractual requirements needed to guarantee that the agreed and signed contracts are undertaken within scope, on time, and within budget so that the subprojects proceed with minimum risk.

79. ***Reporting*** is also a critical part of this phase. First, it allows the project to track progress, and second, it provides data for stakeholders during presentations to keep them in the loop. Proper quality control and assurance procedures should be applied to guarantee quality both during the subprojects design and execution stages. The project will adapt the progress report being developed and refined during LLRP I to report the progress of LLRP II.

80. ***Monitoring, Subproject Designing and Execution:*** Similar to the execution phase, the key activities in this phase can be grouped into quality control & contract management when designing subprojects, and construction supervision and contract management for construction subprojects. Be it for the design or construction subprojects, this phase will follow either the own-force account or outsourcing modality depending on the capacity of regions to handle the supervision & contract management roles.

81. ***Implementation Steps:*** Specific steps for quality control and assurance, and construction supervision & contract management when subprojects are designed and executed either through own-force account or outsourcing modality might include, among others:
- Defining the size/scope of subprojects;
- Defining resources and a timeline needed to manage subprojects;
- Making a capacity assessment of relevant regional sector bureaus in managing subprojects;
- Selection of appropriate modality to undertake subprojects based on the outcomes of the capacity assessment;
- Preparation of Terms of Reference (ToR) either to formulate the panel of experts (when subprojects are managed through own-force account) or procurement of qualified service provider (when subprojects are preferred to be managed through outsourcing);
- Formulation of a panel of experts or procurement of a service provider based on the preferred modality by the region in view of the available capacity there;
- Signing of MoU with the team in case the subprojects are managed by the panel of experts or contract signing for the other modality;
- Tracking the progress and quality of subprojects;
- Management of all contractual aspects (management of cost, time, quality, claims, disputes, changes, certification of payments etc.);
- Keeping stakeholders informed of the progress.

82. ***Supervision and Management Skills:*** Supervising and managing construction subprojects demand multifaceted approach on subproject's understanding, team management, safety

enforcement, progress monitoring, quality control, budget management, and meticulous documentation. The monitoring and controlling phase can contribute significantly to the success of subprojects, only with a clear understanding and capacity for ensuring that projects are completed on time, within budget and to the highest quality standards. Supervising and managing construction of subprojects specifically require a mix of leadership, technical knowledge, and effective communication skills. The successful supervision and management of subprojects need the following steps and associated skills:

- *Understanding the subproject scope and requirements:* Before attempting into the supervisory role, it is crucial to have a clear understanding of the subproject scope and requirements. This involves a thorough review of architectural plans (designs), engineering specifications and any other relevant documents. It is also good to identify key milestones, deadlines, and budget constraints to establish a solid foundation for the construction supervision and management tasks.
- *Assembling the right team:* The success of a construction subproject heavily relies on the competency and collaboration of the supervisory team. As a supervisor, the role includes assembling the right team with the necessary skills and expertise. Ensure that each team member of the service provider understands their responsibilities and how they contribute to the overall goals.
- *Effective communication channels:* Establishing effective communication channels is vital for smooth subproject execution. Regular team meetings, progress reports, and digital communication platforms can enhance collaboration. It is advisable to encourage an open and transparent communication culture to address issues promptly and keep everyone on the same page.
- *Implementing safety protocols:* Construction sites pose inherent risks, making safety a top priority. Develop and enforce strict safety protocols to protect workers, visitors, and the overall subproject. Conduct regular safety meetings, provide necessary safety training, and ensure compliance with local regulations to create a secure working environment.
- *Monitoring subproject progress:* Active monitoring of subproject progress is essential for staying on schedule and within budget. It is again good to implement a system for tracking tasks, deadlines, and resource allocation. The use of project management tools and conducting regular site inspections will help to identify potential issues early and make informed decisions to keep the subproject on track.
- *Adaptability and problem-solving*: Construction subprojects often encounter unforeseen challenges. As a supervisor, the ability to adapt to unexpected situations and implement effective problem-solving strategies is critical. Thus, it is good to encourage a proactive approach among the team members to address issues promptly and keep the subproject moving forward.
- *Quality control and assurance:* Maintaining high-quality standards is essential for the long-term success of a construction subproject. Hence, it is mandatory to establish a comprehensive quality control and assurance procedure to monitor the construction process. Conducting regular inspections, review workmanship, and address any deviations from the specified standards will ensure a final deliverable that meets or exceeds expectations.
- *Budget management:* Effective budget management is key to a subproject success. Thus, it is necessary to regularly review the project budget, track expenses, and identify potential cost-saving measures. The finance team should be communicated to ensure that financial resources are allocated efficiently, and that the subproject remains within the approved budget constraints.
- *Cost analysis and forecasting:* Implementing a robust cost analysis and forecasting system is very crucial to anticipate potential budgetary challenges. It is also desirable to regularly review financial reports, compare actual costs to budgeted costs, and adjust projections as needed. This proactive approach will enable to address financial issues before they escalate, contributing to the overall success of the subproject.
- *Documentation and record keeping:* Thorough documentation and record-keeping are essential for accountability and future reference. Therefore, detailed records of project plans, communications, changes, and approvals should be maintained. This documentation not only provides a historical

record of the subproject but also serves as a valuable resource for addressing disputes and facilitating knowledge transfer to future subprojects.

3.5.10 Operation and Maintenance

83. Upon successful completion of construction subprojects, the project will initially undertake provisional acceptance of subprojects, as per the terms and conditions in the contract, from the service providers (contractors) and then handover the same to relevant and mandated institutions in the region for commissioning and looking after the operation and maintenance (O&M) aspects of the subprojects.

84. ***Overview:*** The O&M phase is typically the longest phase within the subproject lifecycle. In this phase, the mandated institutions or owners will use the subprojects for their intended purpose, and they will need to operate and maintain the functionality of the subprojects. Stakeholders' involvement is needed in this phase to ensure that all parties have input and are aware of ongoing activities. This phase is also sometimes referred to as Facility Management (FM), and owners may perform the facility management services within their own internal employees, or they may establish a community institution/committee in light of the governing operation and maintenance policies and procedures of the respective institutions.

85. ***O&M Plans:*** The operation and maintenance phase involves planning for and executing, activities, such as operating the subprojects, monitoring the performance of subprojects, caring of assets, making repairs of equipment, replacement of materials and equipment, minor renovations, upgrading components, making minor modifications, improving the functionality of subprojects, establishing (for new) or strengthening (for existing) subprojects' oversight and management institutions/committees (water user associations or WASHCo, irrigation water user associations, roads oversight committee, livestock market and veterinary service facilities oversight committee, etc.), preparing or updating of O&M manuals and procedures, capacity development for relevant institutions, hiring and training operators, and testing subprojects after any changes, renovations or replacements are made.

86. ***Maintenance:*** All subprojects require regular maintenance. Preventive maintenance involves inspection and proactive actions, such as cleaning, lubrication and fluid monitoring, replacement of components prior to the end of their rated life (service period), storing data, and replacing components that have become obsolete and unsupported. On the other hand, reactive or corrective maintenance involves correcting defects when they occur.

87. ***Implementation Steps:*** The O&M phase requires a series of activities to ensure that this phase delivers the intended output and subprojects are managed in a way to sustainably function at least up to the end of the service life of the subprojects. The key steps are:

- *Developing the O&M plan:* O&M plans are developed by the concerned regional stakeholders/institutions before subprojects are commissioned into service. These plans envision how the system will operate and be maintained during the service life of the subprojects. Once the subproject is commissioned into service, these plans should be updated, at least every six months or annually, to reflect the as-is operational and maintenance environment. A complete O&M plan shall include:
- Funding, policies and procedures support on-going O&M;
- Describing all aspects of the subproject requiring O&M;
- Include O&M manuals for users, configuration records and procedures that are to be used in the process;
- Accountabilities of persons/institutions responsible for O&M;

- Capacity building for personnel including training, procedures, special skills, tools and other resources required;
- Documentation on O&M related data collection, processing and reporting; and
- Monitoring method for ensuring the effectiveness of O&M.

- *Collection of O&M information:* O&M information should be collected throughout the operational life of the subproject including disruption in service of the subproject, restoration measures undertaken, and subproject performance. Down time and the mean time to repair should be documented and used to assess the average functionality of the subproject. Repair logs should be prepared to document as much information as possible.

- *Regularity of O&M:* Concerned institutions should constantly perform O&M as per the approved plan and documented O&M procedures and manuals. O&M procedures need to proceed as defined in the O&M plan. Over time the procedures will need to be refined and updated because the system changes or improved procedures are developed. Moreover, the O&M plan, documented procedures, users' manuals, and maintenance manuals needs to be updated

- *Measure the effectiveness of O&M:* Once the subproject is operational, there should be ways to monitor its on-going performance. Although it is often difficult, it very vital to measure the on-going operational effectiveness of the subproject because this is a measure of the success of both operations & maintenance. If feasible, directly measure users' experiences and satisfactions, such as travel time, safety rates etc. either continuously or annually. Otherwise, it is good to track indirect performance measures through records and periodical summaries of notable operational successes and failures captured by operators. Recording maintenance actions will enable calculation of descriptive statistics such as, average number of failures per year and mean-time-between failures. Moreover, tracking the number of complaints related to the subproject's functionality and looking for trends that suggest operation or failure rates are deteriorating can be considered as an indirect performance measure for effectiveness of O&M.

88. ***O&M Manuals and Guidelines:*** Overall, the O&M plan and associated documents, such as manuals, operating procedures, and system configuration records, should provide all the information needed for employees to follow effective operation of subprojects and for institutions to plan for future resource needs. Information provided should include what is needed for day-to-day activities, and also what is needed to plan for occasional activities, such as periodic preventive maintenance and others.

89. ***Implementing O&M:*** The following critical activities are to be carried out for the sustainable O&M of subprojects:
- Securing adequate funding and management support for on-going O&M;
- Identifying and bring onboard appropriate institutions and stakeholders to participate in the O&M phase;
- Reviewing and approving the O&M plan, including any updates; and
- Arrange for on-going monitoring of subprojects performance to ensure it is being operated and maintained adequately.
- Establishment/strengthening of community oversight and management institutions;
- Procurement and supply of a set of relevant hand tools for repair and maintenance of key components; and
- Capacity development activities for community institutions.

90. ***O&M of Drilling Rigs:*** LLRP II is procuring and supplying six (6) water well drilling rigs with complete accessories to three regions i.e., Afar, Somali, and Oromia, two rigs per region, that have

been hit by recurring and devastating droughts in the past couple of years and at the same time covers 70% of the intervention areas to be addressed by LLRP II.

91. *Responsible Institution:* The choice for suitable institutions to properly operate, maintain, and manage these machines will typically rely on the existing capacity of institutions mandated in the regions to handle the same. Previous experiences have indicated that institutions to manage these machines were either the water resource development bureaus or the public enterprises in the regions with a hands-on exposure in operating and maintaining similar machines. The regional water resource development bureaus are currently looking for these services either from the public enterprises or the private sectors after series of restructurings made in the regions. Therefore, it would be worthwhile to handover the machines, with an MoU, to the regional public enterprises undertaking similar operations in the regions with the required capacity in terms of manpower, equipment, and necessary workshops in managing the O&M requirements of these machines. The public enterprises will own the machines and in return they will provide deep water well drilling services to LLRP II as and when required with relevant inputs supplied and operational costs covered from the project.

92. *Memorandum of Understanding:* A Memorandum of Understanding entered into between regional public enterprise and LLRP II charting and segregating responsibilities and accountabilities of both the parties in the ownership, use and maintenance of the rigs. LLRP will supply required inputs such as fuel, lubricant, drilling fluids, chemicals, blind and screen casings made out of steel or PVC, gravel, cement, well caps, EM equipment etc. and modest operational costs to handle the entire drilling operations. In addition, the project will prepare and finance a custom-made training, on the O&M aspects of the machines to the drilling operators using the internal capacity of designated vendors.

93. *Accountabilities of Public Enterprise:* The public enterprises will be mandated with the following roles:
(i) Mobilization and demobilization of manpower;
(ii) The safe keeping of drilling rigs and all associated equipment (pumps, hydraulic winches, air compressors etc.);
(iii) Site clearance and preparation;
(iv) Rigging up and drilling the wells in all formations;
(v) Installation of surface and subsurface casings, headwork construction, well development;
(vi) Pumping test and water quality analysis;
(vii) Preparation of well completion reports; and
(viii) Other necessary tasks for the successful completion of the works.

3.5.11 Capacity Building

94. To properly and effectively materialize the subcomponent activities across the above five major phases, the project will provide tailored made trainings on selected but critical areas such as efficient groundwater investigation approaches for maximizing success rates, innovative, modern, sustainable, water and energy saving irrigation methods in PAP areas, qualified irrigation water & drainage management to avoid water logging and salinization, repair and maintenance of selected electro-mechanical equipment for technicians and scheme operators (pumps, generators etc.), type, capacity, and efficiency of solar powered pumps for water supply, irrigation and other infrastructures, effective construction supervision and management and other as appropriate.

3.5.12 Success Monitoring

95. There is one **PDO level indicator** measuring contribution towards the achievement of project objective:

(i) Number of climate smart preparedness and resilience building **infrastructure** constructed and operational-to achieve 510 by the end of the project. This is an indicator continuing from LLRP I and hence the baseline figure of the indicator is 230.

96. There are two **intermediate level indicators:**
(i) Number of regions preparing-Regional Disaster Preparedness and Resilience Building Strategic Investment Plan prepared, endorsed by regional councils and automated for public use-8 in numbers.
(ii) 2000 hectares to be provided with new/improved irrigation/drainage services;

97. The component will also be assessed using the **following outputs**:
(i) Number of investments from DPRSIP prioritized into CS-PEI Investment plans;
(ii) Number of CS-PEI Investments contracted for implementation;
(iii) Number of CS-PEI Investments sub projects commissioned; and
(iv) Number of CS-PEI Investments sub projects operational and successfully maintained.

4. Component 2: Integrated Rangeland Management

98. Developing and sustainably managing rangeland and water resources including pasture and forage coupled with secured access to key natural resources are required on a priority basis for achieving resilience and sustainability of PAP systems in the lowlands. The natural resources inclduing pastures and grazing lands suffer from dwindling productivity from both poor natural resource management practices and climate related disasters. Spread of invasive species is also causing imbalances in the natural eco system. Also, conflicts affect the mobility of livestock to access pasture and water resources in addition to markets and public services. Increased pressure and competition on available scarce resources is a major concern for conflict.

4.1 Introduction

99. The overall *objective* of the component is to improve the production, productivity and health of the rangeland resources through participatory, integrated, nature-based and climate smart interventions including leveraged, renewable energy sources and technologies. The component activities will improve soil stability, hydrologic functions, vegetative cover, productivity and biotic integrity. Healthier and more productive rangelands will increase livestock productivity and PAP systems overall resilience including PAP household livelihoods. In addition, the above and below ground soil carbon stocks, contributing to the climate change mitigation and resilience will be tremendously improve.

100. The component has been designed benefitting mainly from the implementation, experience and lessons learnt from LLRP I:

(i) Rangelands are effective entry points for PAP investments;
(ii) Implementing the component activities in coordination with component 1 (Disaster Risk Management) and component 3 (Livelihoods Development) will synergize the impacts; and
(iii) leverage selected research outputs and innovations generated by ILRI's AICCRA Project on feed, pasture management, and integrated rangeland management in the lowlands.

101. There are three **subcomponents:**
(i) Subcomponent 2.1: Rangeland Health Monitoring and Institutional Capacity Building;
(ii) Subcomponent 2.2: Participatory Rangeland and Pasture Management (PRPM); and
(iii) Subcomponent 2.3: Resource-Related Conflict Management and Mitigation.

4.2 Subcomponent 2.1: Rangeland Health Monitoring and Institutional Capacity Building

102. Rangeland health monitoring will be achieved using a web-based, interactive and user-friendly system/portal to timely disseminate information and advisories on rangeland and other natural resources of the lowlands, synthesized from remotely sensed and GIS based data. The information dissemination will be among all stakeholders in the PAP system including communities, managers, National Universities and Research Institutes and policy makers.

103. The subcomponent will support:
(a) the establishment of a national rangeland monitoring system (RMS) and
(b) rangeland monitoring and management institutions, proactively targeting women in capacity-building efforts.

4.2.1 Rangeland Monitoring System (RMS):

104.***Overview:*** The subcomponent will finance the establishment and operationalization of a national RMS that monitors the overall health of national rangeland and related trends.

105.***System Architecture***: As an initial strategy, a combination of both digital platforms (such as telegram connectivity pages, mobile message services) and non-digital communication tools (like standardized print outputs and community consultation as well as gap-based trainings) will be used to reach ultimate users of RMS outputs. The rangeland monitoring system will be developed based on GIS/GPS maps, in a free-ware google earth engine or similar remote sensing system, complemented by a physical data collection/monitoring system on the ground. In order to support the ground proofing activities, representative sites will be identified in each PAP region. The system will be user-friendly and used to monitor key project indicators, and others related to biophysical cover, forage production and mapping of resources. There will be one national level system, which can be accessed at regional (and other) levels, for purposes of monitoring, analyzing and uploading GPS points and other information. For the sake of ensuring institutionalized ownership and sustainable functionalization of the system, the RMS will also be linked to the MoA's existing system for data sharing. The system will, as much as possible, make use of existing datasets that are derived from remote sensing data, such as the FAO WAPOR database. Data from such systems can, where possible, be either downloaded and integrated in the Ethiopian system to be developed or connected using APIs. A useful indicator to include, for semi-arid rangelands, is the Rain Use Efficiency, i.e. the amount of biomass produced per unit of rainfall, which is a key indicator for rangeland health. The RMS will be housed at ATI-MoA and also be linked to the MoA's existing system for data sharing.

106. ***System Functionalities:*** The system will ensure the following functionalities:

(i) Synthesize remote sensing data and leverage it to generate usable products such as web viewer or reports;

(ii) The RMS will define the bio-physical parameters of soil and water health measures and vegetation attribute that will be used as rangeland health indicators (such as biomass cover, rain use efficiency, soil cover, density, species diversity, soil physical structure, soil moisture etc.);

(iii) Conduct periodic (twice in the project lifetime) ground-truth analysis derived from satellite-based imagery in ways that draw on communities' insights (including women's); and

(iv) Disseminate rangeland-related information and advisories to different users in a timely fashion by leveraging user-friendly digital platforms and public and private delivery channels, potentially including mobile phone apps;

(v) Train staff and communities in Woredas in the use of the information.

(vi) When it is necessary, the hi-tech satellite-based imagery interpretation will be supplemented by community-based ground-level monitoring or field data collection to verify and/or complement remotely sensed data.

(vii) Train staff and community-based field monitoring system

(viii) In addition to indicators on rangeland conditions and trends, the RMS will capture and analyze crop production in the PAP areas, market signals, conflict indicators, disease outbreaks, etc.

107.The RMS will generate a detailed quarterly information on how the conditions of the rangelands in the project impact areas are changing in response to management applied and it will advise on adaptive rangeland management options needed to achieve the desired project outcome. Overall, the RMS contributes to climate-smart rangeland and pasture management by monitoring and informing communities and rangeland managers on the spatial and temporal status of the rangeland vegetation to guide the spatial and temporal mobility of livestock to enhance improved grazing management strategy for optimal utilization of available resources. It provides information on the rangeland trend in comparison with historical data for communities, managers, and policymakers to take proactive

management actions before losses occur due to, for example, drought or encroachment of invasive species and to avoid and to prevent rangeland degradation and soil-carbon losses.

108.The RMS will also facilitate the estimation of baseline GHG emissions in preparation for possible future participation in carbon market schemes. This will involve ground truth collection in order to understand how biomass can be measured with satellite data. The latter may help incentivize the adoption of climate-smart rangeland management strategies. LLRP II will coordinate its carbon market readiness activities with the Oromia Forested Landscape Program (Phase II). The system architecture and functionalities of the RMS is shown in figure 4.1.

Figure 4.1: RMS Architecture and Functionalities

109.***Implementation Arrangement:*** The system will be developed in collaboration with the MoA, Agricultural Transformation Institute (ATI), Alliance Biodiversity International and International Center for Tropical Agriculture (CIAT), and ILRI. The system development task will be outsourced to experienced service provider (as detailed in the procurement manual of the project) with technical assistance, possibly from CIAT and ILRI. Internally and the main actors will be the F-PCU Component 2 and M&E heads, as well ATI-MoA and the technical assistance service provider. The World Bank and IFAD will be provided access to the system and all data to be collected.

4.2.2 Capacity Building for Rangeland Management and Monitoring Institutions:

110.***Objective:*** The sub-component will strengthen the capacity of rangeland management institutions including existing customary institutions and newly established Rangeland Management Council (RMMC). Customary institutions will be supported in the implementation of indigenous rangeland management practices such as livestock mobility, herd dispersal and segregation, and seasonally guided grazing schedule including resource monitoring and utilization of the RMS reports and products.

111.***Activities***: The activities to be financed will include trainings, consultative workshops, and visits including cross-border experience sharing missions. There will also be institution development like Rangeland Management Committees or locally accepted customary institutions.

112.***Rangeland Management Committees:*** Rangeland Management Committee (RMC) will be restructured as Woreda Rangeland Management and Monitoring Council (RMMC) in each project woreda. The establishment of both the Rangeland Management and Monitoring Councils (RMMCs) and the Rangeland Management Committees (RMCs) will follow the identification and specification of key rangeland sites. Three to four representatives (at least one female) from each kebele preferably elders and leaders in customary institution and who are responsible for water and pasture and crop land will form the woreda rangeland management and monitoring council that will oversee, and support inter kebele and woreda level rangeland management and monitoring processes. It will also facilitate inter-woreda and beyond (as needed) relationships for resource sharing and management. There will be a total of 120 RMMC in the project regions. The Woreda level rangeland and monitoring council in turn will elect 7-9 executive members of which at least two are female that will constitute the woreda level Rangeland Management Committee (RMC) and take the regular development and management responsibilities of the woreda rangeland resources. The council members will also participate in the formulation and reviewing of existing RMIPs and facilitate the implementation of the newly prepared RMPs in their respective clusters. A total number of 120 woreda RMCs constituted of elders and clan leaders will be established and/or strengthened to take the day-to-day rangeland resource management responsibilities.

113.As mentioned earlier, the community representatives that will constitute the RMMCs will come from kebeles which have a direct stake in managing and using (user right) the rangeland sites selected for development and management. In short, kebeles having the ownership and use rights of selected rangeland sites will be represented in woreda level RMMCs. As part of the RMP formulating and updating activities, at least 5 rangeland sites which are very important in fulfilling the dry and wet season grazing/browsing demands of the PAP communities will be systematically selected using the specified site selection criteria. And, the selection criteria will include: (i) the potential of the site in supporting grazing and browsing animals as source of feed in both dry and wet seasons, (ii) the site that will be selected should be in a condition to respond to development interventions within a reasonable time period, and (iii) the site should be prioritized by the community as an area of conservation for economically important vegetation stands. Sites uniquely and productively suitable for a cattle dominant farming such as savanna type grassland or a small ruminant dominant farming such as shrublands or a woodland that dominantly support camel keeping will be taken into account in intervention site selection. With this site selection approach, each project woreda will own at least 5 key rangeland sites and these will enable to have at least 600 rangeland sites for the entire project woredas.

114.***Thematic Focus areas and targeted audience:*** The capacity building will focus on the following thematic focus areas. In cases where there is a need to ensure the active participation of stakeholders for a specified task, a combination of technical training and community level consultative sessions will be essential one after the other. For instance, the formulation processes of RMPs will require a multi-level capacity building interventions including:

(i) *Multi-disciplinary task force members* who are supposed to update and formulate the Rangeland Management Plans (RMPs) will take a refresher and/or basic training on guiding principles, procedures and contents of Participatory Rangeland Management Planning (PRMP);

(ii) *Community facilitators* (both men and women to facilitate interaction and participation of women at the community level) representing RMMCs from each project woreda will attend short sessions to make them aware of how respective community members will be facilitated and

supported while practicing Participatory Rangeland Management Planning activities to update and/ or formulate cluster-specific RMPs; and
(iii) *Users* of component intervention are directly targeted for capacity building technical supports will be cascaded from relevant resource centers (such as the MoA and other relevant partners or stakeholders) down to woreda and kebele level actors and users. The training of users will also include all population groups targeted by the project with specific attention to participation of women and youths.

115.The same approach will be practiced while supporting private entrepreneurs of forage production and PAP households (HHs) for whom different energy efficient technologies will be demonstrated, scaled-up and piloted.

116.***Sensitization and Awareness Building:*** The capacity building intervention also comprise of grass-root level awareness creation and consultation sessions through which the capacity building interventions will be implemented engaging sufficient number of community representatives. Beneficiaries of awareness creation and consultation sessions are PAP community members. What a slight difference that may be perceived may be reflected in the scope of participation between institutional representation and community level consultations that usually engage large number of community members.

117.***Structured Learning:*** The capacity building will include provision of training workshops and technical backstopping supports to professional staffs of the project and implementing partners (such as sectors of pastoral/agro-pastoral development). Technical training sessions at all levels will follow ToT approaches to cascade down to implementing bodies. Depending on the subject matter that the training audience will be targeted for, staffs (with appropriate representation of women and youths) will be benefited from training workshops.

118.***Participatory Learning:*** The project will engage with and involve traditionally acknowledged customary institutions, Rangeland Management and Monitoring Committees (RMMCs), and other community level establishments with responsibilities of specific rangeland resource management and monitoring (such as Livestock Water Use Committees and Watershed Management Committees). Such community level setups will be benefited from capacity building services through engagement of their representatives. In addition, large number of PAP community members will be consulted for critical interventions like development and management of rangeland resources. Mass consultations are also very essential for identifying, conserving, utilizing rangeland resources and implementing the RMPs. It will be examined if the Pastoral and Agro-pastoral Field Schools to be developed under component 3.1 can be used as a training modality for sustainable rangeland management (i.e., integrating productivity, sustainability and value chains in the Field Schools), given that these filed schools are community-based, highly interactive and flexible (which allows them to be fine-tuned to local needs and social and environmental conditions). The curriculum for this part of the field schools will be developed by a national service provider such as ATI, who would also conduct the Training of Trainers.

119.***Organization and Skills Development:*** To supplement human development supports- structured learning, sensitization and participation, institutions such as RMMCs or locally accepted customary institutions will access ownership and management rights over different institutional capacity building inputs and facilities. Such facilities may include inter-community demonstration centers of climate-smart and energy efficient technologies (like bio-digester/biogas units). RMMC/RMC members will also be trained on community-based rangeland monitoring system to monitor their local rangeland resources and to supplement and verify of the RMS products for better decisions and early actions, on livestock movement, market decisions, etc., to avoid and/or minimize

losses in livestock production and to prevent rangeland degradation and soil-carbon losses. For private sectors whose business objectives are in alignment with officially announced emergency situations, supports in terms of input supplies (for instance forage seeds and farm tools or farm machinery) will be effected thorough time specific memorandum of understanding and up on provision of a comprehensive development plan or proposal. The regular institutional support modality will be in favor of private sector engagements through providing the necessary technical capacity building supports and the provision of farm tools and inputs. For the sake of sustaining the capacity building supports of the component, establishments and centers with the objectives of continuous demonstration of innovations and technologies will be supported through provision of both inputs and technical trainings or experienced sharing exposures.

4.2.3 Results Monitoring

120. The subcomponent will not be directly contributing to the achievement of PDO and hence there is no PDO level indicator. **At the intermediate level,** the key result to be achieved is:
(i) National Rangeland Monitoring System (RMS) to be developed and fully operational by June 2027 to allow testing and fine-tuning of the system during project implementation, as well as people becoming familiar with this system prior to project closure so that buy-in for continuation of the system following project closure is cultivated. The system will also provide inputs into the filed school curriculum

121. The component implementation and success can also be assessed using the following outputs:
(i) Total number of rangeland management and monitoring committees constituted and regularly carrying out rangeland resource management committees-the project expects 120 RMCs by the end of the project;
(ii) Number of task force members trained on RMPs;
(iii) Number of community facilitators receiving capacity building inputs on rangeland management planning.
(iv) Number of field schools conducted and community members trained.

4.3 Component 2.2: Participatory Rangeland and Pasture Management (PRPM)

122. This subcomponent will aim at increasing the production and productivity of the natural resource-base, reducing green-house gas emission and soil pollution by enabling sustainable development and utilization of the natural resources. In general, the subcomponent will support:
(a) the preparation of rangeland management plans (RMPs),
(b) the implementation of rangeland and pasture development activities, and
(c) the production and marketing of forage and livestock feed.

4.3.1 (a) Rangeland Management Plans (RMPs):

123. The sub-component will finance the updating of the 28 existing RMIPs prepared under LLRP I and the formulation of 1 new RMP through participatory rangeland management[2] principles to identify additional climate-smart mitigation and nature-based solutions, validate their feasibility based on indicative land-use planning and characterization and formulate rangeland management bylaws. The nature-based solutions for rangelands include the enclosure of degraded lands to enable their natural regeneration, conservation of endangered plant species and management of alien invasive plants, and plantation of multi-purpose trees on pasture. The project will ensure that all the RMPs have updated maps of livestock mobility routes and related investments are aligned with livestock mobility and trade corridors.

[2] Flintan, F., and A. Cullis. 2010. *Introductory Guidelines to Participatory Rangeland Management in Pastoral Areas*. USA: Save the Children.

124.***Scope and Structure:*** While updating the 28 existing RMIPs, the spatial scope of intervention areas at grass-root level will be represented by selected rangeland sites or units in each project woreda and community resource mapping and problem prioritization exercises will be supported to consider issues related to the new climate-smart initiatives. In consultation with the woreda rangeland and monitoring council and rangeland management committee at least five rangeland sites or units 5000-7000 hectare in total will be selected in each project woreda. In either of the new or updated version of the RMP documents, the strategic investment (PEIs) sections will no longer be incorporated. Rather, basic infrastructures which are essential for fostering livestock production interventions [such as: water points, feed stores, veterinary clinics, livestock market centres, livestock products collection and marketing units and irrigation schemes suitable for forage production (will be annexed as part of each rangeland cluster specific RMPs)]. The remaining sections of the planning documents will be updated on the basis of previously framed technical scopes.

125.Rangeland sites or units for interventions in each woreda identified in the RMPs are selected in consultation with the woreda RMMC and existing customary institutions of kebeles which have both the ownership and use rights of that respective rangeland site. The rangeland sites (landscapes) selection criteria shall constitute issues including:

- Grasslands or grazing lands, shrublands and woodlands that require RMPI interventions
- Land requiring conservation of economically and environmentally important vegetation stands through area closures
- Landscapes that require physical and biological Soil and Water Conservation (SWC) initiatives
- Sites should have the potential to respond to development & management interventions
- Sites should be communally owned to accommodate collective interests of the PAP communities while implementing rehabilitation and restoration initiatives.

126.Grass-root customary institutions at the rangeland sites selected for interventions will harmonize the inter-kebele resource management matters. Whereas the woreda level rangeland management and monitoring committees (in consultation with grass-root level customary institutions), will facilitate and support the overall rangeland resource development, management and monitoring activities. On top of that, the woreda level rangeland management committees will shoulder the monitoring and oversighting the implementation of all Rangeland and Pasture Management initiatives of the respective Key Rangeland Sites (KRSs).

127.***Implementation Arrangement:*** For updating the existing RMPs and formulating the new RMP for Dire Dawa project areas internal capacities (own-force) through mobilizing task-force members from relevant sectors at RPCU level will be utilized. A team of 14 technical staffs will be established for each project region and the FPCU in collaboration with respective RPCUs will provide refresher and/or basic trainings to mobilized practitioners. Exceptional to Dire Dawa and existing project regions where staff turnover is critical, training of both task-force members and community facilitators will be somehow detail and beyond refresher training approach. Woreda Rangeland and Monitoring Executive Committee will join the task force in updating and formulation of the RMPs.

128.***Process Steps:*** The procedure for end-to-end RMP formulation consists of activities such as:
(i) task-force establishment and training; RMMC
(ii) reviewing of existing documents including the previous RMIPs through a climate lens:
(iii) Community sensitization and consultation for resource mapping;
(iv) Prioritization of development challenges and alternative strategic objectives as a response to prioritized problems;
(v) Preparation of the updated and/or new RMPs as a response to existing development bottlenecks;

(vi) Validation of updated and newly formulated RMPs and finally publishing of the 29 Rangeland Management Plans (RMPs).

129.Similar to the RMIPs of LLRP-I, the updated and new RMP versions will constitute both 5 years and 10 years plans. As it has been practiced from LLRP-I, dissemination and familiarization activities will follow the development of final RMP documents. The methodology for formulating and updating of RMPs are described in detail in **Annex 2.**

4.3.2 (b) Rangeland and Pasture Development

130.The Rangeland and Pasture Development will be guided by the RMPs.

131.***Main activities:*** The activities include climate smart and nature-based solutions to finance rangeland and pasture development support:
(i) Delineation, mapping, and both land-use and land-scape characterization of the project intervention areas;
(ii) Restoration of degraded and overgrazed rangelands through physical, biological, and agronomic soil and water conservation measures including check dams aimed at controlling gulley erosion, sowing, reseeding, and community-based and temporary area closures that enhance rangeland productivity and the availability of pasture, especially during the dry season and droughts (for the design and implementation of check dams, collaboration will be sort with external experts such as GIZ);
(iii) Development of silvo-pastoral and agro-silvo-pastoral systems through the plantation and management of multipurpose trees;
(iv) Wetland protection and maintenance to buffer the impacts of floods/droughts and enhance biodiversity and food security for agro-pastoralists relying on receding farming; and
(v) Management of invasive species using multiple techniques such as prescribed fire (to reduce vulnerability to uncontrolled wildfire, the risk of which is exacerbated by climate change), targeted and selective clearing and de-rooting, and management by utilization (for example, the use of *Prosopis Juli flora* as source of biomass energy and feed).

132.***Process Steps:*** Identification, demarcation, land-use/landscape characterization and preparation of site-specific and detailed development plans for rangeland sites are prior activities before stepping to implementation of rangeland and pasture development activities. Subsequently, implementation of rangeland rehabilitation and restoration activities are basic steps towards maintaining Sustainable Rangeland Management (SRM) objectives. Contextually specific to component 2 of LLRP-II, a rangeland site or unit under Sustainable Rangeland Management (SRM) refers to a specified landscape with unique rangeland features different from its surrounding, hosting two or more rangeland management and pasture improvement interventions.

133.***Implementation Arrangement:*** While implementing the above-mentioned rangeland rehabilitation and restoration measures, woreda and kebele level implementing sectors (Woreda finance offices and their affiliated staffs, woreda agricultural or agro-pastoral offices and their respective technical staffs and kebele administrative offices along with development agents) are the closest implementing partners. Along with regional technical supports, both planning and implementation of physical targets and financial disbursement modalities will also follow the same institutional alignments. All-Natural Resource Management (NRM) activities which are aimed at achieving Sustainable Rangeland Management (SRM) objectives will basically be implemented by joint efforts of woreda(s) and kebele(s) level practitioners with technical support from the rangeland cluster support team and the regions. Woreda(s) project staffs in collaboration with woreda(s) and kebele level government institutions and other inter-sectoral teams (such as woredas steering committees and woreda(s)/kebele(s) level technical teams) will integrate the overall

implementation processes of project activities. In support of the implementation processes of each and every rangeland management and pasture improvement activities, signatories of MoUs between appropriate institutions and application of relevant technical standards stated as part of the national soil and water conservation guideline prepared for development agents (DAs) and Community-Based Participatory Watershed Guidelines will be mandatory for grass-root level practitioners. The woreda(s) RMMCs will facilitate community participation. Standardized wage rates for labor-based IRM activities will be fixed and applied through facilitation role of the ministry of agriculture. To ease accessing efforts to different NRM working documents (technical standards, norms and guidelines), a consolidated and multi-disciplinary Handbook of sustainable rangeland management will be developed in support of this manual. The project will also promote and facilitate engagement of the private sector in managing Prosopis Juli flora through utilization as a source of green energy for the cement industry.

134.***Convergence:*** Through integrating the bio-physical SWC measures and rangeland biomass improvement initiatives with water infrastructure investments carried out under Subcomponent 1.2, the project will facilitate the sustainable management of water for livestock and human consumption in dry and wet season grazing areas and livestock migration and trade corridors. This activity will be based on available GIS-based mapping and documentation of mobility routes, migration corridors, and wet and dry season grazing areas prepared by LLRP I and IGAD and assessment of the grazing resource availability and potential vis-à-vis livestock users. The subcomponent will also finance quarterly and/or bi-annually scheduled technical support, training, and supervision missions at the federal, regional, and woreda levels.

4.3.3 (c) Production and Marketing of Forage.

135.The subcomponent will improve the availability and quality of forage with the aim of increasing livestock productivity in normal times and ensuring their survival in times of drought.

136.***Key Activities:*** Guided by the fodder and feed value chain analysis carried out under LLRP I, the subcomponent will support the production and marketing of forage by financing:

(i) the established fodder producer and marketing cooperatives and micro and small enterprises (MSEs) with a focus on women, training, and input provision; '

(ii) The establishment of nurseries and grass and forage seed production and multiplication centers (in collaboration with research centers) and the provision of matching grants in coordination with Subcomponent 3.2;

(iii) Support the development of productive alliances between fodder producers (such as MSEs) and traders (for instance owners of feedlots);

(iv) The facilitation of local and cross-border market links for the offtake of excess forage; and

(v) Support piloting of joint management of feed stores and the regional forage development centres established for demonstrating the multiple dimensions of forage production including the commercial business approach through public-private partnerships.

137.***Convergence:*** The subcomponent will target production of high yielding, nutritive and highly digestible forage species with a potential to lower carbon intensity per unit of livestock product, or meat or milk produced. The project will not encourage the stand-alone Government-led mass production and free distribution of fodder, as this would impede the sector's commercialization. However, in the event of a drought emergency situations, forecasting opportunities with the support of Sub-components 1.1 (early warning system) and sub-component 2.1 (rangeland monitoring system) will enable the project to facilitate and support fodder production and marketing in drought hotspot areas in collaboration with MSEs through facilitating public/private partnerships interventions and provision of the most required inputs and advisory services. The subcomponent will be closely coordinated with Subcomponent 1.2, which may finance the construction of feed stores and processing plants, as well as Subcomponent 4.2, under which the project will support the

development or updating of policies and strategies on the privatization and commercialization of fodder and feed production in PAP areas.

138.***Implementation Arrangement*** Among cooperatives and/or Micro and Small Enterprises (MSEs) established and provided with specified grants under sub-component 3.2, enterprises with experiences and/or interests of forage production will be further incentivized through technical training services and input (such as forage seeds and basic farm tools) supply supports. In times of emergency situations (during drought conditions), however, the institutional support may be extended to the extent of supplying additional farm tools and basic machinery including irrigation pumps and balers where appropriate. To motivate, sustain and further strengthen the private forage production sectors, it will be a primary task for regional and local government institutions to ease accesses of forage producer cooperatives/MSEs to irrigable forage production sites. Parallel to this, searching for available product users (such as feedlots, quarantine centers, …) and linking with forage producers will be a joint responsibility for both project staffs and implementing sectors at all levels. Unlike other natural resource management initiatives, cultivated forage production activities will be supported by regional implementing sectors along with district level delegation by regional government institutions. The close collaboration and consultation with customary institutions and local communities, RMMCs natural pasture production initiatives held by either user groups and MSEs or cooperatives will also be supported to promote and speed up the commercialization processes of the sector.

4.3.4 Results to measure Success

139.Considering the importance and core nature of the subcomponent there is one **PDO level indicator** as a key result from the project implementation contributing to the achievement of the overall project objective:

(i) Land area under sustainable landscape management practices is expected to reach 1,000,000 hectares from the current 400,000 hectares. This is also a corporate level result indicator for the World Bank.

140.**At the intermediate level**, the results to measure the success of component implementation is:
(i) Twentynine Climate smart nature-based rangeland management plans to be formulated/ updated and rolled out by June 2029.

141.The component can also be assessed for success by achieving the following outputs:
(i) Disaggregation of the rangeland and pasture development activities according to physical, biological and agronomic measures;
(ii) Area protected from invasive species, number of established fodder producer and marketing cooperatives/ MSEs successfully established and working; and
(iii) Number of nurseries and grass and forage seed production and multiplication centres established.

4.4 Subcomponent 2.3: Resource-Related Conflict Management and Mitigation

142.The extreme climate events are further exacerbated by conflicts. In the drought prone lowlands, the PAP systems and available resources are constrained by increased pressure of access and competition leading to tensions. The weak institutional conflict management mechanism including the declining traditional systems increase the vulnerabilities. This subcomponent will attempt to mitigate this crucial vulnerability.

143.***Aim:*** This subcomponent will equip PAP stakeholders with tools and capacities to address root causes of resource-related community-based conflicts in PAP areas. There are three main activities under the component:
(a) Conflict analysis and Government dialogue to trigger for policy instruments and strategic solutions;
(b) Modern climate smart technologies for alternative energy sources; and
(c) Social cohesion activities through conducting gap-based and demand-driven inter-community dialogues.

4.4.1 (a) Conflict Analysis and Government Dialogue

144.Strong conflict management governance systems are critical to ensure peace and social cohesion in face of climate change related events, amongst others. Conflict analysis is done primarily to empower communities to analyze conflict, engage in dialogue, and resource planning.

145.***Conflict Assessment:*** In collaboration with the regional practitioners, the project will update conflict assessments conducted during LLRP I. The conflict assessment in new project areas, will be carried out with a newly introduced focus on the identification of:
(a) Stakeholder groups to include in the project's participatory processes (with due attention to minority and vulnerable groups, gender and age considerations);
(b) The drivers of conflict in PAP areas;
(c) Conflict hotspots within project-targeted areas;
(d) Customary and indigenous peace building and conflict resolution institutions and mechanisms; and
(e) Risks posed by recent geopolitical developments and fragility in proximate highland areas.

146.***Scope of Activities:*** Based on updated findings, the subcomponent will implement the following activities:
(a) *Inclusion and Representation:* Ensuring the inclusion and representation of identified stakeholders in project-supported groups and local institutions and their active engagement in the planning and validation of working documents related to LLRP-II interventions (such as RMPs, WDRP and DPRSIPs) and the selection and implementation of Public Economic Infrastructures (PEIs); and
(b) *Peace Committees:* In identified hotspots, supporting the establishment and/or development and empowerment of inter-communal, gender and age-balanced peace committees[3].
(c) *Land Tenure and use:* Government initiatives and efforts exerted to identify, formulate and/or update, and enforce appropriate pastoral land tenure and land-use policies and strategies that legally recognize and certify customary pastoral land ownership and resource rights which in turn enhance conflict resolution and arbitration processes given the existing disparities in relation to land tenure and use, all initiatives carried out will also aim to promote women's equal ownership and use rights; and
(d) *Social Cohesion:* Supporting social cohesion through project messaging and by, for example, organizing sporting events, cultural days, environmental campaigns, project activity inauguration and completion, and other events that convey project messages.

147.***Inter Communal Peace Committees (ICPC):*** In the identified hotspots inter communal peace committees will be developed and supported. ICPC consist of elders, religious leaders, women, youth, Woreda officials and police. The objectives of committees are to provide oversight of the project activities at local levels, foster consensus, and holding regular meetings to address and mitigate grievances associated with project interventions. Each inter-communal/Inter-Community Peace Committee (ICPC) will be constituted by or assured for constituting at least 5 appropriate

3 The inter-community peace committee will consist of elders, religious leaders, women, youth, woreda officials, and police.

community representatives including elders, clan leaders, individuals known for their influential participation, women and youths.

148.***Approach:*** The conflict management and peacebuilding efforts under this subcomponent will be complemented by activities under other relevant subcomponents. Considering the significant role of women in peace building the project will ensure active participation of women in the process.

149.***Implementation Arrangement:*** The component activities will be implemented in collaboration with Regional Implementation Institutions.

4.4.2 Energy Efficient Technologies

150.Tree cutting for household fuel need is one of the contributing reasons for degeneration of natural vegetation. Provision of alternate energy sources for lighting using solar and promotion of biogas stoves and solar cooker is an important vulnerability reduction step under the component. The subcomponent will promote modern, gender-sensitive and climate-smart technologies including fuel-efficient and safe cook-stoves and alternative energy sources such as improved eco-design wood stoves with less fuel-wood usage, biogas stoves and solar cooker replacing wood-inefficient traditional stoves that involve lots of tree cuttings and deforestation, and high GHG emission.

151.*Cluster/Woreda Level Demonstration Units:* The promotion and demonstration of climate smart and energy efficient technologies will be implemented through establishing cluster or woreda level demonstration units where different and alternative environment friendly energy sources (bio-gas, energy saving stoves, solar energy sources) will be accessed by beneficiary communities. Two approaches will be followed to establish the units.

(i) The first one is when the demonstration units are established as public center for demonstration only.

(ii) The second approach will involve collective ownership by community members or households for some technologies (for example: solar and biogas units) and private proprietorship for small energy saving technologies such as stoves. In cases where the second approach will be practiced, community engagement and contribution in terms of supplying local materials (such as bio-composting inputs and locally available materials) will be considered. Whereas provision of other industrial materials and costs of skilled labour and technical advisory services will be supported by the project.

(iii) Given the central role of women in household energy management, including traveling long distances to fetch fuel wood and the associated risks, the subcomponent will pay due attention in the process of promoting efficient and alternative energy sources and related capacity building supports; and

(iv) The labor-saving potential of climate-smart and energy-efficient technologies will be duly monitored, in particular to assess the results achieved by the project in reducing women's work burden. This will imply conducting short surveys with beneficiaries before and after the introduction of the technologies and their uptake at individual/household level.

4.4.3 Peace Building and Conflict Mitigation

152.On peace building and conflict mitigation interventions, the support modalities will include provision of both human and institutional capacity building supports based on identification and organization of critical gaps. Basically, updating of conflict related assessments will help the project and respective practitioners at all levels to target and resolve conflicts/challenges derived from inappropriate rangeland resources management.

153. The subcomponent will support social cohesion through project messaging and other events to convey critical project messages. Examples of events to be organized include sports events, cultural days, environmental campaigns, project activity inauguration, project completion days etc. The conflict management and peace building efforts under this component will be held in complementarity with other subcomponent activities under the project.

4.4.4 Monitoring for Success

154. There are neither PDO level nor are their intermediate level indicators for measuring success of the component. The following **outputs** are to be monitored:

(i) Number of inter-communal peace committees constituted and holding regular meetings;

(ii) Number of public demonstration units on energy efficient technologies;

(iii) Number of households/enterprises demonstrating energy efficient technologies, segregated into solar and biogas units.

5. Component 3: Climate Resilient and Sustainable Livelihood

155. The primary climate risks in PAP areas directly and indirectly impact livelihoods. Climate change disrupts production system through extreme weather events affecting cropping system, land and water resources degradation, pasture and forage production and increasing incidents of diseases and pests. These risks have adverse effects on the entire livestock production value chain, resulting in lower prices and income realization. The component 3 has been designed to address these risks and vulnerabilities.

156.The Component 3 aims to enhance the absorptive and transformative capacities of PAP household by increasing, diversifying, and stabilizing their incomes, including those of households who are moving out of the pastoral system, with a focus on promoting climate-smart technologies and value chains, raising fewer but more productive animals, and increasing productivity while lowering GHG emissions.

157.In achieving the above objective, the component will help PAP communities to increase, diversify and stabilize household income. This will be achieved through two subcomponents:
(i) Subcomponent 3.1: Crop and Livestock Productivity and Climate Resilience; and
(ii) Subcomponent 3.2: Commercialization and Livelihood Diversification

5.1 Subcomponent 3.1: Crop and Livestock Productivity and Climate Resilience

158.The **objective** of the subcomponent is development and adoption of a range of gender-sensitive and climate-smart technologies and practices that increase the productivity and output of crop and livestock production systems while simultaneously reducing their carbon intensity. Carbon intensity of livestock refers to reducing the GHGs emitted of animal live span and/or per unit of livestock product, such as per kilogram of meat or milk. The Food and Agriculture Organization Corporate Statistical Database (FAOSTAT) has estimated that Ethiopia is one of the highest emission intensities for beef production, globally and the component will help improve this situation.

159.***The key activities:*** The subcomponent will support the following key activities:
(i) Transferring identified and bundled livestock and crop technologies as "smart packs" for different project locations (adapted, proven, and scalable innovations, technologies);
(ii) Implementing existing livestock extension strategy developed by MoA in collaboration with ATI-Government's pluralistic approach to extension-including Digital Green Ethiopia and private advisory service providers like Lersha supported by AICCRA;
(iii) Strengthening existing PAP training centers, including the rehabilitation, equipping, furnishing of training centers; supply of materials; development and delivery of training modules; and production of printed communication materials on best practices, innovations, and technologies;
(iv) Supporting the demonstration of technologies, supply of inputs for demonstration and training purposes, and peer-to-peer learning events; and
(v) Adopting the agropastoral field school approach of farmer-led adaptation identified with the ILRI's Pioneer Positive Deviance (P-PD) approach. The required technical and material supports will be provided by the project for implementation of the agropastoral field school and P-PD approaches.

5.1.1 Extension and Advisory Services

160. The existing pluralistic public and private extension and advisory services will be used to transfer smart packs to PAP households and build their capacity in targeted ways. It will also consider existing strategies such as the livestock extension strategy developed by the MoA in collaboration with ATI. Multiple extension service providers, including Digital Green Ethiopia and private advisory service providers like Lersha will be used. Lersha is a private sector

initiative in Ethiopia working with the concept of "one-stop digital service for smallholder farmers that provides advisory content on climate-smart agriculture solutions, weather information, and facilitates access to agri-credit and agri-insurance."

161.The existing PAP training centers, including P/FTC will be used for the training after conducting a capacity needs assessment. These centers will be equipped and furnished. Supply of materials, development and delivery of training modules and production of printed communication materials on best practices, innovations, and technologies will also be ensured.

5.1.2 Agro Pastoral Field Schools (AFS)

162.The project will apply the agro pastoral field school approach, based on the manual developed by Ministry of Agriculture and endorsed by LLRP I. If implemented in a gender responsive way, AFAS have a strong potential to promote women's empowerment and more equitable gender relations. With IFAD's support the project will complement the existing manual to incorporate contents, approaches and example to enhance gender responsiveness of AFS. Furthermore, a complementary approach i.e., ILRI's Pioneer Positive Deviance (P-PD) will be adopted and piloted. The required technical and material supports will be provided by the project for implementation of the agro pastoral field school and P-PD approaches. The farmer led adaptations identified with the P-PD approach demonstrates endogenous innovations scalable through farmer-to-farmer scaling networks.

5.1.3 Gender Focus

163.The subcomponent places a specific emphasis on gender equality, aiming to create technologies and practices based on an understanding of the primary obstacles hindering women's adoption of adaptation strategies in Ethiopia. The project will prioritize addressing the constraints faced by women in adopting climate adaptation strategies. It aims to ensure that women have equal access to and benefit from these strategies, aligning with the objectives outlined in the forthcoming whitepaper on gender and climate being prepared by the Africa Gender Innovation Lab.

5.1.4 Smart Packs

164.Smart packs are bundles of adapted, proven and scalable innovations, technologies, and practices identified for different project locations. The subcomponent will support Smart packs which will be developed for:

(i) Nutrition-sensitive agro pastoralism;
(ii) Livestock breeds;
(iii) Animal health services and One Health approach;
(iv) Compound feed and forage management; and
(v) Husbandry and herd management.

165.***Implementation:*** The `smart-packs' are put together in collaboration with the Ethiopian Institute of Agricultural Research (EIAR), regional universities and research centers and CGIAR Institutes such as International Centre for Agricultural Research in Dryland Areas (ICARDA) and AICCRA.

166.***Knowledge Package:*** Physically located in agriculture or pastoral and livestock offices and equipped with digital equipment, PACKs will offer venues for demonstrating early warning, climate information, and rangeland management systems and various technologies and innovations to PAP households and extension workers (in local languages). Packs' facilities will be managed by the project for at least six months before they are handed over to their permanent hosts at the woreda level (offices of agriculture, livestock, or pastoral development).

5.1.5 Nutrition-sensitive agro-pastoralism

167.***Crop Production and Livestock System:*** The intervention will focus on food-based approach in both crops and livestock production system. The crop production system and transhuman livestock systems are commonly practiced livelihood systems in PAP areas. The subcomponent support to enhance climate smart technologies and practices (crop and livestock smart pack) to increase crop and livestock production and yield. The subcomponent will supply seeds of higher-yielding, more nutritious and drought-tolerant crop varieties for the demonstration and training purpose in PTC/FTC, PAFS and in model village of selected areas (based on selection criteria developed by MoA). It will also finance activities, including training and inputs supplies, relating to improved dryland farming practices and conservation agriculture such as crop rotation, intercropping, agroforestry, green manure production, regenerative agriculture, small-scale and household poultry production, dairying, fattening, cattle, sheep and goat production, apiculture, fisheries in collaboration with MoA, EIAR, ILRI-ACCRA and Sasakawa Africa Association (SAA) and other partners including Heifer International[4]. Regenerative farming, also known as Regenerative Agriculture, is critical to ensuring sustainable and inclusive food systems. Positive benefits include increased farm profitability, economy and livelihoods, biodiversity enhancement, improved health and nutrition, increased carbon sequestration, improved ecosystem services, strengthened climate change adaptation, and resilience.

168.**Dry land Agriculture** intervention will be supported by different soil and water conservation practices which will be implemented under subcomponent 2.2 of the project. This will be more practical where soil moisture retention and soil stabilization measures will be put in place. Dry land agriculture support mosaic interventions like agro-forestry, conservation agriculture, soil fertility management, dry valley rehabilitation for sustainable farming, enhancing water use efficiency and sustainable irrigation.

169.The subcomponent will finance the **training** of agro pastoralists and extension workers on conservation agriculture practices and support demonstrations in selected PAP areas.

170.***Nutrition Education***: The subcomponent will support nutrition education with a focus on improving dietary diversity, particularly for women and children. Combined with other interventions addressing key drivers of child undernutrition and demand-driven nutrition-sensitive irrigation (water, sanitation, and hygiene) and human and animal health services, the project's nutrition-sensitive agro-pastoral activities, will help accelerate stunting reduction. The project will give emphasis for the establishment and strengthening of Gender Model Family (GMF) and Model villages in selected areas.

5.1.6 Livestock's Breeds

171.***Community-Based Climate Resilient Breeding Program (CBCRBP):*** The subcomponent will finance breed improvements through Community-Based Climate Resilient Breeding Program (CBCRBP), which focuses on the selection of local breeds of small ruminants and cattle with preferred traits. LLRP II will finance the supply of improved local breeds for demonstration activities, the establishment of community ranches, and the training of communities and local technicians on breeding techniques and performance data management. Animals are bred for qualities such as heat and disease tolerance, feed efficiency, productivity, and reproductivity. Some of these qualities are associated with a lower carbon intensity, including by accelerating animals' growth and hence reducing the time to slaughter. This activity will be implemented through arranging of training for regional experts. The focus on selection of breeds, characterization of traits, breeding objectives, identification of animals, data recording and management. The training will be cascaded to Woreda experts and kebele Development Agents

4 Heifer International manages regenerative farm in Arkansas known as the Heifer Ranch. Exposure visits can be arranged to gain experiences on running a regenerative livestock farm.

and communities. The project will provide grant for CBCRBP group members to procure selected shoat (ram/buck) and identification and recording materials such as ear tag, ear tag applicator. In addition to the project will support cattle Artificial Insemination (AI) for cattle in outskirt of selected PAP areas. To promote the AI service, the project will give attention strengthen of AI centers and procure inseminators materials like flasks, nitrogen container and AI catheter etc. The project will facilitate the provision of targeted technical support by ICARDA and MoA (through Livestock Development Institute) to the CBCRBP.

172. ***Community Breeds Conservation:*** The component will support the conservation of selected livestock breeds through community conservation mechanisms. This is done through strengthening the existing and establishing new Community Ranches in selected PAP areas. The operational manual for the community conservation will be developed in collaboration with MoA. Trainings will be provided to technicians and communities on breeding techniques and performance data management. Animals are bred for qualities such as heat and disease tolerance, feed efficiency, productivity, and reproductively.

173. ***GHG Emission:*** Some of these qualities are associated with a lower carbon intensity, achieved by accelerating animals' growth and reducing the time to slaughter. The subcomponent also support provision of low GHG emitters such as (small ruminant poultry, bee keeping and fishery production as well as livestock's breed qualities on heat and disease tolerance, lower carbon intensity, feed efficiency, productivity and reproductive performance for demonstration and training purposes (P/FTC, PFS and model Agro pastoralist). The Ministry of Agriculture, Regional Research Centers and Universities will play a role in supporting the above-mentioned activities.

5.1.7 Animal health service and One Health.

174. The subcomponent will strengthen public and community-based animal health and veterinary services to control the burden of animal disease. This is expected to increase livestock productivity and reproductively, reduce livestock (and especially calf) mortality, and mitigate the sector's carbon intensity. One Health is an integrated, unifying approach that aims to sustainably balance and optimize the health of people, animals and ecosystems. It recognizes that the health of humans, domestic and wild animals, plants, and the wider environment (including ecosystems) are closely linked and interdependent.

175. ***The key activities*** are:

(i) Expanding community-based animal health service delivery capacity by upskilling community animal health workers (CAHWs) to become community agro-vet entrepreneurs (CAVEs). The CAVE model promoted under Heifer International Project (HPI) is a new approach to engage and it will be implemented in collaboration with HPI. CAVE is a business model developed under HPI to help CAHWS diversify and increase incomes from the sector activities for ensuring sustainability of their services;

(ii) Training new CAVEs, with a focus on women; and providing CAVEs and CAHWs with 'Kickstarter' veterinary drugs and equipment;

(iii) Building the capacity of public livestock health services, including by rehabilitating and equipping their facilities (veterinary clinics, laboratories, and research centers), providing targeted technical training for veterinarians and technicians at the woreda and community levels, and establishing and equipping mobile veterinary clinics;

(iv) Combating the spread of zoonotic disease, including trypanosomiasis, which is spread by tsetse flies; and

(v) Controlling transboundary livestock diseases—with a focus on the lowlands, livestock trade corridors, and the cross-border movement of livestock—by advancing the One Health approach.

176.To supplement the existing capacity gaps of the public livestock health services and to provide support including by rehabilitating and equipping their facilities (veterinary posts, clinics and laboratories), providing targeted technical training for veterinarians and technicians at the woreda and community levels, and establishing and equipping mobile veterinary clinics mainly for pastoral areas. The project will give attention to control Trypanosomiasis, transmitted by tsetse flies, through promoting various technologies including collar-mounted tsetse control repellents on cattle and tsetse traps and targets (insecticide-impregnated screens) in collaboration with ICIPE. The subcomponent supports participatory animal health risk management initiatives and improving the delivery of risk-based surveillance for TBDs, endemic diseases and food safety in lined with global and regional strategies. The activities will be implemented with the collaboration of MoA.

177.***One Health Approach:*** One health approach is a financing platform for the coordination of environmental, human, and animal (livestock and wildlife) health policies and measures at the woreda and regional levels, supporting the existing One Health Steering Committee (at the federal and regional levels), and facilitating its downscaling to the woreda level and financing South-South exchange on One Health topics and experience. To promote the One Health approach, the project will partner with the MoA, Ethiopian Public Health Institute, Wildlife Conservation Authority, Environmental Protection Authority, Forest and Climate Change Commission, and Veterinarians without Borders Switzerland (Vétérinaires Sans Frontières Suisse, VSF-Suisse) and draw on the practical experiences generated by the VSF-Suisse and ILRI One Health for Humans Environment, Animals, and Livelihoods Project.

5.1.8 Compound Feed and Forage Management

178. The subcomponent will increase PAP households' and MSEs' access to compound feed and forage resources including seeds (in coordination with Subcomponent 2.2 in providing forage seeds and seedling). This is expected to improve animal nutrition, increase animals' feed conversion rate, and reduce the Green House Gas Emission (GHGE).

179.***The key activities are:***

(i) Supplying and demonstrating highly digestible, higher-yielding, and heat-tolerant seeds of forage species like Brachiaria brizantha, more commonly known as climate-smart wonder grass, Napier grass, Panicum maximum, Rhode grass, Desmodium, Vetch, Alfalfa, spineless cactus (Opuntia Ficus-indica), which can be consumed by people and animals and help with erosion control, and forage trees;

(ii) Conducting demonstrations and facilitate PAP-to-PAP learning events;

(iii) Piloting and demonstrating innovative and climate-smart feed and fodder production and management practices like crop rotation, intercropping of legumes with maize, the planting of forage trees, uses of crop residues, soil fertility management, and salinity management in irrigated farms;

(iv) Fodder and feed storage innovations, including technologies on feed densification, and technologies at the household level. The feed conservation technologies will be implemented in partnership with HPI. The production increase as the result of irrigation infrastructure under subcomponent 1.2 will create an opportunity for the conservation of the surplus produce feed and fodder;

(v) Demonstrating and offering trainings in partnership with VSF-Suisse, on hydroponics and supply-related inputs. Hydroponics is the growing fodder using a water-based nutrient solution instead of soil, to cultivate fast-growing, high-quality, and environmentally sustainable fodder; and

(vi) Supplying small-scale feed processing machinery for demonstration purposes.

5.1.9 Husbandry and Herd Management

180.The subcomponent will identify and demonstrate good animal husbandry practices emphasizing the selection of animals expediting their time to market reaching marketable weight faster and culling nonproductive animals from the herd.

181.The **main activities** are:
(i) Supporting training of PAP households on animal welfare as well as the handling, herding, housing, and transportation of animals; sanitation techniques to ensure animal health;
(ii) Training on food safety and public health;
(iii) Training will also cover other practices such as the dehorning of cattle to reduce injury in the herd, management of calves, lambs, and kids to enhance their survival and accelerate weaning as well as techniques for branding and castrating.
(iv) Promoting Livestock identification and traceability system (LITS).

182.***Implementation:*** This activity will be technically supported by MoA and Regional Pastoral/ Agricultural bureaus. The LITS activities will be done in collaboration with MoA-LDI.

183.***Ethiopian Livestock Identification and Traceability System (ET-LITS):*** The project will support herd management practices of livestock's identification and traceability in selected project Woredas by promoting the Ethiopian Livestock Identification and Traceability System (ET-LITS) for animals owned by targeted households. The activity will be carried out in collaboration with subcomponent 3.2. The LITS facilitates the management of herd/flocks, animal health (including zoonosis) programs and food safety. These tools can enhance the effectiveness of various activities including animal identification, management of disease outbreaks and food safety incidents, vaccination programs, livestock rustling, Herd/flock husbandry, zoning/compartmentalization, surveillance, early response and notification systems, animal movement control, inspection and certification, promoting fair trade practices and controlling the use of veterinary drugs and pesticides at farm level.

5.1.10 Success Monitoring

184.The aim of the subcomponent being productivity enhancement, there is a **PDO indicator** to measure the success through enhanced output of crop and livestock production:
(i) The yield of targeted livestock (camel, cattle and shoats) and crop commodities (maize, Sorghum and vegetables) to be increased by 25% from the baseline;

185.**The intermediate indicators** for measuring success of the component implementation are:
(i) 200,000 project beneficiaries have adopted two or more climate smart improved technologies and innovations by June 2029; and
(ii) The off-take of animals from the project supported woredas increase annually by 25% in June 2029

5.2 Subcomponent 3.2: Commercialization and Livelihood Diversification

186.**The objective of** subcomponent will support commercialization of PAP production systems and the diversification of PAP household incomes. This can be achieved through the development of crop and livestock value chains and by reducing exposure to and dependency on drought vulnerable livelihoods. The MSE that are engaged in livestock production need to take into account Green House Gas (GHG) Emission. The value chains will include live animals (including camels), red meat, milk, hide and skin, fodder, fish, honey, gums and resins, horticulture and others.

187.***Activities:*** The main activities to be implemented under the component are:
(a) Establishing and supporting producer and Marketing Groups;

(b) Ensuring access to finance through establishing Pastoral and Agro-pastoral Savings and Credit Cooperatives (PASACCOs) and their unions;
(c) Market access and links; and
(d) Livestock value chain activities.

188.Technical assistance and mentoring of MSEs including market linkage will be carried out in collaboration with HPI and MoLS. Likewise, PASACCOS and unions will be technically supported in partnership with ECC.

5.2.1 Producer and Marketing Groups

189.The subcomponent will support a range of private sector initiatives driving commercialization and income diversification. The project will establish 3,280 new MSEs and help 1,000 existing common interest groups (CIGs) to become MSEs, with a focus on women-led groups and businesses (at least 35 percent of the MSEs will be women-only MSEs). These groups and businesses will be involved in the production, aggregation, trading and processing of crops, livestock, and other commodities. As a core activity of the project, establishing MSEs and its strengthening are described:
(i) As a component description, the salient aspects are included in these paragraphs;
(ii) The operational guidelines are issued as a `pull out volume' of MSE guidelines;
(iii) The summary of MSE guidelines is included in chapter 6.

190.***The key activities*** are:
(i) Establishing 3,280 MSEs (including existing CIGs);
(ii) Organization development of MSEs;
(iii) Providing matching grants up to USD 10,000 per group for the newly established ones;
(iv) Providing technical and material support for the graduation of existing CIGs into MSEs;

191.***Establishing new MSEs***: To establish new MSEs the project will facilitate awareness creation campaign for the community on the objective, purpose, procedure of MSEs. Beneficiaries will be registered and selected based on selection criteria's and develop governing by-laws. The newly established MSEs will be certified by the relevant government authorities Woreda Labor and Skill office and one stop service center). The existing CIGs that will be upgraded to MSEs will receive technical backstopping by the Ministry of Labour and Skill (MoLS) and regional offices.

192.The MSEs which are women only and which are women-led will be receiving specialized support for achieving various aspects of women empowerment in addition to the overall governance, entrepreneurship and technical contents.

193.***Organizational Development***: All the 4,280 groups will be offered needs-based and results-oriented training on leadership and group dynamics, business development skills, value chains, innovations, technologies, and improved practices, along with technical assistance, accessing finance, including to identify and pursue new income- and resilience-enhancing skills and business activities (for example, livestock production, fattening, exporting of live animals, beekeeping, chicken production, hide and skin processing, milk processing, gum and resins production, fishery and aquaculture, high value crops and horticulture, and community tourism). In addition to the above activities, to control tsetse fly and trypanosomiasis, the project will support businesses producing tsetse fly traps and collars. (see Subcomponent 3.1).

194.***Africa Gender Innovation Lab:*** The design of these activities will be informed by empirical evidence generated by the Africa Gender Innovation Lab. This includes learnings from an impact evaluation on life skills and leadership training aimed to help women diversify away from traditional roles and strengthen their economic participation in pastoral communities, which is part of the first phase of the LLRP. This activity will be performed in consultation with the World

Bank to ensure that the design of the activities and monitoring will be informed by the experience of Africa Gender Innovation Lab.

195.***Matching Grant:*** The project will transfer the matching grant up to US$10,000.00 per group for all the newly established MSEs that fulfill the eligibility criteria as stipulated in SME guidelines.

196.***TA and other Support:*** Provide technical and material support for the existing MSEs (for a value of up to US$500 per CIG) for the 'graduation' of existing CIGs into MSEs. With technical support from International Center of Insect Physiology and Ecology (ICIPE), the project will integrate beekeeping as a means of diversifying livelihoods within lowland PAP systems. The project will collaborate with the Ministry of Labor and Skills (MoLS) regarding the establishment, technical support, and monitoring of MSEs. In addition, technical support for value chain and market linkage development will be provided in partnership with Heifer Project International (HPI).

5.2.2 Pastoral and Agro-pastoral Savings and Credit Cooperatives (PASACCOs) and their unions

197.Access to timely and adequate finance is a significant step to improve livelihoods of PAP communities. The project will support to organize PAP communities own to the platform of PASACCOs to ensure this access to finance and other financial services. As a core activity of the project, establishing PASACCO and its strengthening are described:

(i) As a component description, the salient aspects are included in these paragraphs;
(ii) The operational guidelines are issued as a `pull out volume' of PASACCO guidelines;
(iii) The summary of PASACCO guidelines is included in chapter 7.

198.***Objectives:*** The objective is to enhance access to finance for PAP communities, enabling them to enhance livelihood opportunities and household incomes to be better coping with and adapt to the impacts of climate change. The subcomponent will broaden access to finance for alternative on-farm and non-farm activities, materials, equipment, and inputs through three main approaches that includes the following activities.

199.***Activities:*** The project will carry out three main activities to improve access to finance among PAP communities to improve their livelihood opportunities, enhance household incomes and help cope up and adapt to impacts of climate change and extreme climate events. These activities are:

(i) Help establish and strengthen technically and financially 550 new PASACCOs;
(ii) In collaboration with Ethiopian Cooperative Commission provide technical support, trainings and advisory support to establish and/or strengthen PASACCO union to improve their access to financial services provided by MFIs, the Development Bank of Ethiopia and Commercial Banks;
(iii) Expand access to financial services including interest free (Islamic) finance, mobile banking and other financial products in partnership with ATI, Digital Ethiopia and private sector service providers like LERSHA.

200.***The key project support:*** The PASACCOs are to expand the access of the PAP communities to finance for meeting the expenses related to climate smart farm inputs, mechanization services and similar other productive equipment in three ways:

(i) *Help establish new and strengthen existing PASACCOs.* All the 550 new PASACCOs to be established will be only women groups. They will be provided with seed money (up to US$10,000) with clear qualification criteria described in PASACCO guidelines. Up to 500 existing PASACCOs will be provided with only technical and advisory support. The new and existing PASSACOS will be guided to mobilize savings from their members, leverage grants from the project, to link With Micro Finance Institutions (MFIs) and the Development Bank of Ethiopia (DBE) from which they

could seek loans. Wherever there is geographic overlap with the DRIVE project, LLRP II will help project beneficiaries buy premiums for the Index-Based Livestock Insurance (IBLI);
(ii) *Customized training* programs will be developed for these groups covering skills like leadership, conflict management, business development, marketing, financial management, and veterinary care.
(iii) It will support the development and strengthening of *unions of PASACCOs*, to improve their access to financial services provided by MFIs, DBE, and commercial banks; and
(iv) It will promote the adaptation and promotion, for PAP households, of *formal financial products* and services like interest-free (Islamic) finance and mobile banking, in partnership with ATI, Digital Ethiopia, and private sector service providers like Lersha;
(v) Building the capacity of the Ethiopian Cooperative Commission (ECC) to support PASSACCOs and unions thereof, including with auditing.

201.***Establishment of PASACCOs:*** PASACCOs are autonomous organizations led and managed by community members themselves. These community based primary savings and credit cooperatives are formed voluntarily by individuals living in a specific locality. According to cooperative organization directives 896/2014, the minimum membership size requires to form community-based PASACCOs is 100 persons or more. The plan is to support 550 new PASACCOs of which half will be women only groups. Additionally, technical and advisory support will be provided to up to 500 existing PASACCOs.

5.2.3 Market Access and Links

202. Complementary to MSEs activities, which represents the financing mechanism for value chain development, the project will systematically work with value chain players. This will target market development and linkages through systematic (non-financial) engagement with existing or newly arriving, small and medium scale existing enterprises operating within the project value chains. The **objectives** of the activities are mainstreaming of productive partnerships and promoting innovation market arrangements.

203.The subcomponent will support market access in close coordination with Subcomponent 1.2, under which market facility and transportation (road) upgrades will be financed and Component 4, under which national standards for market facilities will be updated.

204.***The activities*** are:
(i) Financing the establishment and strengthening of productive alliances between producers (including PAP marketing cooperatives and small and medium enterprises [SMEs] and downstream actors such as off takers, processors, traders, and abattoirs);
(ii) Piloting a public-private livestock market co-management model through coordination and financing platforms through partnership with HPI;
(iii) Strengthening the 4P model based on the learn launching of IFAD 4P implemented in LLRP I.;
(iv) Based on a gap assessment linking newly constructed or upgraded livestock markets facilities to the livestock market information system (LMIS) supported by the DRIVE project;
(v) Financing the implementation of the ET-LITS in the lowlands in collaboration with the MoA; and
(vi) Finance trade fairs and buyer-seller meetings and, in coordination with Subcomponent 4.2, develop communication materials (printed and documentary films) that attract traders and exporters to markets their attention to road and market upgrades.

205.***Market assessment and rapid market appraisals:*** Market assessments and rapid market appraisals to identify business opportunities, to plan supportand to guide preparation of business plans for large investments. The support would include environmentaland social screening of design and eventual implementation of investments and related companies, as well as ensuring

adherence to national regulation. This activity will be carried out through networks of business development service providers and Ministry of Agriculture, Ministry of Trade and regional Integration and Ethiopian Cooperative Commission;

206.***Formation of Productive Alliance:*** The project will facilitate development of partnerships (formal or informal contractual arrangements) between individual private sector companies and group of producers. These group of producers could be i) MSEs; ii) producer's cooperatives, iii) traditional clan and sub-clan system. These alliances would help in addressing the demand-supply gap and communicate market signals in terms of quantity, quality specifications, pricing, logistics etc. The business proposition of these productive alliances will be financed through other components; namely Productive Alliance MSEs matching grants.

207.The requirements to establish a productive alliance are:

- ***Producers need to be organized:*** Producers are generally smallholder farmers that have existing surplus production of a commodity that they market after harvest. Producers need to be organized into a producer organization where a group of producers form into a legally recognized structure that enables them to receive & invest funds and contract with buyers for delivery of a commodity.
- ***Business plans:*** Business plans developed for the alliances need to include details of productive investments; technical assistance; and business development, and all of the activities which will make the productive alliance work for the parties involved.
- ***Matching of Buyers and Producers:*** A critical element of a productive alliance is for a producer group to be matched with an off-taker/buyer, with a commitment from both to fulfill specific commitments that involve the production and delivery of goods (producers), and the purchase and payment of good (buyers) at specific points in time.
- ***Commercial relationship between Producers' Group and Buyer:*** A critical element of a productive alliance is for a producer group to be matched with an off-taker / buyer, with a commitment from both to fulfill specific commitments that involve the production and delivery of goods (producers), and the purchase and payment of good (buyers) at specific points in time.

5.2.4 Livestock Market information

208.***The need:*** Market price information across the LLRP Regions is a high priority. Prices within regions for livestock sometimes differ over 100% and these price differences cannot be accounted for by the cost of transporting livestock to markets. Put simply, herders, traders, butchers, etc., do not know what their neighbors pay for animals. These imperfect markets cause some herders to sell too cheaply and worsen their poverty; cause consumers to pay too much for animal products; discourage the development and deepening of factor markets for animal processing industries; cause business and trade to not develop or accelerate. Developing and executing a system for livestock prices by woreda and by region is critical to underpin further commercialization.

209.***Livestock Market Information System (LMIS)*** provides timely and digital livestock market information collected from market centers in Ethiopia where pastoralists, livestock traders, and other interested stakeholders can then request the price and volume information for specific markets using Short Message Service (SMS). Supporting and effectively implementing this national system in a coordinated manner will help resolve the market information gap and facilitate livestock export trade and regional integration in collaboration with ATI.

210.***Advantages:*** LMIS system is crucial to provide reliable and real-time market information for the livestock market across the country, which is critical for farmers, agro pastoralists, pastoralists, policy makers, traders and exporters as well as other actors in the market chain. The system will provide online market data for farmers, buyers, government, non-governmental institutions, media outlets and researchers.

211.***Steps in Implementation:*** Based on a gap assessment, LLRP II will link newly constructed or upgraded livestock markets facilities to the livestock market information system (LMIS) supported by the DRIVE Project wherever the projects overlap and finance activities to strength the LMIS in the project selected regions and Woredas including through provision of materials, IT equipment, trainings, and so on.

212. ***Key activities:*** A Livestock market Information System through mobile-based applications to improve communities access to timely and reliable information for their decision making. Main activities may include:

- Review of capacities and gaps of institutions that are engaged in collection and dissemination of market information in collaboration with MoA- DRIVE project
- Market monitors are trained in the use of livestock market data collection formats and are given instructions and guidance on the proper ways of approaching sellers, brokers, and traders to collect reliable data in an effective way.
- Livestock prices and volumes are collected through interviews during the peak of a market day. A trained livestock market monitor interviews five cases of each of the dominant breed, class and grade combination of animal species on that market day. Average prices by animal kind, breed, class, and grade are then calculated along with the total volumes of livestock by animal kind and the information is coded and sent into the database system using SMS, e-mail or posted directly on the web into the database system.
- Establishing national and local market information systems which includes price forecasting, market actor information etc.,
- Providing technical support to design, test and implement market information system that will serve all market actors.
- Promoting awareness on benefits and application of market information system including prices and trends, market outlets, demand situation, buyers' preferences and timing
- Strengthen existing federal and regional market information centers
- Capacity development for implementing agencies

5.2.5 Ethiopian Livestock Identification and Traceability System (ET-LITS)

213.***The need:*** Animals were randomly selected and identified at the primary markets using uniquely coded ear tags. Data on identification, ownership, source (village), and the site of recruitment (primary market) were collected and posted to an online database. Similar data were collected in all the markets where tagged animals passed through until they got to defined slaughterhouses.

214.***Description:*** The ET-LITS aims to enhance the commercialization of livestock and help control livestock diseases including zoonotic ones and will play a vital role in advancing the One Health approach. Support for the ET-LITS will focus on livestock export zones in the project regions and include the training of experts, community facilitators, and others and procurement and supply of ear tags, IT equipment, and materials. In coordination with Subcomponent 4.2, support will be provided for the development of related legal frameworks. ET-LITS-related activities will benefit from the practical experience gained by the World Bank-financed Livestock and Fishery Sector Development Project (LFSDP). Livestock identification and traceability systems (LITS) are increasingly being used to support animal production, trade, and public health interventions throughout the world. ***Animal identification*** is the use of unique identifiers and registration systems to identify animals individually or collectively by their epidemiologic units, while ***livestock traceability*** refers to ability to follow an animal or group of animals during all stages of its life. Multiple livestock identification methods including ear notching, hot iron branding, and conventional ear tags have been used over time, but these have evolved to electronic form using digital tools.

215.***Main advantages:*** The livestock identification and traceability system (LITS) bring many advantages to the livestock breeding, trade and consumption. It allows for an easy and effective way to monitor animal breeding and productivity, disease surveillance, ownership, the quality of feed and animal health, animal route to market, slaughter and processing practices as well as quality certification. It helps create a market assurance on the safety of the meat sold to consumers, by understanding a verifiable source of the meat. It guarantees product authenticity and gives reliable information to users of different livestock products. When implemented properly, it has the effect of improving quality of livestock products and processes, in line with consumer, user and market demands.

216.***Implementation:*** LLRP II will finance the implementation of the ET-LITS in the lowlands in collaboration with the MoA-LDI. The ET-LITS aims to enhance the commercialization of livestock and help control livestock diseases including zoonotic ones and will play a vital role in advancing the One Health approach. Support for the ET-LITS will focus on livestock export zones in the project regions and include the training of experts, community facilitators, and others and procurement and supply of ear tags, IT equipment, and material.

217.***Key Activities:*** The details of activities for implementing LITS are stated underneath.

(i) Infrastructure and Technology Development

a. Invest in Technology Infrastructure- Develop, upgrade, and maintain the necessary infrastructure, including databases, servers, communication networks, and mobile applications, to support livestock identification, data collection, storage, retrieval, and sharing.

b. Implement Tracking Devices- Deploy tracking devices, such as ear tags, GPS systems, and mobile applications, to facilitate real-time monitoring, tracking, and tracing of livestock movements, transactions, and health records.

(i) Capacity Building and Training

a. Provide Training Programs- Design and deliver training programs, workshops, and experience exchange/visit of countries for stakeholders on livestock identification and traceability systems, data management, technology usage, regulatory compliance, and best practices.

b. Build Institutional Capacity- Strengthen institutional capacity within government agencies, regulatory bodies, producers/farmers and industry organizations responsible for overseeing, regulating, and implementing livestock identification and traceability initiatives.

(ii) Awareness Campaigns and Outreach Programs

a. Launch Awareness Campaigns- Develop and implement targeted awareness campaigns, educational programs and outreach initiatives to raise awareness, educate stakeholders, and promote adoption of livestock identification and traceability systems.

b. Engage Communities and Stakeholders- Engage with local communities, farmers, pastoralists, traders, consumers, and other stakeholders through community meetings, radio programs, social media, and other communication channels to gather feedback, address concerns, and foster trust, collaboration, and participation in system implementation and utilization.

5.2.6 Measuring success

218.The success of the implementation of the component is measured for the overall project activities and in specific to the component is through a **PDO indicator**:

(i) Sixty percent of the households acquire improved adaptation and livelihood resilience capacities to mitigate climate change-segregated based on impacts like drought, flood etc.

219.In addition, the **intermediate indicators** for the component are:

(i) 2000 (from the baseline 1000) Collective Action Groups (CAG/CIGs) are promoted and supported by the project in marketing of livestock and non-livestock products by March 2029;
(ii) 300,000 (from the baseline 100,000) beneficiaries are supported with potential and viable alternate livelihood options, out of which 50% are female beneficiaries and 30% youth beneficiaries.
(iii) 1000 CIGs graduate to become SMEs by March 2029.
(iv) 500 PASACCOs supported by the project join the Unions.
(v) Digital financing, interest fee loans and other innovative financial products are accessed by 100,000 beneficiaries/people by March 2029.

6. Micro and Small Enterprises (MSE)

220. Establishing and supporting producer and marketing groups is an important activity under subcomponent 3.2-Commercialization and Livelihood Diversification. A range of private sector initiatives driving sector commercialization and income diversification will be implemented. MSE mobilization and its support being a specialized activity under the project, a separate `pull out volume' elaborating detailed MSE guidelines is prepared and appended to the PIM. This chapter summarizes the salient features and critical guidelines of MSE.

6.1 Value Chains

221.The development crop and livestock value chains and reducing exposure to dependency on drought vulnerable livelihoods. The objective is to support PAP household income through the development of crop livestock, and other commodity value chains. The value chains which will focus the project activities are live animals (including camels), red meat, milk, hide and skin, fodder, fish, honey, gums and raisins, horticulture produces etc.

6.2 Producer and Marketing Groups

222.The project will promote micro and small enterprises in all project woredas. These enterprises will support private sector initiatives for commercializing PAP production system and diversification of PAP household incomes. The project will establish 3,280 new MSEs and help 1,000 existing Common Interest Groups (CIGs) to become MSEs, with a focus on women-led groups and businesses (at least 35 percent of the MSEs will be women-only MSEs).

6.2.1 Existing CIGs

223.The existing selected CIGs in LLRP I will be upgraded into MSEs based on eligibility criteria and legally certified. The detailed selection criteria is included in the LLRP-MSE Guidelines issued as separate volume.

6.2.2 New MSEs

224.The project under 120 Woredas will establish 3280 new MSEs. Over the project life, the project will support 27 MSEs per Woreda.

6.3 Group Businesses

225.The livelihoods consisting of commercialization of PAP system or diversification from the PAP system constitute the business of the MSE. The businesses will be organized around the focus value chains being promoted under the project. The business activity can focus on production (of livestock or crops), and/or processing and/or marketing. The MSE's business can be in production, aggregation, trading and processing of crops, livestock and other commodities.

6.3.1 Menu of Business

226.Based on experience and potential, the MSEs can select the business sector from industry, agriculture or services. The MSE guidelines include a detailed menu of businesses classified into sectors, subsectors and specific business activities.

6.4 Project Support to MSEs

227.The MSEs will be supported the following project activities:

(i) Supporting the organization development of MSEs;

(ii) Providing USD 10,000 per group as matching grant to the newly established MSEs based on eligibility criteria, elaborated in the LLRP-MSE guidelines;

(iii) Providing technical assistance for the development, growth and graduation of MSEs;

(iv) Capacity building to support technical/vocational skills and business training; and

(v) Providing oversight and monitoring performance.

6.4.1 Matching Grant

228.The project provides matching grant up to a maximum of USD 10,000 per group. The members have to contribute up to USD 1,000. The amount of matching grant and members contribution will vary based on sector and type of enterprise as detailed in the MSE guidelines. The disbursement conditions and arrangements for MSE grant and other support are elaborated in the guidelines.

6.5 Organization and Management Structure

229.MSEs organized among 10-15 members from the same village who voluntarily agree to cooperate on economic activity mainly in agricultural, services and industries. The selection of members is based on eligibility criteria.

6.5.1 Legal Status

230.Micro, and small enterprises will be registered and put into operation as a trade association under the commercial code following the commercial law of 1952, Commercial Registration and Licensing Proclamation No. 686/2002.

6.5.2 Participatory Approach

231.The project supports MSEs through a participatory approach. MSEs are a good tool to involve PAPs in an assessment of which (new) technologies could be useful for their community. And the results of any technology used by a MSEs are an excellent tool to measure its (technical, economic, social and environmental) impact and a practical demonstration tool for other PAPs (who can use the MSE experience as a start of their own assessment).

232.Through the process of business development, MSEs contribute to a participatory learning process. In this process the group members are encouraged to take a lead role in problem identification, planning, implementation and monitoring and evaluation of their business to finally assess the impact of new technologies.

6.5.3 Composition and Women Focus

233.The implementation will focus on women lead groups and businesses. The targeted proportion of beneficiaries is recommended as 35% women only, 20% youth only and the others with mixed MSEs groups.

6.5.4 Organizational Structure

234.MSEs are developed as autonomic organizations lead and managed by its members themselves. The organizational structures of MSEs consists of:

(i) General Assembly;
(ii) Management Committee; and
(iii) Control or supervisor committee

235.***General Assembly*** is a meeting of individual members based on criteria defined in the bye law of the MSE. Membership is voluntary. The General Assembly is the supreme organ of the MSE with overall responsibility and accountability for the MSE.

236.***Management Committee:*** MSEs have a management committee or board elected by general assembly. The major duties of management committee are maintaining minutes of meeting, maintaining documents and book of accounts, preparing annual work plan and budget, call general assembly, and execute decisions of general assembly and other activities.

237.***Control or Supervisor Committees*** are the other key leadership organ of business, elected by General assembly. The duties and responsibilities of supervisor committee include control the properties of MSEs properly utilized, follow up that enterprise activities carried out based on the law, bye-law and internal regulation of MSEs and perform other activities.

238.The detailed composition, roles and responsibilities and working of the general assembly and other entities in the organizational structure are included in the MSE guidelines.'

6.6 Implementation Steps

239.The implementation of MSE will have three steps and about 26 activities. The main steps are:

(i) Step 1: Ensuring the Legal establishment of the Micro and Small Enterprises Activities;
(ii) Step 2: Building the Business Capability of the Established MSEs Activities; and
(iii) Step 3: Establishing Enabling Environment and MEAL Activities

240.The implementation steps and activities are further elaborated in MSE guidelines.

6.7 Financial Management

241.The MSEs have to follow financial management arrangement consisting of fund flow mechanisms, internal control arrangement, accounting and audit mechanisms including maintenance of accounts and records detailed in the MSE guidelines.

6.8 Grievance Redress Mechanism

242.The MSE grant transfer and utilization is also governed by a Grievance Redress Mechanism. The MSE and its members can formally submit their concerns to the grievance redress committees at the woreda level which ensure that complaints received are promptly reviewed to address grant-related concerns and others. The beneficiaries or operators can pursue disputes in the regular court if they are not satisfied with the decision of the grievance redress committees. The GR Committee composition and responsibilities are explained in the MSE guidelines, which is aligned with the Project Grievance Redress Mechanism (GRM).

6.9 Monitoring and Reporting

243.The monitoring of the MSE will be undertaken by the regions as well as by the federal team through regular field visits and feedback to the MSE committees. The MSE Committees will also evaluate their own activities and performance together with the kebele implementation committee. The regional project team will organize evaluation forums and facilitate knowledge and experience sharing among the MSEs. The MSE Committees must keep all the records of its activities and report the progress of project to the kebele implementation committee and kebele one-stop service centre.

6.10 MSE Guidelines

244.As a separate `pull out volume' to this PIM, the MSE guidelines are prepared. Among other things, detailed guidelines on grantee selection, grant management, financial management, organizational responsibilities and implementation steps are included in the guidelines. The rules and procedures for grant management forms the basis of MSE implementation.

7. Pastoral and Agro pastoral Savings and Credit Cooperatives

7.1 Introduction

245. As part of Component 3-Climate Resilience and Sustainable Livelihood, the project will help PAP households enhance their income, including for those households who are compelled to move out of pastoralism. One of the subcomponents, 3.2 help households to commercialize and diversify their livelihood. A key activity under the subcomponent is ensuring access to finance through the establishment of Pastoral and Agropastoral Savings and Credit Cooperatives (PASACCO). PASACCO mobilization and strengthening its support being a specialized activity under the project, a separate `pull out volume' elaborating detailed PASACCO guidelines is prepared and appended to the PIM. This chapter summarizes the salient features and critical guidelines of PASACCO.

7.2 The objectives of PASACCO

246. Pastoral Saving and Credit Cooperatives (PASACCOs) are organized voluntarily and controlled democratically by members to deliver financial services like saving, loan, investments and micro-insurance in affordable prices to meet their member's needs. Pastoral Saving and Credit Cooperatives (PASACCOs) are serving their members by inculcating saving culture to the community through providing financial education, mobilizing regular and voluntary saving, accessing loan, giving micro-insurance and other related financial services to their members.

7.3 Legal Status

247. PASACCOs are an autonomous organizations lead and managed by themselves. These are community-based primary saving and credit cooperative organized by peoples living in a specific locality come together and forms PASACCOs voluntarily. According to cooperative organization directive 896/2014 the minimum membership size to form community based PASACCOs will be 100 persons and above.

7.4 Project Support

248. The project will support 550 new PASACCOs of which half will be women only groups. The new PASACCOs will be supported with seed money grant, technical support, human and physical capacity building activities. The physical capacity building activities include books of accounts and office furniture. The human capacity building support include training on financial literacy, accounting and bookkeeping, management of PASACCO etc. Up to 500 existing PASACCOs will be provided with technical and advisory support only.

7.5 Organizational structure

249. PASACCOs consists of Leadership and management bodies. Members are

7.5.1 Membership

250. Members of PASACCOs are owners, investors and users. They are decision makers, leaders and promoters of the financial enterprise, net savers and borrowers, share benefits and risks. Like any type of Cooperative, PASACCOs operate under the principle of voluntary organizations open to all persons willing to use their services and able to accept the responsibilities of membership without discrimination on the basis of gender, social status, race, political ideology disability or religion. These are democratic organizations controlled by their members who actively participate in setting their policies and making decision, each member having equal voting right as well as one member having only one vote. Members can receive dividends from surplus according to their shares and participation. The eligibility criteria for membership, their duties, rights and obligations are included in the PASACCO guidelines.

7.5.2 General Assembly

251.The General Assemblies are the highest decision-making bodies. General Assembly is a meeting of individual members.

7.5.3 Managing Committee or Board

252. PASACCOs have a Management Committee or Board elected by General Assembly. The powers and duties of Management Committee are determined in the bye-laws of PASACCOs. The key duties of Management Committees are preparing minutes of meetings, documentation and preparing book of accounts, preparing annual work plan and budget, call for general assembly meetings, execute decisions of general assembly etc.

7.5.4 Control of Supervisory Committee

253.Control or Supervisory Committees are elected by General Assembly. The responsibilities of the supervisory committee are: overseeing that the Management Committee or Board are discharging their responsibilities properly; control the properties of PASACCO and ensure that those are properly utilized; follow-up that PASACCO's activities are carried out based on the cooperative law, bye-laws and internal regulations etc.; PASACCO Management Committee can appoint other subcommittees like credit loan committees, education committee etc. and assign them with responsibilities.

7.5.5 Management Body

254.The day-to-day business of the PASACCOs are run by Management Body consisting of Manager, Vice-Manager and other required staffs based on the workload and turn over. The Manager remain responsible and accountable to Management Committee or Board of Directors.

7.5.6 Physical Capacity

255.PASACCOs can established their own office arrangement to be accessible to all its members. Buildings can be rented or constructed. The project will help new PASACCOs procure office furniture, registers and cash box. The Woreda Cooperative office will provide technical assistance to make PASACCOs functional.

7.6 Financial Services

256.PASACCOs are designing and providing to its members, various saving and loan products based on the needs of their members. They are also designing micro insurance products to reduce the uncertainty of risks to the lives and livelihoods of members. There are interest bearing and non- interest-bearing savings and loan products. The details of savings and loan products, insurance products and other services provided by the PASACCOs including eligibility criteria and implementation conditions are elaborated in PASACCO guidelines.

7.7 Seed Money Grant

257.The Project will provide a 'savings leverage grant"-seed money grant to newly established pastoral SACCO as a seed capital to catalyze their credit activities. The maximum of seed money grant allocation for each PASACCO will be USD 10,000.

7.7.1 Project Approach to Seed Money

258.In order to achieve ownership of its members on PASACCO seed capital grants will not be released until:

(i) During the first six months;

(ii) Demonstrating that PASSACOs are established primarily not to access saving leverage grant;

(iii) Building technical and institutional capacity demonstrated through complete collection of at least first round of loans;
(iv) Seed grants are co-mingled with own loan capitals to prevent perception that loans are provided from external funding but from member's own money; and
(v) The eligibility criteria as in Cooperative Societies Proclamation No.985/2016 and the PASACCO's By-Laws.

7.7.2 Seed Money Tranche

259.The seed money grant will be released in three rounds in ratios of savings achieved to the amount of tranche as shown in table 7.1.

Table 7.1: Savings to Seed Grant Ratio for Grant Release to PASACCO

Sl. No.	Round/Tranche of Seed Grant Disbursement	Savings to Seed Grant Ratio
1	First Round	1.4
2	Second Round	1.3
3	Third Round	1.1

7.7.3 Condition for Disbursement of First Tranche

260.The first tranche of seed money grant release is conditional upon PASACCO fulfilling:
(i) Mobilized regular savings for at least a year;
(ii) Exercised lending through its own funding sources for at least 6 months,
(iii) Achieved full repayment of loans disbursed to members from own savings for at least one round of loans and that were repaid with interest when due; and
(iv) The PASACCOs should have at least 100 members who are participating in regular savings.

7.8 Eligibility Criteria of Disbursement of Seed Money Grant

261.The following are the eligibility criteria to receive saving leverage grant:
(i) Established/organized under the principles and regulation of saving cooperatives;
(ii) legally certified by the Regional/Woreda Cooperative Promotion Bureau/Office;
(iii) PASACCOs management committee members have received technical/vocational skill and business training from relevant stakeholders
(iv) Should have a bank account opened by the name of the PASCCOs at legally registered financial institutions (CBE, private Bank and MFIs)
(v) Should have all the required account documents like cash receipt voucher, Bank payment voucher, Register books and other necessary books in the required format.
(vi) Each member shall contribute regular saving for one-year period and mobilize inter loan and repayment of loan within a year.
(vii) The PASACCOs financial transaction will be audited and the report will be submitted to cooperative office.

7.9 Additional Eligibility for Savings Leverage Grant

262.The additional eligibility conditions are:
(i) Governance structure established;
(ii) Prudential norms and financial performance are met;
(iii) Demonstrated capacity of members, board and staff;
(iv) Certificate from WOCP/Audit report;
(v) Maintenance of accounting system;
(vi) Implemented procedures for mandatory savings;
(vii) Members issued with passbooks;
(viii) All books and records maintained;
(ix) Accessed all capacity building opportunities; and
(x) Awareness building and increased membership.

7.10 Requirements for PASACCOs Financial Disbursement

263. In order to undertake financial disbursement, the following procedure have to be complied:

(i) Submit signed financial agreement between PASACCOs and the WoFED and signed memorandum of understanding between Woreda Cooperative office and the WPDO;

(ii) Submit legally established and registered certification issued by the authorized government body Regional or Woreda Office);

(iii) Submit certified evidence that specify the name and address of the bank, and bank account number with list of bank signatories, from where their bank account opened, bank legally registered financial institution;

(iv) Submit copy of, accepted and certified by PASACCOs members, by Law;

(v) Submit unqualified audit report audited by the independent certified external audit firm within six months period of after the PASACCOs account closing date;

(vi) Submit officially certified letter from concerned KDC and Woreda Cooperative Office that PASACCOs has fulfilled all eligible criteria set out in this PASACCOs guideline;

(vii) Submit certification that PASACCOs has taken practical training on basic accounting and record keeping system, fund administration, utilization and loan management, and use of basic accounts document and register books; and

(viii) Submit official letter, from the bank where they opened current bank account, to certify that the PASACCOs bank account information and cash balance at the date of issuing letter.

7.11 Process Steps for Disbursing Seed Grant

264. The main steps of disbursing seed grant are:

(i) Woreda Cooperative Office (WoCP) identifies eligible PASACCO and submit grant request to Regional Cooperative Promotion Bureau/Agency;

(ii) Regional Cooperative Promotion Bureau/Agency approves the request and intimate RPCU to initiate fund transfer;

(iii) RPCU check the appropriateness and disburse funds to Woreda project accounts;

(iv) WoCP intimate Woreda pastoral office and authorize WoFED to release grants to PASACCO;

(v) PASACCO signs grant agreement with WoFED;

(vi) WoFED deposits grant to PASACCO Bank Account;

7.12 PASSACO Guidelines

265. As a separate `pull out volume' to this PIM, the PASACCO guidelines are prepared. Among other things, detailed guidelines on grantee selection, grant management, financial management, organizational responsibilities and implementation steps are included in the guidelines. The rules and procedures for grant management forms the basis of PASACCO implementation.

8. Component 4: Project Management

266.The project management component will facilitate overall institutional coordination and partnerships among sector ministries, non-governmental and international organizations; manage project implementation procedures and processes; monitoring of implementation and outcomes; learning; knowledge management and policy engagement at all levels of project execution. The component includes two subcomponents:
(i) Subcomponent 4.1-Project Management and M&E; and
(ii) Subcomponent 4.2-Knowledge Management and Policy Engagement.

8.1 Subcomponent 4.1. Project Management and M&E:

8.1.1 Project Management Functions

267.The key project management functions to be supported under the subcomponent include:
(i) Facilitating institutional coordination and partnerships among Ministries, Non-governmental organizations and international institutions;
(ii) Strengthening the capacities of PCU at the federal, regional and woreda levels;
(iii) Project planning including the preparation of annual work plans;
(iv) Developing and overseeing project implementation procedures and processes including fiduciary oversight and the management of environmental and social risks management (ESRM) ; and
(v) Monitoring project implementation and evaluating outcomes.

8.1.2 Implementation Support

268.The implementation support activities include program coordination, communication for shared understanding, coordination of national, regional, woreda and kebele level execution entities in addition to fiduciary oversight and management of environmental and social risks. The subcomponent activities will also include strengthening the PCUs established at federal, regional and woreda levels including recruitment, deployment, capacity building, performance evaluation and other benefits to the technical and support personnel. The personnel engaged during phase I will be supplemented with senior technical staff as component owners especially for the newly proposed components. The personnel skill mix will be strengthened with new positions including disaster risk management specialist, infrastructure engineers and a capacity building officer at the federal level. The rules and procedures for implementation support arrangement are elaborated in the Overall Institutional Arrangement.

8.1.3 Monitoring, Evaluation and Learning (ME&L)

269.The project ME&L will be cross cutting for all component implementation and will cover the spectrum of activities from planning to implementation.

270.***Key activities:*** The project's main ME&L activities are:
(i) Tracking project inputs and outputs to ensure the project's resource accountability;
(ii) Carrying out institutional mapping and performance monitoring;
(iii) Assessing project results and outcomes against the Results Framework;
(iv) Evaluating the project by carrying out baseline, midterm, and final assessments; and
(v) Facilitating learning events at the regional and federal levels, including through regular biannual project implementation review and annual work plan and budget (AWPB) planning workshops.

271.***System Development:*** The project will expand the functionality of LLRP I's management information system (MIS) by linking it to the new early warning and early response system, CIS, RMS, Geo-Enabled initiative for Monitoring and Supervision (GEMS), grievance redress mechanism (GRM) including the SMS service, and other project-supported systems. LLRP II will also work with ILRI and AICCRA to increase data quality and adapt the ILRI's Tracking Adaptation

in Livestock Systems tool to track adaptation and resilience to climate change among targeted PAP households.

272.***Implementation:*** There will be dedicated implementation arrangement for the ME&L system to capture transactions from the kebele, woreda level, regional level, and federal level. The main principles to be followed are generation of most essential and relevant data and information supporting decision-making, involvement and participation of primary stakeholders. The project will introduce a new tool on climate change adaptation and resilience tracking developed by ILRI to track and document changes as result of the project interventions.

273.***Data Management:*** Given the experiences from phase one, the project will put more emphasis on the quality of data collection and analysis for the regular monitoring, baseline survey and mid and end term evaluations. Therefore, the project will partner with CGIAR for the baseline survey, midterm, and final evaluation. The technical support will include development of methodology and data collection instruments, mainstreaming of the adaption and resilience tracking system into the M&E system. ILRI will also extend its technical support for the management of data collection and analysis for the baseline survey midterm and end line evaluations, to properly track, document and report the project outputs, outcome and impacts based on the project's Results Framework, including achievements against the adaptive and resilience capacities of the beneficiary communities.

274.***Monitoring Resilience:*** Measurement of adaptation and resilience is crucial for the LLRP II to assess its impacts and generate insights to adjust program activities during implementation to further maximize its effectiveness. This necessitates developing and adopting specific adaptation and resilience tracking methods. To this end, the project will partner with CGIAR to develop; (i) develop and adopt climate change adaptation and Resilience measurement tools; including adapting the Tracking Adaptation in Livestock (TraiL) tool to LLRP context and identifying indicators to be tracked over time, and establishing dashboards to visualize the results, (ii) Data collection and analysis; including developing data collection strategies, bespoke tools as well as accessing existing data for establishing baselines, mid and end of term evaluation of the LLRP II. Specific attention will be paid to minimize cost and maximize information value, and (iii) Capacity building to support robust measurement and analytics within the project and beyond.

8.2 Sub-Component 4.2. Policy Engagement and Knowledge Management:

275.The focus of the subcomponent will be to strategically make use of the learnings and knowledge generated by the project to initiate discussions among all stakeholders to raise issues, share and understand perspectives and orchestrate common grounds and consensus leading to policy imperatives, solutions and strategic approaches for pastoral and agro-pastoral development. The subcomponent will include two main activities:

(a) Knowledge Management; and
(b) Policy Support.

8.2.1 (a) Knowledge Management

276.In relation to knowledge management, the subcomponent will finance:

(i) Studies of direct relevance to project activities;

(ii) The establishment or strengthening of a national-level think tank and policy platform on PAP livelihood-resilience in the lowlands, which will sponsor academic policy research and create a space for national-level policy dialogue on pertinent issues; and

(iii) The establishment and management of PAP centers for knowledge (PACKs) at the woreda level.

8.2.2 (b) Policy Support

277. In relation to policy support, activities will include a limited number of trainings for government officials along with help assessing policy gaps and formulating strategies. The subcomponent will support efforts such as the formulation of a national rangeland management policy and regulatory framework that guides the sustainable management and governance of rangeland resources and legal frameworks relating to the ET-LITS. These activities will be carried out in coordination with the recently established Pastoral Advisory Council under MILLs. Linking with the learning fora regularly conducted at the kebele level and periodically held at woreda and regional levels will feed into strategic policy initiation and knowledge management activities of the project.

278. ***Communication and Sectoral Studies:*** The project will also support the formulation and updating of communication strategies for the project and MILLs. The potential research and policy study areas include assessment of policy and identification of gaps, pastoral land tenure systems, national rangeland management policy and strategy, assessment of potentials for carbon financing in the context of project interventions and traditional rangeland management practices that contributes for carbon sequestration, disaster risk reduction, challenges and potential for live animal export, commercialization etc. Limited capacity building trainings with focus on the staff of government implementing partners will be provided.

8.2.3 Measuring Success

279. There are two **intermediate indicators:**

(i) 10 numbers of policy gap assessment and policy engagement platforms are conducted and facilitated by March 2029; and

(ii) 10 numbers of policy briefs are recommended to GoE cabinet as approved by pastoral advisory council.

Part-III: Implementation Structures

9. Overall Institutional Arrangement

9.1 Institutional Strategies

280. The project institutional arrangement and implementation approach is built on the following strategies:

(i) Refining the institutional arrangement and implementation model showcased during LLRP I;

(ii) Achieving coordination and synergies among different institutions supporting Ethiopia's Lowland PAP Communities;

(iii) A multi-sectoral approach to ensure sustainability, to overcome institutional fragmentation and to complement and strengthen existing structures, rather than developing parallels, while at the same time allowing adequate space and incentives for engagement of universities and other learning institutions at regional and federal level;

(iv) Identification of mechanisms leading to smooth project coordination, implementation and efficient disbursement, including implementing through existing and well-established structures building particularly on institutional arrangements and lessons learned from LLRP Phase I;

(v) The need to strengthen planning across administrative boundaries and for integrated development planning, as well as to follow the rangeland-based spatial entry-point of the project;

(vi) Considerations of the project area, characterized by remote and harsh living and working conditions, weak institutions and low capacity, and high staff-turnover;

(vii) Maximum 10 percent of expenditure on project management, favoring staff at decentralized levels; and

(viii) At least 20 percent of new technical hires across all PCUs are to be women;

(ix) The LLRP PCUs set up for LLRP I will continue to manage implementation of LLRP II including the remaining activities of LLRP I. Additional recruits in thematic areas of DRM, infrastructure, livelihoods and capacity building as per the new organogram will be mobilized.

9.2 Institutional Principles

281. The institutional model is aimed at building partnerships, achieving collaborations and capitalizing on the synergies among national, international, non-governmental and private sector agencies mandated with supporting and serving PAP communities. The key principles involved are:

(i) Bringing relevant government institutions, national and international technical organizations, and development partners under one coordinated umbrella; and

(ii) Institutionalizing the sound structures and improved practices developed during project implementation, making them part of permanent PAP support systems and institutions.

9.3 Collaborations and Partnerships

282. The project will build on and enhance the institutional arrangements of LLRP I, with a focus on enhancing coordination and synergies among different institutions supporting Ethiopia's lowland PAP communities. MILLs will be the lead implementing agency. It will host the Federal Project Coordination Unit (FPCU) and will have the overall responsibility for overseeing the project. Federal and regional Steering committees from relevant sectors ministries, including Ministry of Finance, and technical committees at federal, regional and woreda levels will continue to oversee and provide technical backstopping for the project. Implementing partners will include the MoA, ECC, EIAR, EDRMC, EMI, ATI, and MLSs. Technical collaboration with members of the CGIAR, such as ILRI, ICARDA, and CIMMYT, Biodiversity Alliance International and CIAT, International Centre for Insect Physiology and Ecology (ICIPE), VSF-Suisse, Heifer International and other international organizations present in Ethiopia are anticipated to ensure state-of-the-art technology transfer.

9.4 Overall Institutional Model

283.The functions, roles, and thematic domains of each agency involved in project implementation are well-defined in the implementation arrangements for each of the project components. Moreover, the grouping of the institutions into demarcated roles in the areas of governance, coordination, and management, partnership implementation, and technical assistance will ensure coherent project implementation and smooth delivery of benefits to PAP communities. Key roles relating to governance, coordination, and management include oversight, policy guidance, administrative actions, and results monitoring. Roles relating to partnership implementation and technical assistance will include capacity building and the provision of technical advice. Technical assistance from international agencies will ensure that project implementation will leverage state-of-the-art technologies and global best practices. Project implementation arrangements will also reduce several risks, including a possible divergence of efforts, duplication of programs, and dispersion of resources, by ensuring strong coordination, convergence, and collaboration among the key institutions mandated to work in the PAP sector. The project implementation structure will go down to the woreda level. Local government entities at the kebele and community levels will ensure the involvement and participation of PAP communities in the planning, implementation, and maintenance of investments, as needed. The Kebele Development Committee will be supported and assisted by the community facilitation team consisting of women, youth, and other community members. The project will support them by building their capacity and covering mobilization and meeting expenses. Figure 9.1 shows the project's overall institutional arrangements.

9.5 Institutional Schema at Different Levels

284.The institutions at various levels involved in oversight coordination and implementation are schematically mapped in Figure 9.2.

Figure 9.2: Institutional Schema at different levels of Project Implementation

9.6 Detailed Organogram

285.The Ministry of Irrigation and Lowlands (MILLs) is the Lead Agency for project implementation and the project is under the direct supervision of the state minister for Lowland Research and Development. It will establish appropriate oversight and implementation mechanisms to ensure efficient implementation and coordination. The organogram showing all three levels of implementation is given in Figure 9.3

Figure 9.3: Project Organogram at three levels of project implementation

9.7 Oversight and Strategic Coordination

286.Ministry of Irrigation and Lowlands (MILLs) will within the first three months of project effectiveness strengthen/establish appropriate oversight mechanisms, which include:

(i) A ***Federal Steering Committee (FSC)***responsible for providing oversight and strategic coordination of the project at the Federal Level. The FSC will be chaired by the Minister and comprise decision-makers from line ministries involved in implementation, including MoA, MoH, MoWE, MLS, MoP, ECC, , as well as MoF. The FSC meets as a minimum on a bi-annual basis and

approves annual reports and Annual Work Plans (AWP) and budgets; provides policy guidance on the management, implementation and strategy of the project; ensures alignment and coordination of interventions; and follows up on and adjusts implementation as appropriate, including performance assessment of implementing partners as a basis for future or continued disbursements. Ad hoc meetings may be called as required and options of distance-approval of minor decisions (for example through e-mail) will be explored.

(ii) ***Federal Technical Committee (FTC)*** provides technical support to the FPCU on prioritization of activities and review of proposed strategic projects under component one of the projects. It comprises of technical experts from relevant federal Sector ministers. The FTC will be chaired by ……..and consists of ……..members. The FTC will meet as often as needed but the interval between two meetings shall not exceed three months.

(iii) ***Regional Steering Committee (RSC)*** is responsible for providing oversight and strategic coordination at the regional level. The RSC meets every six months and reviews progress, plans, provides strategic guidance in terms of policy, coordination and implementation and endorses consolidated AWPBs. It comprises of senior staff for Regional Sector Bureaus. The Regional PCU Manager serves as secretary and a representative of the FPCU may serve as an observer. It comprises of senior staff for regional sector bureaus. The RSC is composed of head of all relevant sector, the head of the BoFED, and chaired by the Bureaus of Pastoral Development, BoPD (or Office of the President in the case of Somali, Afar, Gambella and Benishangul Gumuz). In case the BoPD does not have authority to call heads of Bureaus for steering committee meetings, it will act as the secretary and the RCS will instead be led by Vice President of the Region. The Regional Project Coordination Unit (R-PCU) Manager serves as secretary and a representative of the Federal Project Coordination Unit (F-PCU) may serve as an observer.

(iv) ***Regional Technical Working Group (RTWG)***provides technical guidance to the RSC on prioritization of activities and review of proposed strategic projects under each Component of the project. It comprises of technical experts from Regional Sector Bureaus, the Regional Presidents Office, the R-PCU, other Agencies.

(v) ***The Woreda Cabinet*** is comprised of different sector offices and is responsible for direct oversight of project activities and meets on a quarterly basis. It is responsible for approving project plans aggregated from kebeles and integrating these with the sector planned activities; the Woreda Cabinet plays a dual role in both providing oversight and being an integral part of project implementation. More is described below under "Implementation at woreda, kebele and community level". The Cabinet is supported by the Woreda Technical Committee.

(vi) ***Service Oversight Committees (SOC)*** are established around the provision of specific services (in this case, investments).

9.8 Project Established Implementation Units

287.To ensure smooth project implementation, designated staff (organized in units) will be employed at the Federal, Regional, Rangeland Cluster, and Woreda levels. In some cases, these units will be responsible for implementation (for example larger procurements or knowledge management activities), while they in most cases will have a facilitating or coordinating role via-a-vis other implementing agencies. Implementing Agencies include line ministries (at federal, bureau or sector levels), Woreda and Kebele administrative structures, or other agencies, public or private, as well as service providers. Detailed implementation plans and performance indicators between the project and IAs are spelled out in Memorandums of Understanding or contracts. There may be regional differences in project implementation arrangements. For example, in SER, SWEPR, Gambella, Benishangul-Gumuz and Dire Dawa City Administration, the project area (in terms of physical distances) may not be as wide as in other areas, and as such

staff may not be needed at all levels of project implementation – for Somali Region, distances are vast, and one unit may not be able to reasonably travel across the Region. Differences also occur in the Regional Bureau structures. The following units will be strengthen/established by Ministry of Irrigation and Lowlands:

288.A ***Federal Project Coordination Unit (F-PCU)*** will undertake day-to-day activities of the project. This name reflects that the unit is overall responsible and accountable for project implementation, with emphasis on coordination. It experiences a high degree of independence from the Ministry and is capacitated to take decisions and act.

289.The F-PCU will be hosted within the Ministry of Irrigation and Lowlands (MILLs) and comprise about 24 technical and 11 support staff, a total of 35 staff. These include a project manager; component/subcomponent senior officer; technical advisors and senior officers in charge of cross-cutting issues and finance and procurement teams. If additional technical expertise is required, this will be sought from Line Ministries, or, in special cases, through short or long-term consultancies. Women candidates/staffs will be encouraged to apply for project positions. The technical officers at federal level are technically responsible for the implementation of their component/subcomponent activities, cascading down through the implementation structures.

290.***Regional Project Coordination Units (R-PCU)*** will be hosted at the Pastoral/Agriculture Bureaus (or equivalent) in Oromia, SER, SWEPR and Dire Dawa Administration, while in the rest four regions (Somali, Afar, Gambella and Benishangul Gumuz), it will be hosted in the office of the president. The R-PCUs will be an extension of the F-PCU and comprise about 22-28 staff, reflecting the composition at Federal level. RPCU component/subcomponent officers will report technically to the component/subcomponent Senior Officers at the F-PCU and to the Regional Project Manager on day-to-day matters. Officers will be mobile and provide technical assistance and oversight.

291.***Rangeland Cluster Support Teams (RCSTs)***will be mobile support units within each region. Their structure builds on experiences of Mobile Support Teams (MSTs) under PCDP, but in addition to providing technical support to lower-level implementers, they will play a strategic role in the overall spatial approach of the project: they will support, encourage and foster cross-Rangeland Unit (and cross-Woreda) and holistic planning of development projects. The establishment of RCSTs will follow the clustering of Rangeland Units selected for project implementation. The RCST's will comprise approximately 4 technical staff and two supporting staff (a driver and secretary/cashier. The basic staff are a team leader (Monitoring and Evaluation (M&E) and planning specialist), livelihood officer and a finance officer. An additional 2 technical positions may be identified, based on anticipated project activities in the cluster. Positions could potentially include civil engineer/water and irrigation specialist; and livelihoods specialist focusing on either production, marketing, entrepreneurship or similar. There will also be options of recruiting short or long-term technical assistance. This will be evaluated and adjusted as required at MTR.

292.***Woreda Coordinator and Finance Officer*** will be deployed to support the Woreda Office for Pastoral Development (WoPD) and Woreda Office of Finance and Economic Development (WoFED) in coordination and financial accountability of activities. The Woreda Coordinator will support planning and coordination processes and act as secretary to the various bodies, while the finance officer will support aspects of smooth flow of funds, monitor performance and prepare timely and high-quality reports (financial and performance on activities). The performance report is the duties of the woreda coordinator and the financial report (IFR) for the finance officer. The officers play a purely project management support role to the woreda level implementers and not an implementation or monitoring role in themselves.

293.There may be regional differences in exact project implementation arrangements. For example, in SER, SWEP, Gambella, Benishangul-Gumuz and Dire Dawa Administration, the project area (in terms of physical distances) may not be as wide as in other areas, and as such a RCST may not be needed – instead, the regional team could be strengthened. Moreover, as there is no woreda structure in Dire Dawa Administration, there will be no Woreda Coordinator and Finance Officer. The activities will be managed and monitored by RPCU. However, to facilitate the project implementation, Woreda coordinator will be recruited in the four project woredas.

294.A detailed project staff composition and reporting lines is included in **Annexure 3.** The person and job description for core staff is given in the form of staff ToRs in **Annexure 4.**

9.9 Federal Level Arrangement

295.MILLs will assume overall responsibility for project implementation and the proper use of funds, with support from the FPCU. MILLs will facilitate the approval of an annual work plan for the project through the Federal Steering Committee and follow-up on its implementation, review reports and financial status. MILLs will take prompt action on any irregularities and facilitate evaluation of the project's achievements. MILLs will also liaise with external stakeholders to mobilize additional resources (financial and technical) to complement the project and ensure its integration into regular Government systems.

296.***Memoranda of Understanding (MoU)*** will be signed between MILLs and sector Ministries and other federal level implementing agencies. The deliverable expected will be clearly outlined and sub-sequent year AWPB development will be based on an assessment of performance in line with the project development objective. Sector Ministries must ensure that project investment is in line with, and part of, sectoral policies and investment plans. Service providers may be contracted as needed. Funds will be disbursed to the FPCU, which in turn will disburse to the R-PCUs and other implementing agencies, against a 6-month forecast of project activities.

297.Regional Irrigation & Pastoral Development Bureau/Agriculture, Water, Mines and Energy Bureau/ office of the president will host the R-PCU. Each sector bureau must enter into MoU with regional Governments regarding their specific role in implementation and any funds flow required, according to regional specificities, priorities, and project activities. For example, in Afar, the Pastoral and Agricultural Development Bureau is also responsible for agriculture, livestock and environment while in Somali and Gambella regions, there is a separate bureau for agriculture and livestock/pastoral bureaus. these are expected to be coordinated by the President's Office. In Oromia there are separate bureaus for Agriculture and Livestock, and the Oromia Irrigation and Pastoralist Development Bureau plays a coordination function. In Dire Dawa City Administration, the project will be hosted in Agriculture, Water, Mines and Energy Bureau. Project funds will flow through designated project accounts and regional relevant line bureaus and project Woredas will similarly open bank accounts in the name of the project to receive funding, while the R-PCU will provide technical support to the relevant structures, to ensure that activities take place in the most efficient manner. Several activities will be managed at the regional level by the R-PCU, including:

- Consolidation of woreda levels AWPBs through RSCs and Regional Parliaments;
- Provision of technical support/backstopping to woreda levels;
- Management of the Strategic Investment Fund;
- Linkages to Regional Agricultural Research Centers; Technical and Vocational Education Training Centers; Regional Veterinary Services etc.;
- Spearheading knowledge management activities;
- Training of steering committees, sub-committees and working groups;
- Recruitment of Service Providers and technical assistance, if needed; and
- Other tasks, to be identified.

9.10 Woreda and Community level Arrangement

298.The main thrust of project activities will be implemented through Woreda Sector Offices, Kebele Administrations and appointed Kebele Facilitation Teams. The bodies which will be responsible for the day-to-day implementation of project activities include:

- ***Woreda Cabinet,*** in addition to having a role in oversight of project activities, also provides overall management support to the project at Woreda level, including approving AWPBs, ensuring effective integration of the project into Woreda Development Plans, as well as ensuring community participation and proper allocation of budgets. This use of existing structures avoids duplication and heavy implementation arrangements and promotes institutionalization of project approaches within Government systems.
- The ***Woreda Technical Committee (WTC)*** draws experts from sector offices and provides technical support to the Woreda Cabinet in its project management function. The Woreda Technical Committee (WTC) will be responsible in providing the required technical support at woreda and community levels.
- ***Woreda Office for Pastoral Development (WoPD)*** is the lead institution at Woreda level for project implementation.
- ***Woreda Office for Finance and Economic Development (WoFED)*** will be responsible for administering project resources.
- The ***Kebele Development Committee (KDC)*** provides implementation oversight at community level and leads community mobilization. The KDC is responsible for community consultative planning processes and for ensuring that due consideration is given to vulnerable and underserved populations, and of youth and gender sensitivity. For RMP development, they may mobilize communities and support member identification, as well as appoint their representatives, as and when needed. It also oversees the establishment of community level oversight institutions, and organizes and facilitates the establishment of MSEs, primary cooperatives and other groupings.

9.11 Key Partnerships and Collaboration Agreements

299.The project will mainly be implemented by the community-based structures / lower levels of Government, and by the sectors of relevance, for example oversight will be provided by MILLs in the case of irrigation projects. In addition, the project will engage individuals and companies as service providers. There will be three main modalities for engagement of partners:

- Entering MoU with public institutions at all levels. MoU will be supplemented by AWPBs outlining activities, targets and budgets for the year. Payments will mainly be made through re-imbursement of expenditures unless this modality becomes a hindrance for implementation. Performance and results will be assessed on an annual basis and collaboration the following year will be guided by the performance. In the case of under-performance, the project may choose to engage another partner for implementing the activity or provide technical assistance or capacity building directly to the institution.
- Implementation will be done through existing Government structures, respecting the mandates and responsibilities for various types of investments. This may include woredas, sector ministries or bureaus providing technical assistance and joint planning, review of designs for larger investments etc. The time of Government staff will not be paid for by the project, but operating expenses may be considered.
- Recruitment of service providers will always happen on a competitive basis and payments be made as reimbursements of activities undertaken. Service providers may be individuals, research institutions, non-Governmental organizations or private companies, domestic or international. Contracts with clear performance-based indicators, targets, M&E requirements etc. will be developed.
- Partnerships (without a financial element) will be actively pursued, for example with the private sector, when objectives converge. The project may also establish partnership with research institutions, development partners or national/international normative institutions. Some partnerships will be less formal and not based on a written agreement.

9.12 International/National Non-government Institutions

300.The project will draw technical support from experienced international organizations like International Institute for Rural Reconstruction (IIRR), CGIAR through AICCRA project. The IIRR will facilitate preparation of online WDRP to be hosted by EDRMC. The IIRR will take their lead role on supporting the DPRSIP preparation including its publication. The IIRR will also guide screening and selection of CS-PEIIP for LLRP-II. The IIRR will also provide technical support to FPCU in implementing disaster preparedness and resilience investments.

301.The CGIAR through AICCRA project will help integration of climate information into WDRP. CGIAR will also provide technical assistance and capacity building to strengthen Climate Information Service (CIS). CGIAR institutes like ICARDA and AICCRA will provide technical assistance to EIAR to collaboratively develop smart packs. The CGIAR will partner with FPCU to carry out baseline survey, mid-term and final evaluation including monitoring resilience. The further details of collaboration and partnerships with international agencies have already been elaborated. The mode of engagement of IIRR, CGIAR will be through MoU for guidance while the service provisions like surveys, studies etc. will be through outsourcing with the description of service and ToR cleared by the World Bank.

302.The project will also be utilizing specialized private sector service providers like LERSHA, Digital Green Ethiopia through outsourcing contracts following the procurement guidelines. Their main role will be to provide advisory and capacity building services to the FPCU/RPCU, including training of trainers. The detailed description of service and ToRs will be developed and cleared with the World Bank.

Part IV: Project Management Aspects

10. Financial Management

303. Detailed financial management procedures are presented in a separate financial management manual. For ease of understanding, a summary is presented below.

10.1 AWPB Development

304. Project planning is based on a consolidated AWPB at the F-PCU and approved by the FSC. The timeline is synchronized with the Ethiopian Fiscal Year (EFY: 8 July –7 July)., the FPCU sends letter to each partner involved, requesting them to initiate the AWPB process on 15 December. The process starts at the kebele and Rangeland Management Committees (RMC) levels in January. The detailed plan expresses in quantitative terms how the project and IAs will acquire and use resources during the project lifetime.

305. In line with the financing agreement, the draft AWPB is submitted to WB for review no later than 31 May of each year. The project's annual budget will be proclaimed under the MILLS. The working budget will detail components, subcomponents, activities and categories of expenditures. It must include a detailed description of the planned activities and updated procurement plan.

10.2 Source of Funds

306. In order to finance the project activities as per the approved AWP&B, funds will be made available from three sources: 1) World Bank (IDA), 2) the International Fund for Agricultural Development (IFAD) and 3) the project beneficiary Micro and Small Enterprise (MSE) in the form of cash for the matching grants.

10.3 Financial Management Arrangements

307. The FM arrangements for LLRP II follow the government's Channel 2 fund flow mechanism whereby funds from donors' flow directly to the sector ministry, in this case, MILLs. The GoE's accounting policies (modified cash basis) and procedures will apply to the projct. The project will use its own FM Manual, which will describe its budgeting, accounting, internal control, fund flow, financial reporting and auditing aspects. The manual will also outline the relationship between all implementing agencies.

308. LLRP II will use the Report based disbursement, which depends on the submission of Interim Financial Reports (IFRs) with two quarters expenditure forecast to the World Bank and replenishment of project accounts accordingly. The IFR will be consolidated and submitted by the FPCU to the World Bank.

309. All implementing agencies will be responsible for maintaining the project's records and documenting all financial transactions occurring in their offices. They will follow double entry accounting system on a modified cash basis. By Including the reports from the implementing agencies, FPCU, RPCUs RCSTs and project woredas will generate financial reports for the Project.

310. The budget of LLRP II will be proclaimed as part of the GoE budget and annual action plans and budgets harmonized with the budget calendar.

10.4 Flow of funds and Accounting

311. The institutions that will use funds of LLRP II are: (a) F-PCU and R-PCUs in Afar, Somali, Oromia, SER, Benishangul-Gumuz, Gambella, SWER and Dire Dawa Town Administrations well as 19 RCSTs; (b) a minimum of 120 woredas; (c) Federal implementing Agencies :- (Ministry of Agriculture (MoA), Agricultural Transformation Institute (ATI), Ethiopian Cooperative Commission (ECC), Ethiopian Disaster Risk Management Commission(EDRMC), Ethiopian Institute of Agricultural Research (EIAR), Ethiopian Meteorology Institute (EMI), Ministry of

Irrigation & Lowlands (MILLs) Ministry of Labour and Skills (MLSs) and d) Regional respective Bureaus (Agriculture, Livestock development, lowland and irrigation Bureaus, Cooperative Offices, Research Institutions). Funds will flow from FPCU to federal implementing agencies and eight R-PCUs & from RPCUs to the project implementing Woredas (WoFED), RCST & regional implementing agencies. In the case of activities implemented by federal implementing Agencies, MILLs will sign a memorandum of understanding. Similarly, at regional level; respective Bureaus or office of the president will sign a memorandum of understanding with regional implementing Agencies. Each implementing agency will also be responsible for all accounting and reporting functions under the overall control of the F-PCU& F-PCU.

312.Any flow of funds to communities through WoFED will be overseen by the Woreda cabinets. The woreda cabinets approve an operating budget for KDCs for the funds to be used for Natural Resource Management Activities.

313. IDA funds will be deposited into a separate Dollar Account to be opened by the MILLs/F-PCU at the National Bank of Ethiopia (NBE). The MILLs/F-PCU will also open another separate Dollar Account (DA) for IFAD financing. Funds from the separate designated Dollar Accounts will be further transferred to a pooled Birr account opened at National Bank of Ethiopia to be held by the F-PCU. From the pooled Birr account, funds will be transferred to separate local-currency bank accounts to be opened by the federal-level implementing agencies and R-PCUs. RPCUs in turn will transfer funds to separate bank accounts opened by implementing woredas, RCSTs, and regional implementing agencies. The Federal Implementing Agencies will open bank account in the name of the project either in National Bank of Ethiopia or Commercial Bank of Ethiopia. Seemingly, RPCUs, Regional Implementing agencies, RCSTs and Project Woredas will open bank account in the name of the project at Commercial Bank of Ethiopia branches.

314.For IFAD funds, the disbursement arrangements currently used by the LLRP will continue to be used. Disbursements will be based on quarterly Interim Financial Reports (IFRs) and all withdrawal applications and the IFRs for IFAD will be submitted through the World Bank's Client Connection. Once the IFRs and the withdrawal applications are reviewed and validated by the World Bank, the World Bank will send a payment request to IFAD's Financial Controller Division (FCD). Then, FCD at IFAD will disburse the funds to the Project designated account opened specifically for IFAD financing. Funds from the designated US dollar account will be further transferred into pooled Birr accounts to be opened at the federal. The funds will not be comingled with the funds of the existing LLRP project and will be segregated by financier. The IFRs will also be submitted to IFAD through IFAD Client Portal within 45 days after the end of each quarter for IFAD records.

315.The respective Regional Sector Offices will support the strategic investment – developing design, supervision work and measuring the executed works and approving the payment certificate for civil work and consultancy services.

316.The project provides matching grants of up to US$10,000 per group of MSEs (for new ones) based on pre-established criteria (notably, being a registered business entity and having a strong business development plan and having mobilized at least 10 percent of the required capital from own sources, adequate internal control system, and external auditing). The MSE will contribute matching fund in cash upon signing a Financing Agreement with WoFED. It is mandatory that MSE shall deposit cash at least 10% of the total business cost into the project Bank account opened at Woreda level. The woreda will recognize expenditure once the grant is transferred to the MSE's Bank account. Detail description and criteria will be described in a separate MSE guideline. However, the project's M&E system will monitor the use of the Grant for intended purposes. The project's internal auditor will also check periodically on the proper management of this activity. In addition, the external auditors as part of the interim audit arrangements will check whether the MSEs are using the grant as per the requirement of the Manuals.

317. The project will provide technical, material and advisory support (for a value of up to US$500 per CIG) for the 'graduation/transfer of existing CIGs into MSEs & technical support will be given from ICIPE,

318. The project will expand access to finance for alternative on-farm and nonfarm activities, materials, equipment and inputs. The project will support financially and technically 550 new PAP savings and credit cooperatives (PASACCOs), of which half will be women-only groups. The qualifying ones will be given seed money (up to US$10,000 each). In addition, up to 500 existing PASACCOs supported under LLRP phase I will receive technical and advisory support but no seed funding. The woreda will recognize expenditure once the grant is disbursed to the PASACCOs' Bank account. The detailed information for the release of seed money grant will be described in the guideline/operational manual. However, the project's M&E system will monitor the use of the grant for intended purposes. The project's internal auditor will also check periodically on the proper management of this activity. In addition, the external auditor as part of the interim audit arrangement will check whether the PASACCOs are using the grant as per the requirement of the manuals.

319. The WoFED will oversee all financial transactions of the project at the woreda and provide support to communities to manage funds of the project disbursed to communities, if any. The finance officer at the WoFED will account and report the IFR to the RCST. In the case of regions with no RCST, woredas finance officer will submit the report to RPCU. RCSTs will in turn report to the R-PCUs which will be reported to F-PCU.

320. The R-PCUs will be responsible for supporting, coordinating and overseeing the performance of the implementing woredas, RCST, as well as the Regional Implementing Agencies,

321. The F-PCU will be responsible for overall fiduciary management of the Project. It will be responsible to release funds against agreed plans, disburse funds to all implementing levels and co-ordinate monitoring and financial reporting for the project as a whole.

10.5 Suspension

322. The F-PCU and R-PCU, respectively, may suspend reimbursement/disbursement for the entire or specific application if the R-PCU and/or Woreda fails to comply with requirements in the PIM. The same will be applied for federal and region level implementing agencies.

10.6 Accounting Policy and System

323. LLRP II follows the government's accounting policy of modified cash basis of accounting system with double entry. In preparation and presentation of the financial statement, the project uses the international financial reporting standard, with the following responsibilities:

- F-PCU, R-PCU, RCST and Project Woreda shall keep the original book of accounts & supporting documents for their own financial transactions and posts to the general ledger;
- Project woreda keeps all financial documents, records & reports and prepare monthly financial statements using Peachtree accounting software. Adequate chart of accounts will be developed in the accounting software to maintain separate account by financier, component and category at FPCU level;
- R-PCU shall prepare quarterly consolidated financial statement submit to F-PCU; and
- F-PCU prepares a consolidated financial report and submit to the World Bank.

10.7 Internal Control

324. The project's Internal control comprises the whole system of control, financial or otherwise, established by management to (a) carry out the project activities in an orderly and efficient

manner, (b) ensure adherence to policies and procedures, (c) ensure maintenance of complete and accurate accounting records, and (d) manage the assets of the project.

325.The project is expected to design and install effective, efficient & workable internal control system which enables the management of the project to achieve the objectives in an effective and efficient manner. Therefore, the main focus of the internal control will be based on the following key activities:

- Aggregation of duties;
- Authorization and approval;
- Arithmetical and accounting accuracy;
- Supervision; Physical control of assets,
- Internal audit etc.

326.***Internal Audit:*** The Internal Audit unit of the FPCU will conduct audits, prepare reports and share them with World Bank. The management will take necessary actions on the internal audit findings and update the World Bank on the status of the implementation of the findings as part of the quarterly IFRs. LLRP II will also submit a copy of the internal audit report to IFAD via e-mail for IFAD's record.

10.8 Reporting

327.The report of the project required the Interim Financial Report (IFR) based & expenditure forecast for the next two quarters for the cash requirement. The IFR will contains:

10.8.1 F-PCU IFR

- Narration on the financial performance of the project
- Statement of source and use of fund by source, component and sub-component for the period, current fiscal year and cumulative project life;
- Schedule of sources including direct payments, disbursement to designated accounts, MSE matching fund in cash;
- Fund use and budget by region, component, sub-component and category with variance for current period and current fiscal year;
- Fund use and budget by region, component, sub-component and category with variance for cumulative project life;
- Expenditure apportionment table for financiers;
- Expenditure forecast for the coming six months (two quarters);
- Statement of regional cash movement;
- Designated accounts activity statements;
- Fund transfer and receivables to each RPCUs and Federal Implementing Agencies with aging;
- Bank statements for designated accounts and local currency accounts.

10.8.2 R-PCU IFR:

- The report will include both narrative description and table;
- Statement of source and use of fund by source, component and sub-component for the period, current fiscal year and cumulative project life;
- Fund use and budget by woreda, component, sub-component and category with variance for current period, current fiscal year and cumulative project life;
- Fund transfer and receivables to each woreda and Regional Implementing Agencies with aging;
- Bank reconciliation, bank statement and trial balance.

10.8.3 Monthly and Quarterly Report of the Woredas

- Fund receipts from RPCU;
- Fund utilized during the quarter by component and sub-component;

- Statement of sources & uses of fund showing actual and budget for the quarter, year to date and cumulative to date;
- Bank reconciliation, bank statement and trial balance.

10.9 Annual Financial Report

328. **R-PCUs and Woredas will prepare**: Annual Financial report (Balance sheet, statement of source and use of fund, project expenditures by component/subcomponent, trial balance) Report of fixed assets and stocks supported by inventory count sheets; Detailed explanations on the auditor's qualification points of the previous Audited Financial Statement, if any.

329. **FPCU will prepare:** Annual financial report, (Balance Sheet, statement of source and use of fund by component, sub-component

10.10 Dates of Submission of Reports

- Report of the Woreda should be sent to the respective RCST within 7 days after the end of the quarter period. In the case of regions, with no RCST, the woreda will submit the IFR to the RPCU within 17 days after the end of the quarter;
- RCST will review reports and adjust as necessary reports received from Woredas and submit to the RPCU within 17 days after the end of the quarter;
- Consolidated & official reports of the RPCU, should be sent to the FPCU within 30 days after the end of the quarter period; and
- The consolidated by the FPCU should be sent not later than 45 days after the end of the quarter period to the World Bank

10.11 Auditing

330. Resource utilization of the project from federal down to community level will be audited by an external auditor based on the agreed schedule.

331. The project accounts fiscal year starts July 8th (Hamle 1) and ends July 7th (Sene 30) according to the Ethiopian fiscal year. Accordingly, the accounts will be closed on July 7th of each fiscal year and the audit work will commence within two months of the closing of the accounts. In this case, the financial audit will be conducted twice a year (semiannually & annually). The audit reports and the management letters will be submitted to the World Bank within six months from the end of the fiscal year. A copy of the annual audit report and the management letter will also be submitted to IFAD in parallel via IFAD's Client Portal for IFAD records.

332. The FPCU is responsible for the preparation and presentation of the annual financial reports in accordance with the internationally accepted accounting standard for the external audit purpose. The financial statements including Designated Account shall be audited by an external independent auditor acceptable for the World Bank and the Federal Auditor General is responsible to provide list of eligible an independent external audit firm;
In accordance with the World Bank's policies, the Bank requires that the borrower discloses the audited financial statements in a manner acceptable to the Bank. Therefore, the MILLs/F-PCU will disclose the reports (for example, on the ministry's website). Following the World Bank's formal receipt of audit reports from the borrower, the World Bank makes them available to the public in accordance with the World Bank's Policy on Access to Information effective on July 1, 2010.

10.12 FM Covenants

333. Financial management-related covenants will include the following: (a) maintaining a satisfactory financial management system of the project, (b) submission of IFRs for the project for each fiscal quarter within 45 days after the end of the of the quarter and (c) submission of annual audited financial statements and audit report within six months of the end of each fiscal

year (January 08). LLRP II will have an interim audit report arrangement which is part of the annual audit report and will be submitted in three months after the first semester (April 08) of the fiscal year.

10.13 Anti-corruption measures

334.The borrower will comply with Guidelines on Preventing Fraud and Corruption in Project financed by IBRD loans and IDA Credits and Grants (July 2016) of the World Bank and in addition will also comply with IFAD policy on preventing fraud and corruption in its activities and operation relating to IFAD financing.

11. Procurement Management

11.1 Procurement Regulations

335. Procurement will be carried in accordance with the World Bank's Procurement Regulations for IPF Borrowers - 'Procurement in Investment Project Financing, Goods, Works, Non-Consulting, and Consulting Services', Fifth Edition dated September 2023 and 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', revised as of July 1, 2016; and the provisions stipulated in the Legal Agreement. All procurement methods and procedures under the project must be consistent with the provisions of the Bank's Procurement Regulations mentioned above. Any procurement procedure that is inconsistent with the Bank Guidelines is not acceptable and may trigger declaration of mis-procurement.

11.2 Institutional arrangements

336. The project is a multi-sectored program involving IDA, implementing agencies, beneficiaries and stakeholders. For the efficient implementation of the procurement process, it is therefore important to clearly define the roles and responsibilities of these different parties and ensure smooth coordination of procurement activities between them. The key stakeholders at different levels for procurement and their roles and responsibilities are defined as follows:
The institutions responsible for procurement implementation under LLRP include: (i) the F-PCU (ii) R-PCUs under the respective Regional Irrigation and Lowland Development Bureau and in the case of Somali, Afar, Gambella and Benishangul-Gumuz, the office of the president; and (iii) for Dire Dawa city administration, the project will be hosted under Agriculture, Water, Mines and Energy Bureau.

337. The F-PCU under the guidance and technical support of MILLs is responsible for procurement of pooled and strategic goods such as vehicles, IT and communication equipment under ICB and for procurement of all consultancy services at federal level. The F-PCU is required to play procurement advisory role to regions and carry out periodic monitoring and supervision activities to ensure procurements carried out under the project are in line with the agreed procurement rules and procedures. The F-PCU is also responsible for organizing periodic trainings for R-PCU and other project implementers. The Senior Procurement Officers are assigned to undertake procurement activities at the federal level and consolidate procurement plans and reports; and also, to ensure the efficiency and continuity of the project procurement.

338. The R-PCUs under the guidance and technical support of the respective bureau/president office are responsible for all procurements to be carried out for their respective regions, spearheaded by the regional Procurement Officers. The R-PCUs will also undertake procurement activities delegated from project woredas and the beneficiary communities. The regional Procurement Officers will also provide technical assistance to the procurement planning process and monitoring and supervision of procurement activities at woreda levels.

11.3 Procurement Planning

339. The project implementing institutions at all levels should decide how to properly package/bulk procurements to obtain value for money, by answering the following key questions;

- What to procure: (like items, large, small, values slice and packages)
- How to procure; What selection method to apply and market approach will be used (RFP, RFQ and DS, Open national and international market approaches and other selected arrangements)
- When to do each step: (each step, each package)
- Who: (who is the implementing institution, who approves, who reviews the request)

11.4 Principles for Packaging

- Each product/goods, work or service can be considered as an "item" to be procured;
- Each item/package could be procured separately under a specific procurement process;
- Suppliers' interest is likely to increase with the contract value. for the benefit of the project implementing institutions and the supplier, it is desirable to group items which are technically similar and would interest the same type of firms;
- All items similar by nature or origin of supply should then be grouped together in a "lot" of goods, or "slice" of works;
- Bidders are invited to submit a bid and quote price for entire lots and slices. This grouping of items in lots or slices will reduce the number of procurement operations. Bidders could nevertheless be invited to indicate unit prices for each item in a lot or slice. This is useful in the event of quantity variation;
- In order to obtain best prices group by lots or slice, or package, items which are reasonably homogenous and can be offered from a single source;
- The size of lot, slice or package should be appropriate to foster maximum competition to obtain themost economic contracts;
- If similar items are to be procured for several sectors/sub-components in a project, it may be convenient to combine them in one package in order to achieve economies of scale;
- If large quantities of a single commodity are being procured, packaging should take into consideration:

(i) Market practices for the item;
(ii) Transportation costs;
(iii) Unloading capabilities;
(iv) Storage capacities; etc.

- Goods and works supplied from different sources and to be delivered and erected at different dates during the project implementation should be packaged separately. This is because of potential problems with contract interfacing and assigning responsibility for any subsequent defect;and
- A large number of small lots or slices, encourages small suppliers and domestic contractors, but discourages larger and more efficient firms from bidding on a package of small contracts. It is recommended against an excessive number of lots or slices in a package.

11.5 Formation of Tender and Bid Endorsing Committees

340.The Tender Committee (TC) of Bid Endorsing Committee (BEC) is one of the most important procurement setups as it acts as an independent reviewer and verifies quality of the procurement exercise. Selecting members of the TC/BEC based on merit is imperative to ensure that procurement implementation benefits from a well-functioning internal control system. In addition to skill and the experience, membersof the TC/BEC should have the highest level of integrity. While it is important to note that every procurement decision should be made based on sufficient technical and market information, the TC/BEC should be kept independent and no interference in its decision should be sought or allowed unless it is justified to do so. The Head of the project implementing institutions should also ensure that all members ofthe TC/BEC are aware of, and trained in, the agreed procurement rules and procedure of the program.

341.Procurement beyond the value of US$ 2,500 at federal and US$ 1,500 at regional level shall be subject to review by Procurement Endorsing Committee to determine the most cost-effective option. This is done through comparing prices, delivery time, operation costs, the availability of service and spare parts and other factors that are included in the bidding documentor the RFQs. On opening a bid document, the tender committee shall make a preliminary examination such as verification of the documents, eligibility of the supplier, issuance of the bid security, completeness of bids and determine whether bids are responsive or not. After making the initial examination, the tender committee shall transfer the opened and duly signed bid documents to the technical

committee for technical evaluation that shall evaluate whether bids are technically responsive or not.

342. Bids and RFPs (that require technical input) should be evaluated by a team of at least three expertswith sufficient background and technical knowledge of the items to be procured and the consultancy services required and a high level of personal integrity. At least one member should be from the user agency or department. In case where the Head of the project implementing institutions does not have staff with the required level of expertise for the equipment or the consultancy service to be procured, it may seek the assistance of other government agencies or NGOs for their technical input. Hence, TEC members should be formed on an ad hoc basis for each of the procurement packages prior to the bid/proposal opening or on the bid/proposal opening date. The Head of the project implementing institutions shall selectthe committee members in consultation with the user agency or department and notify the selected members through official letter ahead of time.
Contract award is notified to the successful bidder after "no objection" is received from the Bank (wherever the procurement requires prior reviews) and approved by the F-PCU or R-PCU Project managers, as the case may be, who sign on behalf of the project. The contract becomes effective when signed by the concerned parties.

11.6 Selection Methods and Thresholds

11.6.1 Thresholds for prior review:

343. For procurements beyond a certain size (as per 11), prior review by WB is required in the form of a no objection prior to issuing RPFs or similar.

Table 11.1: Thresholds for prior review, per procurement category

Category	Prior Review Threshold (US$)	National Short-List Max Value (US$)
Works	≥5,000,000	NA
Goods and non-consulting services	≥500,000	NA
Consultants (Firms)	≥200,000	<200,000
Consultant (Engineering and work supervision)	≥300,000	<300,000
Consultants (Individuals)	≥ 100,000.00	NA

11.6.2 Goods, Works and Non-Consulting Services

344. The method of procurement that the project will adopt depends on the nature and size of procurement. The agreed four selection methods for procurement of goods, works and non-consulting services include:

- Request for Proposal
- Request for Bids
- Quotations
- Direct Selection

345. Based on the value (as per thresholds in Table 10) and type of procurement, the selection method varies, with larger procurements requiring international requests for proposals, and small contracts only requiring quotations in the local market.

Table 11.2: Thresholds for procurements of goods, works and non-consulting services

Selection method	Estimated value (US$)			Remark
	Works	Goods	Non-consulting services	
Request for Bid/Proposal (RFB/RFP) approaching the international market	≥15,000,000	≥2,000,000	≥2,000,000	Mandatory to use the World Bank's Standard Bidding document and prequalification document
Request for Bid/Proposal (RFB/RFP) approaching the National market	200,000 and less than 15,000,000	100,000 and less than 2,000,000	100,000 and less than 2,000,000	Use the Federal Government's Standard Bidding Document or modified SBD of the Bank
Request for Quotation (RFQ)	<200,000	<100,000	<100,000	Use the Federal Government's Standard RFQ document
Direct Selection (DS)				Mandatory to get Bank's prior no – objection.

11.6.3 Consulting Services

346.The following are the agreed procurement methods, to be used for the selection and employment of consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

- Quality and Cost based Selection (QCBS)
- Quality Based Selection (QBS)
- Least Cost Based Selection (LCS)
- Consultant's Qualification Based Selection (CQS)
- Direct Selection (DS)
- Individual Consultant (IC)

11.6.4 Individual Consultants

347.Individual Consultants may be selected for an assignment for which:

- A team of experts is not required;
- No additional home office professional support is required; and
- The experience and qualifications of the individual are of paramount requirement.

The following are the three Approved Selection Methods for Individual Consultants

- Open Competitive Selection of Individual Consultants
- Limited Competitive Selection of Individual Consultants
- Direct Selection of Individual Consultants

11.7 Procurement Categories and Items

348.Procurement of Goods for the project will include vehicles, IT equipment, computers and motorcycles, office equipment and, as well as capital goods for strategic projects, improved seeds and breeds and local construction materials.

11.7.1 Procurement of Works:

349.Under the project there will be strategic investments of small-value works contracts and other larger strategic infrastructure like bridges, roads, etc

11.7.2 Selection of Consultants:

350.The project will make use of consultant services for Development of rangeland Monitoring system, development/updating of woreda disaster risk profile, preparation of Disaster Preparedness Strategic Investment Program, to conduct Baseline/midterm/end line Survey, to develop project website, Study and Design for Ground Water Development, bridge, Irrigation Schemes (Micro dams) and Rural Access Road, and annual financial and procurement audits. Contracts above US$ 200,000 will be awarded through the use of the Quality and Cost- Based Selection (QCBS) method. Consulting services for audit and other contracts of a standard or routine nature may be procured under the Least-Cost Selection (LCS) method. Consulting services of small assignments may be procured through the Selection Based on the Consultants' Qualifications (CQS) method. Short-lists of consultants for services estimated to cost less than US$ 200,000 equivalents per contract may be composed entirely of national consultants.

351.**Individual consultants** will be selected on the basis of their qualifications by comparison of CVs of at least three candidates from those expressing interest in the assignment or those approached directly by the Implementing Agency in accordance with the provision of Section V of the Consultant Guidelines. The selection of individual consultants will normally be subject to post review. Prior review will be done in exceptional cases only, e.g., when hiring consultants for long-term technical assistance or advisory services for the duration of the project, and prior review of these contracts will be identified in the procurement plan.

11.7.3 Training and workshops:

352. The project will fund training activities including capacity building. The annual training plan of the project shall be approved by the Bank. The training plans would include details on (a) type of training to be provided; (b) number of beneficiaries to be trained, duration of training, and estimated cost; (c) institutions selected based on their expertise; and (d) expected learning outcomes. Trainings and workshops shall be prior reviewed as part of the annual work plans of the project. Venues for workshops and training and purchase of materials will be done on the basis of comparing at least three quotations (refer to the shopping guidelines) for contracts valued at less than US$ 100,000. The selection of institutions for specialized training will be done on the basis of quality and therefore Quality and Cost Based Selection (QCBS), providing more attention to the quality-based elements, or other appropriate selection methods shall be used.

11.7.4 Non-Consulting Services:

353. The services which are required for implementation of the project may include transportation of goods, hotel services, printing and material duplication, vehicle maintenance, vehicle insurance etc. For this kind of procurement of non-consulting services, the shopping method will apply for all estimated values below US $ 50,000.

Operating Costs: Incremental operating costs include expenditures for maintaining equipment and vehicles; fuel; office supplies; utilities; consumables; workshop venues and materials; and per diems, travel costs and accommodation for staff when travelling on duty but excluding salaries of civil/public servants. These will be procured using the Government's administrative procedures, acceptable to the World Bank.

12. Environmental and Social Risk Management

12.1 Relevant Policy, Legal and Institutional Framework of Environmental and Social Management

354.The GoE has enacted the necessary legal frameworks for Environmental and Social Risk Management (ESRM) and institutions to support its implementation and enforcement. The primary legislations that support E&S management in Ethiopia are the FDRE Constitution, Environmental Policy of Ethiopia, EIA Proclamation No. 299/2002, Biodiversity Conservation and Research Policy 1998, Ethiopian Water Resources Management Policy 1999, Health Policy of Ethiopia 1993, National Policy on Women 1993, National HIV/AIDS policy 1998, National Social Protection Policy 2014 and Strategy 2016, National Policy and Strategy on Disaster Risk Management 2013, National occupational health and safety (OHS) Policy and strategy 2008, Gender Based Violence Proclamation No. 1097/2018, Labour Proclamation No. 1156/2019, Environmental Pollution Control Proclamation No. 300/2002, Establishment of Environmental Protection Organs (Proclamation No. 295/2002), Ethiopian Water Resources Management Proclamation No. 197/2000, Solid Waste Management Proclamation No.513/2007, Industrial Pollution Regulation (Reg.No.159/2008), Hazardous Waste Management and Disposal Control Proclamation No. 1090/2018, Public Health Proclamation No.200/2000, Pesticide Registration and Control Proclamation (Pro.No.674/2010), Industrial Chemical Registration and Administration Proclamation No.1075/2018), Proclamation No. 209/2000 Research and Conservation of Cultural Heritage, Proclamation no.1161/2019 on Expropriation of Land for Public Purposes, Regulation 472/2020, Directive No.1/ 2008-17: Directive Issued to Determine Projects Subject to Environmental Impact Assessment, EIA Procedural Guideline (2003); ESMP Preparation Guideline (2004); These and other relevant policies, legislations, and guidelines have been reviewed during the preparation of the E&S instruments.

355.To manage risks related to land acquisition or in the expropriation of land for public use, the Federal Democratic Republic of Ethiopia (FDRE) has issued two proclamations. The Federal Democratic Republic of Ethiopia; National Policies, Legal and Frameworks on issues of Expropriation of Landholdings for Public Purpose, Payment of Compensation and Resettlement, Proclamation, no 1161/2019; Council of Ministers Regulation 472/2020, Cultural Heritage and World Bank Framework with particular emphasis on all Environmental and Social Standards were applicable and required instruments are developed. Detailed information related to E&S standards are given 12.1

Table 12.1: Summary of Relevant World Bank's Environmental and Social Standards

E&S Standards (ESS)	Summary Details
ESS 1	Assessment and Management of Environmental and Social Risks and Impacts (ESS 1): This standard aims to identify, evaluate and manage the environment and social risks and impacts adopt a mitigation hierarchy approach Including avoidance , minimize or reduce risks and impacts to acceptable levels, utilize national environmental and social institutions, systems, laws, regulations and procedures in the assessment, development and implementation of projects, whenever appropriate and promote improved environmental and social performance, in ways which recognize and enhance Borrower capacity. Relevance: The proposed project is likely to cause environmental and social impacts and Risks. Hence, this ESS1 requires an implementing agency for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSs). Hence, assessment and management of environmental and social impacts and risks is required

ESS 2	**Labor and Working Conditions**: ESS 2 focuses on the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. It requires the Borrower to promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions. The proposed project will involve temporary or permanent workforce for the various phases of the project. Hence, the project will apply this standard.
ESS 3	**Resource Efficiency and Pollution Prevention and Management:** ESS3 recognizes that economic activity and urbanization often generate pollution to air, water, and land, and consume finite resources that may threaten people, ecosystem services and the environment at the local, regional, and global levels. The Objectives of the ESSS are: • To promote the sustainable use of resources, including energy, water and raw materials; • To avoid or minimize adverse impacts on human health and the environment by avoiding or minimizing pollution from project activities. • To avoid or minimize project-related emissions of short and long-lived climate pollutants. • To avoid or minimize generation of hazardous and non-hazardous waste. • To minimize and manage the risks and impacts associated with pesticide use. Where projects involve recourse to pest management measures, the Borrower will give preference to integrated pest management (IPM) or integrated vector management (IVM) approaches using combined or multiple tactics. Given the anticipated pollution impacts emanated from the proposed project particularly from construction activities and use of agrochemicals (pesticides), ESS 3 is applicable to the proposed project.
ESS 4	**Community Health and Safety** ESS4 recognizes that project activities, equipment design and safety, infrastructure, and safety services can increase community exposure to risks and impacts. The proposed project support construction of public economic infrastructures that involve influx of laborers to project area. Thus, this standard provide support to communities and the sets out corresponding responsibilities of borrowers to avoid or minimize such risks and impacts. likely to cause adverse health and safety risks on the local community. Hence, in this case, this standard is not applicable.
ESS 5	**Land Acquisition, Restrictions on Land Use and voluntary Resettlement:** ESS5 recognizes that project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons which may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assets or access to assets, leading to loss of income sources or other means of livelihood) or both. This ESS will be applied since the proposed project will likely cause land acquisition, at least loss of income sources or means of livelihood of the local community as a result of the project whether or not the project affect persons (PAPs) are required to move.
ESS 6	**Biodiversity Conservation and Sustainable Management of Living Natural Resources** (ESS6) recognizes the need to protect, conserve biodiversity; maintaining core ecological functions of habitats; sustainable management of primary production and harvesting of living natural resources and the need to consider the livelihood of project- affected parties, including Indigenous Peoples, whose access to, or use of, biodiversity or living natural resources may be affected by a project. This ESS will be applied since the project activities may affect biodiversity and be located in areas providing ecosystem services upon which potentially affected stakeholders will be dependent for survival, sustenance, livelihood or primary income source.
ESS 7	**Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local** (ESS 7): This ESS applies to a distinct social and cultural group identified in accordance with paragraphs 8 and 9 of the ESS7. ESS7 contributes to poverty reduction and sustainable development by ensuring that projects supported by the Bank enhance opportunities for Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local communities to participate in, and benefit from, the development process in ways that do not threaten their unique cultural identities and well-being. Since the

	proposed development project is to be implemented in the regions where underserved communities or groups are residing, this standard shall be applicable.
ESS 8	**Cultural Heritage** (ESS8): Recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. People identify cultural heritage as a reflection and expression of their constantly evolving values, beliefs, knowledge and traditions. Cultural heritage, in its many manifestations, is important as a source of valuable scientific and historical information, as an economic and social asset for development, and as an integral part of people's cultural identity and practice. Sets out measures designed to protect cultural heritage throughout the project life cycle and general provisions on risks and impacts to cultural heritage from project activities. This ESS8 will be applied to the project which will undertake construction activities. The project should identify any important physical cultural resources that need protection in the project area and its surrounding. A chance finds procedure should also be considered if no physical cultural site is identified at the early stage of the proposed project.
ESS 9	**Financial Intermediaries:** ESS9 recognizes that strong domestic capital and financial markets and access to finance are important for economic development, growth and poverty reduction. This standard is applicable for this Project
ESS 10	**Stakeholder Engagement and Information Disclosure:** This ESS recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. The standard is relevant to the project since stakeholder engagement and information disclosure is a priority for planning, implementing and ensuring sustainability of the proposed irrigation project

12.2 E&S requirements principles and procedures

356. E&S risk management instruments are prepared based on the applicable standards, consulted by and disclosed prior to the project appraisal including Environmental and Social Management Framework (ESMF), Resettlement Framework (RF), Labor Management Procedures (LMP), and Stakeholder Engagement Plan (SEP). E&S Risk Management Framework including Environmental and Social Management Framework (ESMF), Social Assessment (SA) including the Social Development Plan, Resettlement Framework (RF), Labor Management Procedures (LMP), Security Risk Assessment and Management Plan (SRA&MP), Stakeholder Engagement Plan (SEP), Gender-based Violence/Sexual Abuse and Exploitation/Sexual Harassment (GBV/SEA/SH) and Environmental and Social Commitment Plan (ESEP) are prepared based on the applicable standards, consulted by and disclosed prior to the project appraisal including ESMF, RF, LMP and SEP. Please refer to these documents for details. The link to these documents is https://www.mofed.gov.et/resources/directorate-resource/international-financial-institutions- co-operation-directorate/. These instruments are prepared to ensure that resilience building infrastructure investments under the project are implemented in accordance with World Bank's Environmental and Social Standards and GoE's National Environmental legislations which require that project activities should be implemented in an environmentally and socially sustainable manner. The instruments would provide procedures and guidelines to develop site-specific E&S instruments for sub-projects including Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), Resettlement Plan (RP), etc. E&S clauses in procurement and contract documents, guidelines for supervision and monitoring of sub-projects implementation of E&S requirements during implementation, operation periods, and appropriate considerations of E&S risks in any project studies and consultations and resettlement principles, organizational arrangements. The safety incident report form is given in **Annexure 6.**

12.3 Procedures for ESRM implementation

357. The already prepared ESRM instruments will be used based on the standards for ESRM implementation. The ESRM implementation process is seven interlinked steps as shown in figure 12.1.

Figure 12.1: ESRM Implementation Procedure

358. The roles for implementation of each of the activities are summarized in Table 12.2

Table 12.2: ESRM Activity Description

Activity	Roles and Responsibilities
Completion of ES screening using the form in LLRP II ESMF Annex I: Screening Form.	E&S Safeguard staff of the MILLs (FPCU), regional, zonal, or local environmental protection offices,
Preparation of ESIA, PESIA, ESMP, PMP, and RP	• World Bank for review and clearance of full ESIAs, PESIAs, ESMPs, PMPs and RP. • ESIA, PESIA, and RP preparation by registered/licensed consultant/firm, ESMP and PMP (for schedule III) preparation by environmental and social staff in MILLs and relevant stakeholders related to sub projects
Implementation monitoring of Full ESIA, PESIA, ESMP and RP	• E&S staff of the MILLs/FPCU, Contractors, Consultants, Scheme management committee, Kebele development committee, etc. during operation of sub-projects
Environmental and Social Audit (by independent consultant)	• External registered/licensed Environment and Social Consultancy Body in collaboration with MILLs/FPCU.

12.4 RP Preparation, Review and Approval

359. Once specific activities of project components are identified, MILLs/FPCU will screen sub-projects related to sub-component 1.2 in component one, subcomponent 2.2 in component 2, and component 3 and determine whether they will require the involuntary resettlement of people within the determined project area, and the MILLs/FPCU responsible for the application of the pertinent ESSs for the subproject. The RP will be prepared in consultation with the affected parties, in particular with regard to the eligibility, cut-off date, disturbances to livelihoods and income-generation activities, valuation methods, compensation payments, potential assistance and timetables MILLs/FPCU will undertake supportive supervision on implementation of the RPs related to implementation of sub project.

360. In conformance with the World Bank's procedures and Ethiopian EIA guidelines, RP results are to be cleared by the `Competent Agency' (CA). For projects as those considered under the

LLRP, the CA is the respective Regional Environment Protection Authorities (REPA) who have the full mandate to review and approve RP study documents and others. The reviewal and approval process include:

- Review of the scope of work (terms of reference);
- Review of the draft RP; and
- Clearance of the final RP.

12.5 Livelihood Restoration Plan (LRP)

361. Once eligible affected persons are identified, the project will prepare Livelihood Restoration Plan (LRP) for the PAPs who are significantly affected (either or both economical and physical displacement). LRP can be prepared as part of the RP during the implementation of the project. An independent consultant will be hired by MILLs/FPCU for preparing the LRP.

362. Based on the scope of the impacts of land acquisition on the project affected Persons (PAPs), the project will develop a site-specific livelihood restoration plan based on market feasibility study and needs assessment or socio-economic baseline household survey.
MILL and participating woredas/cities are the main responsible bodies for providing livelihood trainings to women groups organized in Micro and Small Enterprises (MSE's) with special attention to female headed households.

12.6 Special Assistance for Vulnerable Groups/PAPs

363. Despite the Project having a positive impact on vulnerable people and women in various ways, impacts related to gender and other sources of vulnerability requires the development of appropriate approaches. The project depending on the scale of the impact of sub project, during RP preparation will conduct vulnerable group identification, need assessment study and produce vulnerable group support plan with detail implementation plan. MILL and participating woredas/cities are the main responsible bodies for implementation of the activities listed below:
(i) Ensure the existence of joint property title for spouse and husband during resettlement compensation settlement.
(ii) Deposit women's cash compensation in individual bank accounts in their names during resettlement planning;
(iii) Deposit cash compensation on joint Bank accounts in the names of a husband and wife during resettlement planning.
(iv) Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RP. The income restoration measures will also target the vulnerable persons to ensure that they are reasonably assisted to overcome potential economic shocks from the Project and maintain the quality of life not less than their pre-project state.

364. On the other hand, the vulnerable groups have concerns during construction and operation stages that include: (i) the project have impact on community health, labor influx, GBV, STI and child labor; (ii) the project may lead to conflict over land boundaries, water and pasture, putting cattle in human fields; (iii) if the project is not managed well, leading to soil erosion, land acquisition, loss of agricultural land, loss of perennial crops and loss of livelihoods; (iv) the accumulation of water here and there may lead to the spread of diseases like malaria among the workers and the community; (v) cemeteries and burial places might be affected; (vi) during project activities there might arise rights to way issues; (vi) people (women, disabilities, children, elders and people who are sick and cattle) may be hurt because of open trenches and burrow pits; (vii) legally protected areas habitats cultural heritage, wild animals (bushbuck, lion, tiger and leopard) and indigenous plants like *`zisifast'* may get affected, limited supply of PPE like gloves, first aid kits, helmet, safety shoes, eye glass etc. will be provided for laborers of subprojects.

12.7 Grievance Redress Mechanism

365. Grievance Redress Mechanism (GRM) is considered as an effective tool for early identification assessment and resolution of complaints on Project activities. Therefore, the early identification and understanding of feedback and possible complaints can help to further improve the implementation of the Project. The project will set up a GRM for people to report concerns or complaints, if they feel that they have been unfairly treated or are affected by any of the project activities.

366. The RF provide project-level grievance mechanism, process, and procedure to receive and facilitate resolution of concerns and grievances of project-affected parties arising in connection with the project. Communities and individuals who believe that they are adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the World Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. An appeal and complaints redress system will be established at woreda levels as an integral part of the social ESRM instruments. The project is designed to support eligible communities in its target project area without any partiality. Furthermore, the prioritization of interventions to support beneficiary communities should also be broad based without partiality except were agreed to ethical standards give priority to certain disadvantaged groups or households (e.g., women, poorer households, particularly underserved areas within the beneficiary community). The purpose of establishing a functional appeal and complaints redress system is to ensure transparency in decision- making.

12.7.1 The detailed steps of GRM processes are as follows:

367. Receipt of grievances: anyone from the affected communities or believing they are affected by the Project can submit a grievance (written, verbal, text message, telephone, etc. as appropriate for the complainant).

- Registering the complaint: the focal person who received the complaint will use the GRM logbook for registering.
- Referral and examination of complaints: a GRM Committee shall be established at each project implementation site/ Kebele (comprising of members from representatives of implementing agencies, PAPs, elders, a representative from Woreda Women and Children Affairs office, etc.) who will examine the complaint, resolve, or refer to the appropriate body.
- Notifying the complainant: the decision/solution/action by the grievance committee shall be communicated to the complainant as per the stipulated timeline for feedback.
- Closing the complaint: where the decision/solution of the complaint is accepted by the complainant, or complaint that is not related to the project or any of its components, or a Complaint that is being heard by the judiciary will be closed following the appropriate procedure.

12.7.2 Proposed Grievance Redress Mechanism for the LLRP II Project

368. The Grievance Redress committee will be established at Woreda and Kebele levels. The committee will be established by woreda administration at the initial stage of the project implementation. The committee will be constituted of three to five members varying at Kebele and woreda levels. The Woreda Committee will be drawn from the different Offices such as woreda chief administrator or representative, agriculture/pastoral, Woreda E&S focal person, EPA representative, Women and Social Affairs and the Kebele GRM committee members will be drawn kebele administrator, women (1) and youth (1) association representatives, elders or respected citizens (1), kebele development agent (DA), disability (1) and representative of PAPs. The Grievance Redress Mechanism reporting format is given in **Annexure 7.**

12.7.3 The functions of each GRM Committee are as follows:

369. ***Kebele GRM:*** Complaints of PAPs provided on any aspect shall first be lodged either in writing or orally to the committee, which will be resolved by using customary rules and existing

grievance resolution mechanisms. The lower level GRM units must have reporting mechanisms for issues related to non-title holders which are not even recognized by the national laws. The Grievance Resolution Committee will try as much as possible to arrive at a compromise for the complaints raised. This will be obtained through a series of consultations, mediations and negotiations exercises conducted with the PAPs. If the grievance is not resolved, the case will be forwarded to Woreda GRM. The seat of the Kebele GRM committee will be at the Kebele administration.

370.***Both, Woreda and Kebele GRM committee will follow the following procedures:***

- Registration of grievance: an aggrieved party registers a grievance at the Kebele office or with project liaison officer using "Grievance Registration Form" and within seven days the committee meeting is convened by the chair. The secretary of the committee will login the Grievance into the Grievance Register and the aggrieved person is informed of the scheduled hearing. A maximum of 7 days shall be given between the date the case is recorded and the date when the hearing is held.
- The committee will be meeting on a weekly basis to deal with emerging cases. At these meetings, hearings with the affected persons and related witnesses will be held.
- The committee will communicate its judgment to the affected persons within 7 days.
- If the PAPs are dissatisfied with the Kebele GRM committee judgment, the committee chairperson delivers the decision to Woreda (Appeal Hearing Council) within 7 days.
- If the PAP is still not satisfied with the judgment of Woreda GRM committee, he or she will be allowed to move his/her case to the formal court.

371.***Woreda GRM:***

- Receive responses of complaints from Kebele GRM;
- Accept/receive grievances, complaints and discontents from PAPs.
- The GRM committee will look at the scene/spot or investigate any available data to give a fair decision; and
- Give a response within one week.

372.***Grievance Resolution Process:*** The grievance procedure will be simple and administered as far as possible at the local levels to facilitate access, flexibility and ensure transparency. All the grievances will be managed through the Grievance Resolution Committees. Complaints will be received in writing or orally and will be filled in a Grievance Registration Form by the committee.

373.The Steps for grievance redress are as follows:

- **First step**: Registration of the grievances with the Grievance Resolution Committee at Kebele level as discussed above. The committee will seek to eliminate nuisance claims and engage with legitimate claimants endeavoring to reconcile the aggrieved PAP(s) concern or depending upon the issue to negotiate for a resolution. Where the complaint and grievance cannot be resolved by the committee, the complaint is referred to the Woreda GRM Committee.
- **Second step**: The Woreda GR committee receives grievance forwarded by the Kebele GRM committee concerning the aggrieved PAP(s) to negotiate and forward possible resolution. The Woreda GRM Committee having heard the concern, the meeting will respond to the aggrieved PAP(s) within one week of the date of the meeting.
- **Third step**: In instances where the project is unable to resolve the matter, the same will be referred to the Courts for settlement. The aggrieved PAP(s) have the right to pursue the matter up to the Supreme Court if necessary. The Woreda GRM committee will give all the necessary documents and information to the aggrieved PAPs, who are dissatisfied with the committee decision.
- **Fourth step**: Expropriation of land will be used as a last resort when either all the above procedures have failed or caused extensive delays to the project are foreseen with the deposition of the compensation amount in the closed account opened on his/her behalf. Refer the RF for

detail of time allocation for grievance activities, dispute Resolution, grievance mechanism for project Workers, and Special GRM Procedure for GBV.

12.7.4 World Bank Group (WBG) Grievance Redress Service

374. Communities and individuals who believe they are adversely affected by a Bank-supported project may submit complaints to existing project-level grievance redress mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns and impacts. Project affected communities and individuals may submit their complaint to the Bank's Independent Inspection Panel, which determines whether harm occurred, or could occur, because of the Bank's noncompliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the Bank's attention and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's corporate GRS, see http://www.worldbank.org/GRS, and the Bank's Inspection Panel, see www.inspectionpanel.org.

12.7.5 Environmental and Social Risk Management (ESRM) Capacity Building

375. The Project staff and staff of implementing agencies at all levels should implement the ESRM instruments effectively. Therefore, enabling with further training to adequately support to and oversight of the implementation of ESRM instruments. The project's capacity building plan will therefore include training to (i) enhance understanding of social and environmental risk management related activities among all implementing entities; (ii) enhance capacity of the community level public administrative structures and community-based institutions to implement ESRM instruments, and (iii) enhance capacity of project teams at all levels to monitor issues related to triggered ESRM issues. Specific training and mentoring to community facilitation teams as well as Kebele grievance committee will be provided by social development and environment officers based at regional and RCST level. For other stakeholders, the F-PCU will, as needed, engage appropriate Technical Assistance. Given limited capacity within implementing agencies, effective implementation of ESRM instruments will require the support from project coordination units and RCST close monitor and provide technical support to Woredas and other stakeholders that will be involved in the screening of the subprojects and developing mitigation measures where environmental and social impacts are identified for the effective implementation of ESCP, ESMF, RF, SA, SEP, GBV action plan, SRAMP and LMP. Capacity building training for targeted groups, including, Project workers and Project staff, stakeholders, communities will be given on:

- Stakeholder mapping and engagement.
- Specific requirements on the SA/SDP, ESMF, SEP, RF, ESMPs, LMP, IPMP, SMP, and SEA/SH Action Plan.
- Subprojects' E&S screening and specific aspects of E&S assessment as established in the updated ESMF and preparation of ESMPs.
- GBV/SEA/SH, OHS, appropriate mechanical equipment operation and maintenance, etc.
- Occupational and Community Health and Safety including safe working procedures.

Specific training on implementing the IPMP, vector and disease control prevention plan, chance finds procedure etc.

13. Annual Work Planning and Budget Preparation

376.The Annual Work Plan and Budget (AWP&B) will be developed in a participatory manner following specific nature and procedures of each component and subcomponents. The timeline is synchronized with the Ethiopian budget year (EFY: 8 July to 7July). Around 15 December each year, the FPCU sends letter requesting each RPCU and concerned federal implementing agencies to prepare their AWP&B for the project.

377.The draft AWPB is submitted to WB and IFAD for review. Once revised, the final AWBP is approved by the Federal Steering Committee (FSC) through MILLs no later than 15 April of each EFY. The project's approved AWP&B will be prepared and submitted to the Bank by the end of May of each year and the budget will be notified before the start of the new FY.

13.1 Project Life Planning

378.The scope of LLRP II, improving livelihood and climate resilience rests on four complementary components with different technical and thematic issues under each. Planning is relatively complex due to the multisectoral interventions planned and coordinated with institutional partnerships at different levels and thus requires synergies requires. This makes planning complex and something which will be very time-consuming, and therefore, setting the project life target should not be repeated too often.

379.The project will adopt project life planning principles. At project start-up full project plans, per component will be drawn up identifying the main sets of activities, dependencies (in terms of which activities under other sub-components may need to be done first), and main deliverables vis-à-vis the target. Each implementing agency will be responsible for each activity plan, but it will be critical to holistically review and align the plans across sub-components.

380.It will be possible to update AWPBs during project implementation, if major progress is achieved – for example when the Regional Disaster Preparedness and Resilience-building Strategic Investment Plans (DPRSIPs) is completed, approval and identification of the prioritized investments are to be done immediately, to initiate the next steps, not simply wait for the next planning cycle.

381.The annual work plans will be identified as sub-sets of the project life plans ("rolling" planning) and matching budgets identified.

13.2 The project sub-components

13.2.1 Sub-component 1.1 Strengthening Lowlands Early Warning and Response System and Climate Information Services

382.Woreda Disaster Risk Profile (WDRPs) will be prepared using participatory processes involving community representatives and key stakeholders at regional, woreda level and planning process led by the Ethiopian Disaster Risk Management Commission (EDRMC). The Climate Information Services planning will be coordinated by the Ethiopian Meteorology Institute (EMI); (a) procuring automated weather stations; (b) developing the use of various communication channels such as short message service (SMS), community networks, local media, and public address systems; (c) investing in data storage and management capacities and other IT infrastructure; and (d) the implementation of the National Framework for Climate Services (NFCS) in the lowland. The FPCU through MILLs entered signed MOUs with both Implementing Agencies (EDRMC and EMI),

13.2.2 Sub-component 1.2 Implementing Disaster Preparedness and Resilience Investments

383. Regional-level DPRSIPs will be prepared for each of the eight project regions in consultation with selected woredas and communities. Each DPRSIP will lay out a 5–10- year regional investment plan addressing key socioeconomic and climate-related challenges; The plans' preparation will be facilitated by MILLs (LLRP II's Project Coordination Units [PCUs]), and technical support will have obtained from experienced international organization (IIRR). Once finalized, the plans will become public documents (made available on the EDRMC's online platform and Investment activities will be selected for inclusion in DPRSIPs based on their expected impacts, sustainability, and feasibility). The scope of the regional DPRSIPs will be broader and beyond the budget envelope of LLRP II. Thus, LLRP II facilitate overall PEI investment plan for the project, aggregating the PEI investments. The full implementation of DPRSIPs is likely to require a large funding envelope that exceeds LLRP II's budget. Thus, the project will screen and select a subset of DPRSIP activities to finance climate-smart public economic infrastructure (PEI) that is, physical infrastructure that can help mitigate the impacts of climate-related (and other) hazards on PAP systems and communities. The PEIs will be managed at federal and regional levels, including procurement and contract administration by the R-PCU and technical support by the TWG. On the ground, woredas and kebeles will support all aspects of implementation, including mobilizing the communities into management and oversight committees.

13.2.3 Sub-component 2.1 Rangeland Health Monitoring and Institutional Capacity Building

384. The establishment and operationalization of a national RMS that monitors the overall health of national rangeland and related trends in collaboration with the MoA. Updating of the 28 existing RMIPs prepared under LLRP I and the formulation of new RMPs through participatory rangeland management principles to identify additional climate-smart mitigation and nature-based solutions. Strengthen the capacity of rangeland management institutions, including existing and newly established rangeland management committees and customary institutions in collaboration with the MoA, Agricultural Transformation Institute (ATI).

13.2.4 Sub-component 2.2: Participatory Rangeland and Pasture Management (PRPM)

385. The annual rangeland management plans will be guided by RMPs and The implementation of rangeland and pasture development activities, and the production and marketing of forage will be incorporated into KDC/woreda development plans and project AWPBs and execute the interventions. Sub-component 2.3: Resource-Related Conflict Management and Mitigation. This subcomponent will equip PAP stakeholders with tools and capacities to address root causes of resource-related community-level conflict in PAP areas will be planned at the regional level. Initiate studies and facilitate policy dialogue between different stakeholders at federal level with an objective of ensuring secure access to key resources by pastoralists; and providing capacity building support including local and cross-border visits for relevant staff of relevant stakeholders and implementing agencies to share experiences with traditional and modern conflict management approaches. Input from all implementing partners, reporting back on issues arising and some activities are also expected to be handled at federal level that includes,

13.2.5 Sub-component 3.1 Crop and Livestock Productivity and Climate Resilience

386. Will promote the development and adoption gender-sensitive and climate-smart technologies and practices that increase the productivity and output of crop and livestock production systems while simultaneously reducing their carbon intensity. Bundles of adapted, proven, and scalable innovations, technologies, and practices will be identified for different project locations, forming so-called 'smart packs'. These will be put together in collaboration with the Ethiopian Institute of Agricultural Research (EIAR). Strengthening of existing PAP training centers, including the rehabilitation, equipping, furnishing of training centers; supply of

materials; development and delivery of training modules; and production of printed communication materials on best practices, innovations, and technologies. The subcomponent will strengthen Animal health service and One Health to expand community-based animal health service delivery capacity by upskilling community animal health workers (CAHWs) to become community agro-vet entrepreneurs (CAVEs); training new CAVEs, with a focus on women; and providing CAVEs and CAHWs with 'Kickstarter' veterinary drugs and equipment. There will be a strong technical support and follow up from the RPCU, RCST and TWGs, both at the time of planning and implementation; Specific activities will be planned and implemented by IA's, in particular MoA, as well as regional universities or research institutions. It will be critical to link the work plans developed by each IA to ensure alignment

13.2.6 Sub-components 3.2: -Commercialization and Livelihood Diversification

387. Will foster the commercialization of PAP production systems and the diversification of PAP household incomes by supporting the development of crop and livestock value chains and reducing exposure to and dependency on drought vulnerable livelihoods. Will be planned and implemented in collaboration with Ethiopian Cooperatives Commission (ECC) to support the activities of PASACCOs & their unions, Ministry of Labor and Skills (MLSs) regarding the establishment, technical support, and monitoring of MSEs and MoA; in the implementation of the Ethiopian Livestock Identification and Traceability System (ET-LITS)

13.2.7 Sub-components 4.1 Project Management and Monitoring, Evaluation, and Learning

388. The sub component facilitating institutional coordination and partnerships among ministries, international organizations; strengthening the capacity of PCUs at the federal, regional, and woreda levels; project planning, including by generating annual work plans; developing and overseeing project implementation procedures and processes including fiduciary oversight and the management of environmental and social risks and will facilitate the activities of Project Management and detailed project rules and procedures as outlined in the PIM. It will be planned by the FPCU, RPCU, RCST & Woredas. Sub-components 4.2 Knowledge Management and Policy Support. This subcomponent will support knowledge management and policy-related aspects of the project, leveraging project data and learnings. It will be planned by the FPCU with inputs from federal level implementing agencies and regional institutions for specific activities. Respective office at the woreda & Kebele development committee will participate to the plan related to the establishment Performance of Pastoral and Agro pastoral Center for Knowledge (PACK).

13.3 Annual Work Plan and Budget Development

389. Based on the project life plans, the AWPB is consolidated at the F-PCU and approved by the FSC. The timeline is synchronized with the Ethiopian Financial Year (EFY: 8 July – 7 July). Around 15 December each year, the FPCU sends letter to each partner involved, requesting them to initiate the AWPB process. The process starts) in January and is finally approved by the FCS in mid-April of each EFY for submission to MoF.

390. The detailed plan expresses in quantitative terms how the project and implementing agencies will acquire and use resources during the project lifetime. It indicated what will be done next year and the results expected. In line with the financing agreement, the draft AWPB is submitted to WB and IFAD for review no later than 30 April of each year. It must include a detailed description of the planned activities and updated procurement plan.

391. Once revised, the final AWBP is approved by the FSC no later than 15 April of each EFY. The project's approved AWP&B will be submitted to the Bank by the end of May of each year and the budget will be notified before the start of the new FY.

13.3.1 Planning Principles

392.The AWPB will be prepared based on the following principles:

- Planned activities, and any activities carried over from the last fiscal year;
- FPCU and RPCU will incorporate activity proposals from concerned federal ministries and regional Bureaus/Agencies as per signed MoU and based on an evaluation of the previous years' activities, performance, disbursement and results;
- AWPBs will be prepared by each IA, at each level, consolidated into one at higher levels;
- The AWPB will be prepared using standard forms and budgeting norms;
- Once the AWPB is approved, the plan is communicated to the respective federal, regional, rangeland units and woreda levels, as well as implementing agencies. All federal ministries, regional bureaus and woreda sector offices will incorporate the LLRP activities into their annual, quarterly, monthly and weekly operational work plans.
- If it is considered necessary during the year, due to unforeseen circumstances, increased pricing or identification of new activities, the RPCU must formally request any changes to the FPCU. The FPCU consolidates and prepared a revised AWPB may be amended following the following procedure:
- The federal Senior Finance Officer will consult the Project Coordinator to alert of the needs to revise the budgets, based on a thorough analysis of the trends and with input from technical colleagues;
- A formal request is developed, providing details of the activities for which revisions are requested, the reasoning, the original budget (with direct reference to the AWPB) and the proposed revised amounts and activities. The MEAL senior officer consolidates the report in consultation with technical colleagues;
- Ratification of the revised budget must be obtained by the FSC and from WB in the form of no objections;
- Upon approval, or following a clarification process, the technical user departments, RPCUs and implementing agencies will be informed of the outcomes and approvals provided.

13.4 AWP&B from Effectiveness to the First EFY

393.The project is approved by WB Board on March 22, 2024 and is expected to be approved by IFAD Board on April 2025. In the meantime, the Council of Ministers and GoE Parliament will approve the project. The following activities are expected to be undertaken soon after signing of the contract agreement:

- Finalization of the PIM and its supplementary manuals, including (i) the Procurement and Contract Management Manual; (ii) the Monitoring and Evaluation Manual; (iii) the Financial Management Manual; (iv) the administration manual and (v) various detailed sub-project and activity manuals;
- Initiate establishment of oversight structures (steering committees etc.) and Technical Teams at various levels;
- Development of 18 months' procurement plan and get clearance from the WB. Based on the approved procurement plan, initiate procurement of vehicles, motorcycles and office furniture;
- Establish funds flows mechanisms (including opening of bank accounts etc.)
- Establishment and operationalization of FPCU and RPCUs (including securing appropriate office space, hosting arrangements etc.);
- Recruit consulting firm to undertake baseline study, and rangeland planning for new woredas (undertaking sample RMIPs) & Woreda Risk profile for implementing woredas;

As soon as possible, immediately after effectiveness of the project, the FPCU is expected to have developed the first draft AWPB for the 1st year of the project. This activity must take priority, although it may not be as participatory as envisaged for the subsequent years.

13.5 AWPB for the First EFY

394.Activities to be included in the first AWP inter alia include:

- Finalize staff recruitments;

- Induction workshops for staff;
- Project federal and regional launch workshops;
- Project awareness campaigns in regions and woredas;
- Preparation and finalization of partnership and collaboration agreements (MoU etc.)
- Finalization of key procurements (equipment, vehicles, motorcycles and office furniture) at all levels;
- Initiate Capacity Building needs assessment;
- Updating / development of project guidelines;
- Establish and operationalize project institutions, including FPCU, R-PCU, RCST, woreda project teams,
- Develop staff training needs plan;
- Identification of activities and strategic sub projects to be included in the next fiscal year AWPB;
- RMP preparation for new woredas & update the existing ones RMPI
- Prepare/update woredas Disaster Risk Profiles for 120 PAP woredas
- PA prepare regional DPRSIPs for 8 regions
- Preparation of the next fiscal year AWPB
- Start implementing strategic subproject projects for which feasibility study and detail designs have been finalized

13.6 Planning Steps

13.6.1 Step 1: Planning at Kebele level

395.The project facilitates a 3-step consultative planning process, parts of which feed directly into the APWB for financing RM/PI) implemented with the sub-project community level approach. The RCST and the WTC support KDCs in identifying activities along with AWP&B. For some activities WDRPs and DPRSIPs will be prepare using participatory processes involving community representatives.

13.6.2 Step 2: AWPB Preparation at Woreda level

396.The Woreda administration, supported by the Woreda project Coordinator and RSCT, will consolidate kebele AWPBs, and, together with the WTC, determine and plan for the support required from the woreda level. The Woreda project coordinator will also request woreda level implementing partners to plan for their respective activities. The Woreda project coordinator will consolidate plans from all kebeles and woreda level implementing partners and incorporate woreda level coordination and support activities and submit a proposed woreda AWPB to the Woreda Cabinet, through the WoPD channels. The Woreda Cabinet reviews and endorses. Technical support from the WTC and woreda level interventions, and associated activities. The woreda also determines operational costs for the kebele level. Performance will be evaluated based on the approved plans. After the Woreda Cabinet has endorsed the AWPB, it is submitted to the RPCU by the end of February.

13.6.3 Step 3: Planning at Rangeland Cluster Support Team Unit level

397.Project activities are planned for at the Rangeland Unit level, including the process of development based on the component specific subprojects, identifying the investments and communicating this to the woreda and kebele levels (top-down, with their participation in the process). The RCST, the RPCU and the TWG will support the Rangeland cluster planning and take on the additional role of managing funds on behalf of the RMC. Flow of funds are expected to be limited for operational costs of the RCST. The planning exercise is, however, critical. Once he AWPB is approved, RSCTs will be informed by the RPCUs.

13.6.4 Step 4: AWPB Preparation at Regional level

398.The RPCU aggregates and consolidates the budget proposals submitted from each woreda and incorporates plans for regional implementing agencies and the RPCU office. It should be noted that the actual budget received by the regions will be made based on refunds of actual

expenditures incurred. In the event of under-utilization in a year, the funds are carried over to the next budget year at both woreda and regional levels. However, fund carried over will be applicable only for investment parts and not for operational expenses.

Each regional AWPB will include:

- Details of activities by component and sub-component with quarterly action plans;
- A statement of budget utilization by component and sub-component from the previous year;
- A summarized disbursement schedule by quarter and source of funds;
- A procurement plan indicating the type, method, prior/post review requirements and schedule of tasks;
- A consolidated proposed annual budget by project component, sub-component and activities for the RPCUs, regional implementing agencies, RCST and to finance the woreda AWPBs.

The RPCU submits the proposed AWPB for review and endorsement by the RSC after which each of the R-PCUs submit their regional AWPBs to the FPCU before the end of March. The RSC's review will include an analysis in terms of:

- The context of pastoral and agro-pastoral livelihoods;
- Technical design and specifications of DPRSIPs strategic subprojects:
- Readiness to operationalize subprojects;
- Beneficiary numbers and degree of women and youth participation;
- Community participation and contribution, as appropriate;
- Implementation capacity of the community for community level activities;
- Consideration of environmental and social ESRM.

13.6.5 Step 5: AWP&B Preparation at Federal level

- The preparation and consolidation of AWPBs at federal level should be completed in April according to the Governments' budget calendar to start implementation at the start of the Ethiopian Fiscal Year on 8 July.
- The FPCU will review AWPBs from each RPCU and from federal level implementers for consistency, realism and completeness. The consolidated AWPB should properly estimate funding requirements for all approved activities all the activities of the project; RuSACCOs seed capital grants; MSE grant for business investments etc.) and should adequately plan for capacity building, technical support, project management, learning information sharing, communication events and participatory monitoring.
- The FPCU will also request federal implementing agencies, to develop AWPBs for the activities to be implemented, and review their technical soundness, appropriateness and alignment and sequencing with other project activities.
- The FPCU will consolidate the eight regional AWPBs and add federal level activities and budgets to develop one consolidated AWP&B for the project. It will also undertake an overall sector distribution and portfolio analysis and incorporate this in the final AWP&B.
- The FPCU will submit the consolidated AWP&B with a summary of the overall analysis to MILLS, WB and IFAD for review before approval by mid-April. This will include any amendments made on the RPCU budget proposals, clearly indicated and justified.
- The FPCU through MILLs will submit the approved LLRP AWPB & by FSC to MoF and subsequent proclamation by parliament together with the MILLs regular annual budget. The final approved AWP&B will be officially communicated to all stakeholders by the FPCU.

14. Gender and Nutrition Aspects

14.1 Gender Strategy

399.The project will directly benefit 3.0 million PAP people (about 600,000 households), including the 2.5 million people benefiting under LLRP I. Women and youth will account for 50 and 30 percent of LLRP II beneficiaries, respectively. The project will indirectly benefit up to 2.0 million PAP people living in the lowlands of Ethiopia through improvements in the early warning and response system, CIS and certain PEI investments.

400.To close the gender gap and strengthen women's participation as economic actors in the productive sectors as well as enhance their social status and recognition as agents of change within their communities, the project will: (i) promote women's participation in key committees, community-based organizations, local government institutions and strategic planning processes (i.e. Public economic infrastructures, land use and land use planning.) (ii) Support them to participate in the value chain development on an equal foot as men (iii) assist them to move out of low input-low output activities and develop proper skills and entrepreneurial capacities; (iv) support women to gain equal access to extension support and financial services.

401.In order to do so, the project will develop an actionable and monitorable gender strategy to guide the implementation of the project in detail. Building on the gender results chain included in paragraph 14.1, the strategy will outline the entry points for gender-related work in each of the project sub-components, indicating the approaches and tools that will be adopted (e.g. Gender Model Family, gender-responsive AFS, etc.), the required human and financial resources, the roles and responsibilities, as well, and the expected targets and deliverables. The Gender Strategy will be reported on annually, as an integral part of the AWPB.

14.2 Objectives of GEWE

402.The project intends to achieve the below described objectives related to Gender Equality and Women's Empowerment (GEWE).

403.***Strengthen women's decision-making role in the household and community and their representation in membership and leadership in grassroots institutions and organizations:*** The use of capacity building will ensure that women are fully part of decision-making in the household and regarding VCs economic related activities, including strategic planning processes involving the whole community. At community level, local committees are expected to have at least 50 percent women and 30 percent youth active participation and representation. The approach is considered particularly relevant for women (as well as for youth and other social categories otherwise under or not represented) as they will be able to have a space within a newly created form of organization (different from the traditional customary institutions), thus increasing the opportunities for them to proactively participate, share their views and overcome limitations that they face in traditional institutions whereby their presence is low.

404.Leadership trainings will be organized, as they will be important for women representatives to actively participate in the community-based organizations that will be formed under the project (i.e., Rangeland Management Committees (RMC), Inter communal peace committee or water management committees) but also in local government institutions at kebele and woreda levels, such as KDC and Woreda Cabinets. This should ensure that women's views and interests are captured in development planning process (including for strategic investments as well as for Woreda Disaster Risk Plan) and key decisions taken at that level (e.g. formulation of the RMIPs). A system of leadership based on rotation/alternate leader will also be proposed among women's groups.

405.***Achieve a reduced workload and an equitable workload balance between women and men, girls and boys:*** Time and labor-saving technologies will be promoted by the project.The project promotes modern gender sensitive & climate smart technologies including fuel-efficient and safe cooking stoves and alternative energy source such as improved eco-design wood stoves within less fuel wood usage, biogas stoves and solar cooker.
Another main contributor for an equitable workload balance will be the active participation of women in the planning process for Public and Economic Investment (PEI) under component 1. Public Economic Investments, as demonstrated by LLRP interventions, are likely to benefit women and those individuals engaged in a more sedentarized livelihood system. Success stories have shown that availability of water through sub-project provision has had positive impact to reduce women's burden (fetching water) saving time and helping them to engage in other activities.

406.***Enhance women access to information, skills and entrepreneurial opportunities:*** Women extensionists, Community Agro-vet Entrepreneurs (CAVEs) and community facilitators are expected to be trained and mobilized to ensure better outreach of women pastoralists and agro-pastoralist. Socio-cultural aspects limit women interaction with men extension workers/veterinary and CAVE, therefore presence of more women in the sector would increase a more balanced and equitable outreach.

407.Women pastoralists and agro-pastoralists are expected to be mobilized and organized in groups to receive specific trainings based on their interests and activities along existing or new opportunities resulting from the cluster development. Trainings will focus on (but not limited to) results-oriented training on leadership and group dynamics, business development skills, value chains, innovations, technologies, and improved practices, along with technical assistance, accessing finance, including to identify and pursue new income- and resilience-enhancing skills and business .

408.The training will work on women's capacity to engage in business activities (low and medium level income, depending on their capacity). This activity will support women participation in groups, enabling them to engage in profitable income generating activities and benefit from them. Training will target women who are already member of existing groups, or those who have the potential to be active members of one of those, as well as individual entrepreneurs with low to medium income and interested to grow the business.

409.Women producers/processors will be assisted in accessing financial services to purchase relevant assets and inputs for their economic activities. They will be supported in becoming members of saving and credit groups, Micro and Small Enterprises (MSEs) as well as submitting applications to rural financial institutions (Commercial Banks, MFIs) to apply for higher financial support and provide small loans and other financial services to their members to engage in income generating business activities.

410.Information, Education and Communication (IEC) campaigns will be rolled out and use of modern Information and communications Technology (ICT) like mobile phones and short message Service (SMS) hot lines considered. Furthermore, ICT should be taken advantage of to create a new, or link up with an existing, market information system on pastoral and agro-pastoral products, focusing on women and they lack access to information and to ICT more than their male counterparts do.

411.The project will pay careful attention to ensure trainings respond to women's needs. To ensure their inclusion (50% participants) high consideration will be given to appropriate time, location and gender sensitivity of service providers (i.e. extension/veterinary services/project staff as well as recruited service providers). The trainings for women will include topics of relevance for them, as for example: (i) weaving; (ii) livestock fattening; (iii) exporting of live

animals (iv) beekeeping, (v) poultry, (vi) hide & skin processing, (vii) milk processing's (viii) gum & resin production, (IX), Aqua culture (x) horticulture and community tourism. Exposure visits will also be organized.

14.3 Gender Results Chain

412. The gender result chain is summarized in Table 14.1

Table 14.1: Gender Result Chain

Issues	Actions contributing to closing the gender gap and indicators
Issues: women have low access to and control of key productive assets, including natural resources, as well as low representation in decision-making processes at community level. Component 1, 2 and 3: will close the gender gap by promoting self-awareness and leadership trainings among women so to increase self-confidence in community representation at community level and decision making at household level.	**Actions:** • Promote women participation in formal and informal decision-making structures related to natural resource management (NRM) **Indicators:** • Increased percentage of women accessing natural resources for pastoral/agro-pastoral activities (i.e. pastureland/ agriculture land/water). • Number of women leaders and Number of women members of groups/association at community/kebele level has increased (%) to achieve the target of minimum 50% women. Source: baseline and quality questionnaire
Sub-Component 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services, Subcomponent **1.2:** Implementing Disaster Preparedness and Resilience Investments, **Subcomponent 2.1**: Rangeland Health Monitoring and Institutional Capacity Building**, Subcomponent 3.2**: Commercialization and Livelihood Diversification	
Women's leaders and women's participation in decision-making processes at all levels (community and household level).	**Action:** strengthen women individuals with relevant trainings on self-confidence/leadership especially for women's leaders/spokesperson. **Indicator:** number of women's leaders formed and pro-actively participating in decision making of project intervention planning/development (RMCs, RMIPs, WDRP) **Action:** organize events to create awareness at community level by engaging with traditional leaders and other key traditional organizations (usually male dominated) to create awareness on the role and importance of women. **Indicator:** number of gender awareness events organized and Number of traditional leaders and men participating. **Action:** Trainings for community facilitators (women) on specific gender methodology to address sensitive issue and promote behavioral change at all levels. **Indicator:** Number of trainings delivered and number of trainees. **Action:** community facilitators engaged in community conversations at community and household level to touch on specific issues, i.e. cultural barriers that limit women full access to inputs; assets as well as control over income at household. **Indicator:** Number of events organized at community level and community members (men, women and youth) participated.
Women participate in development of action plans for strategic investments as well as for management of rangelands/natural resources	**Action:** Women participate in community-based organizations and councils to actively contribute to development of action plans. **Indicator:** Number of women (not less than 30%) participating in decision making on the different plans (i.e. strategic investments as well as rangeland management). **Implementation:** RPCU Social Risk Management officer and community
Issue: low level of gender sensitiveness and responsiveness of the service delivery system limit women's' access to knowledge information and inputs for improving/increasing pastoral and agro-pastoral production and productivity. **Component 3:** will consider women constrains to access services by providing extension staff with more women veterinary, para-veterinary and women CAVEs as well as creating the capacity of the service provider to be gender responsive,	**Action:** •Training of women on veterinary and women CAVE as well as creation of service providers **Indicators:** •Number of women veterinary, para-vet, CAVE, community facilitators and women PFS facilitators has increased. •Number of pastoral and agro-pastoral women that have received advisory services through extensions as well as through PFSs has increased. •Technology adoption, especially time saving technologies, has increased among women.

specifically community facilitators for Pastoral Field Schools. **Issue:** women involved in MSEs lack proper skills, capacity, including financial literacy, entrepreneurial capacity and access to finance. Component 3 will provide trainings for women to develop their skills as well as accessing financials services (saving and credit through PASACCOs as well as through other sources, (e.g. MFI, Commercial Banks)	•Number of times saving technologies that work for women has been developed. Source: baseline **Action** •Increase access to finance from other sources and conduct training on financial literacy and entrepreneurial skills. **Indicators:** •Number of women participating in the trainings (skills development/business development/finance literacy) •Number of women members of PASACCOs/MSEs •Number of women entrepreneurs preparing a business plan and getting a loan from a financial institution (different from PASACCOs) increased by (%) •Number of women micro-entrepreneurs consolidating and expanding their businesses increased by (%) •Number of women (%) total target beneficiaries) engaged in alternative IGA graduated from low income to medium income level. Source: baseline
Extension/advisory service system is capacitated to respond to women's needs.	**Action:** Incentive promotion to increase the number of female extension workers as well as CAVEs and other community facilitators, including for Pastoral Field Schools (PFFs). **Indicator:** number of specific incentive and enabling measures to make extension work attractive for women have been designed and are operational. **Action:** Production/adaptation of training and communication materials to ensure that extension trainings/information and knowledge are of interest for women based on livelihood options, pastoral, agro-pastoral or alternative IGA and the gender division of roles. **Indicator:** Number of training materials developed; number of onsite demonstrations for nutrition sensitive agriculture of P/APFS and number of participants (men and women). **Implementation:** RCST, community facilitators and technical assistance provided through FAO for P/APFS
Women access information, suitable technologies as well as skills/capacities, including for business development and for accessing financial services.	**Action:** identification of technologies that work for women **Indicator:** number of technologies identified **Action:** organize events for demonstration of technologies **Indicator:** number of demonstrations with women participating and taking up technologies. **Action:** women participate in Pastoral Field Schools (P/APFS) to improve knowledge on specific topics of interest for their livelihoods (pastoral and agro-pastoral). **Indicator:** Number of women participating in PFSs, and dedicated training modules delivered. **Action:** women engaged in alternative livelihoods participate in trainings to improve their skills/capacity (including finance literacy/basic business skills) and exposure visits **Indicator:** Number of women participating in trainings and dedicated training modules delivered/ number of exposure visits organized and number of women participating **Implementation:** RCST, community facilitators and technical assistance provided through FAO for PFSs.
Issues: Food insecurity, acute malnutrition and Famine (in some areas) have reached unprecedented levels, leading to negative coping mechanisms. Component 3 will support Improve gender sensitive nutrition agriculture (homestead gardens) and nutrition education with focus on lactating mothers and children below five.	**Action:** • Increase income spent on nutritious food. **Indicators:** •Improved dietary diversity and consumption of nutritious food •Reduction of women underweight •Increase in income dedicated and spent on nutritious food Source: baseline
Nutrition-Sensitive Agriculture activities are integrated within the farming systems (mainly for agro-pastoralists) so to increase production of nutrient-dense crops production and promotion of	**Action:** nutrition awareness and events on food utilization, nutritious recipes, safe food storage and preservation, nutrition needs of infants and women. **Indicator:** number of events organized with women participating.

proper consumption pattern with emphasis to pregnant and lactating women and children under five to reduce malnutrition and stunting growth.	**Action:** Establish homestead nutrition gardens to cultivate nutritive-dense vegetables rich in micronutrients for home consumption benefiting particularly lactating women. **Indicator:** Number of back yard garden established. **Implementation:** RCST, community facilitators and technical assistance provided through FAO for PFSs and MoA for NSA MV.

14.4 Target groups

413. Overview of target groups and beneficiaries by category and project components are summarized in Table 14.2.

Table 14.2: Target Groups and Beneficiaries

Beneficiary Target group	Classification	Description
Total direct beneficiaries **3.0 million people**	**Disaggregation by livelihood system type:** Pastoralists and those transitioning away, as well as socio-economic classifications: better-off, subsistence, including small to medium production and those transitioning away, corresponding to the poorer households.	**Disaggregation by sex and age:** (including productive and reproductive age: young, adult, elderly, and children).
	The number of beneficiaries is 3.0 million peoples, corresponding to 600,000 Households (average 5 individuals each, men, women, youth, children and elders). **1,200,000** will be men and women (adults). 600,000 men and 600,000 women. A percentage of those men and women correspond to productive categories such as: better off; subsistence, those transitioning away. It is estimated that 30% of them will be transitioning, 20% better off and 50% subsistence-small to medium scale production. A group of 1,800,000 consists of youth, children and the elders. Youth (**15- 29 age**) will constitute one third (30%) of this category (target direct interventions) corresponding to:**600,000** Youth individuals (300,000 young men and 300,000 young women). 1,200,000 children and elders benefit mostly from livelihood diversification(C3) and improved nutrition at household level, along with the rest of the households	Adult men and women (productive and reproductive age and above 30) pastoralist/agro-pastoralist (engaged in traditional livelihood system) and those transitioning away alternative livelihoods) Men 600,000 Women 600,000 Young men and women from pastoralist and agro-pastoralists community (age is between **15-29**) with an interest in production/post-production added value as well as entrepreneurial opportunities Young Men 300,000 Young women 300,000
	20% better-off HHs with upside potential for commercialization 120,000 house holds 50% subsistence HHs and those producing small to medium 300,000 households, 30% transitioning (temporarily/ permanently) HHs 180,000 Households	Individuals not in productive or reproductive age, i.e. such as elders/children, part of the communities Not disaggregated 1,200,000
Component 1	Households from PAP areas benefit from information and advice about impending climate change-exacerbated hazards. Small scale irrigation/water development scheme particularly benefit women and youth through group schemes for crop or fodder production or through the allocation of family plots for household food, or for local market production. At large, the component will benefit the whole community through strategic investments.	Both men and women in the pastoral/agro-pastoral production system will benefit from those activities. Youth, especially young men: those following/ interested to follow a traditional livelihood system, including herds' mobility. They will participate in Consultation and decision making with representation of 30%. They

		will directly benefit from strategic Investments.
Component 2	Most of the beneficiaries and those considered as more "direct" beneficiaries will be pastoralist and agro-pastoral engaged in a traditional livelihood system, interested in natural resource management. Some other groups will partially benefit, especially those who are temporarily moved away from pastoralism and interested to go back to a traditional livelihood system.	Both men and women in the pastoral/agro-pastoral Production system will benefit from those activities. Representation in the committees will consider 30% Women.
Component 3	Most of beneficiaries will be those transitioning out of agriculture as well as some from subsistence level category, especially women interested to diversify activities and so minimize risks for the households (as a resilience coping strategy) through access to finance and membership of PASACCOs. Furthermore, other key activities and direct-targeted interventions for women and youth are formation of Micro and Small Enterprises (MSEs) as well as incubators for development of skills and entrepreneurial capacities.	20% men transitioning mobilized and member of PASACCOs. 30% women transitioning mobilized and members of PASACCOs Youth, especially young women are likely to be interested in participating in the PASACCOs.
PASACCOs Members. Targets: 55,000		Men: 18,250 Women: 27,500 Young women: 9,250
Target: 49,200 MSE participants		Women: 17,220 Young men: 15,990 Young women: 15,990
MSE Target: 3,280 (average 15 each) of which 1,148 MSEs women-led and 2,132 MSEs youth led		women-led: 1,148 youth-led : 2,132 (women or men)
Target 3.0 million		Men: 600,000 Women: 600,000 Young men: 300,000 Young Women: 300,000 Not-disaggregated:1,200,000

14.5 Gender Transformation Approach (GTA)

414.Gender Transformative Approaches (GTA) is a methodology that, instead of burdening women with the responsibility for equality, engage men and women together as agents of change. Where "business-as-usual", accommodative gender approaches try to work around barriers, and are often focused solely on women, gender transformative approaches have broken new ground by transforming structural barriers and constraining gender norms, meaning the unwritten rules about who can do what kind of work, control what types of assets and make what level of decisions.

14.5.1 Core Characteristics of Gender Transformation Approach (GTA)

415.GTAs differ in their origin and context, it is possible to identify six core characteristics that make them gender transformative. These are that they:

- address the underlying social norms, attitudes and behaviors that perpetuate gender inequalities, which are rooted in discriminatory social, economic and formal and informal institutions, policies and laws;
- use participatory approaches to facilitate dialogue, trust, ownership, visioning and behaviour change at various levels (individual/household, group/community, institution/organization and policies/laws), based on social and experiential learning;

- require critical reflection on deep-rooted social and gender norms and attitudes in order to challenge power dynamics and bring about a paradigm shift at all levels;
- explicitly engage with men and boys to address the concepts of masculinity and gender;
- engage with influential norm holders, such as traditional and religious leaders, lead farmers, agricultural and health extension workers, school principals, elected representatives, local authorities and members of legal structures; and
- are flexible and may be adapted to different contexts.

416. GTAs typically address the following areas of gender inequality:
- unequal workloads between women and men, especially regarding unpaid care and domestic work;
- women's lack of voice in household decision-making;
- women's unequal access to, and ownership of, resources;
- Gender-Based Violence (GBV) and other aspects of well-being; and
- women's unequal participation in organizations, both as members and leaders.

417. Depending on local conditions, GTAs also address harmful practices (such as female genital mutilation or child marriage) and sexual and reproductive health. GTAs are usually embedded in broader development activities, such as women's economic empowerment, livelihood improvements, savings and microfinance, climate-change resilience, nutrition and hygiene, value chains, and engaging with youth, farmer organizations and governance.

418. Although there are different kinds of GTA experiences, LLRP will promote:
(i) Gender Model Family (GMF) and
(ii) Community Conversation (CC).

14.5.2 Gender Model Family (GMF)

419. GMF is a gender transformative approach that enables married men and women (couples, partners) to address unequal power relations and decision making about household resources. GMFs use their positive experiences – especially the benefits gained by women, men, boys and girls of the household – to champion and advocate for gender equality in their communities.

420. ***Target group:*** GMF target groups include men and women who belong to:
- Pastoral and agro-pastoral families,
- rural commercial women's associations,
- saving and Credit Cooperatives,
- Micro and Small Enterprises (MSEs)
- Members of NSA-MV(Nutrition model villages)
- Members of women groups

421. Each GMF group will have 20 households. This activity will be implemented under subcomponent 3.1. It will be implemented by woreda agriculture office/pastoral office, mainly by DAs for which dedicated budget will be allocated from the project fund.

422. ***Key entry points for applying the methodology:*** The entry point are different groups (cooperatives, associations, networks) formed for development activities. Group meetings are used to introduce, mobilize and recruit GMFs. Effective contexts include a variety of development programs and projects involving food and nutrition security; water, sanitation and hygiene; women and small-scale enterprise development; small ruminant rearing; and local resource mobilization.

423.A GMF is made up of a husband, wife and their children who want to be a model for change and transformation in society by challenging traditional notions of gender roles and responsibilities.

424.A GMF believes that:

- Their lives will be transformed by their efforts to share labour, resources and decision making, and promote gender equity.
- Each member of the family has equal rights and thus is entitled to opportunities to become empowered. Empowerment means that men and women together can take control and improve their lives, and that neither the man nor the women expert power over the other. They make decisions together and share resources and their benefits.
- Anyone in the family can help with cooking and cleaning, running a business or making financial decisions.
- Everyone in the family should have access to and control over resources, including education, which will help them to improve how they make decisions and direct their lives.

425.***Selection criteria*** for a GMF include***:***

- married;
- stable residents in the community;
- husband and wife are both committed to be trained with other families;
- husband or wife, or both, should be a participant in a development project;
- committed and ready to learn and change;
- willing to share their experiences within and outside their communities; and
- willing to mobilize other families to become GMFs (at least three new families after their first year acting as GMF).

14.6 Nutrition

426.Ethiopia has relatively high undernourishment levels. Among Ethiopian children under 5 years old living in rural areas, 40 percent are stunted (chronically malnourished), 9 percent are wasted (acutely malnourished), and 27 percent are underweight. With impacts starting already at conception as the nutrition status of the mother affects the foetus, the consequences of malnourishment for the child can be devastating and permanently impede their cognitive and physical development, preventing them from reaching their full intellectual potential.

In Pastoral and Agro-pastoral areas of Ethiopia, household food insecurity, hunger and under nutrition remain critical issues. The poor nutritional status of women and children has been a consistent problem: lack of dietary diversity and micronutrient-dense food consumption, as well as poor child feeding practices contribute to the high rates of child under nutrition.

Even though pastoral and agro pastoral areas have large livestock's population, their production system remains very poor. Improving livestock's production and productivity will therefore play an important role in combatting malnutrition in those areas. Intake of animal sourced products (e.g. milk, meat) has proven efficient in combatting child malnutrition, not the least iron deficiency.

427.The project aims to support Pastoral and Agro pastoral training centres and Pastoral Field Schools (PFS) to provide nutrition training to Pastoral and Agro- Pastoral communities based on the manual prepared by Ministry of Agriculture. Trainings will promote nutrient-dense crop production and proper consumption patterns (dietary diversity, meal frequency) with a particular emphasis on pregnant and lactating women and children under five to reduce malnutrition by breaking food myths, promoting dairy consumption, as well as consumption of vegetables, legumes addressing food safety and handling practices. Improved crop promotion will also include bio- fortified crops such as sweet potato, potato, soya beans which would be identified and promoted.

14.6.1 Establishment of Nutrition Sensitive Agriculture Model Village (NSA-MV)

428.A Nutrition-Sensitive Agriculture Model Village (NSA-MV) is a concept that aims to integrate agricultural practices and interventions with nutrition-related objectives to improve the nutritional status and overall well-being of a community or population. In a nutrition-sensitive agriculture model village, various strategies and interventions are implemented to address the underlying causes of malnutrition and improve access to diverse and nutritious foods including agricultural diversification, homestead food production, sustainable farming practices, livestock and poultry management, post-harvest handling and storage, nutrition education, income generation activities, community participation and women empowerment.

429.NSA-MV are exemplary sites where comprehensive nutrition sensitive agriculture concepts and practices are implemented. This initiative aims to create an ideal environment for sharing and learning about NSA, encompassing all elements of food security such as availability, accessibility, utilization, and stability to ensure a nutritious diet in the community. This activity is a collaborative effort with the Food and Nutrition Coordination Office (FNCO) of the Ministry of Agriculture (MoA. The piloting of Nutrition Sensitive Agriculture Model Villages (NSA-MV) has been conducted in Dubti and Benatsemay woredas of Afar and South Ethiopia regions, respectively. During LLRP II implementation, it will be scaled up to all project regions. Each NSA-MV will have up to 100 HHs. This activity will be implemented under subcomponent 3.1. MoA will provide high level technical support, for which a dedicated budget will be allocated from the project fund.

430.***Selection criteria of NSA model village:*** In order to select an appropriate woreda, kebele and village for the establishment of the NSA_MVs, the following criteria will be considered.

431.*(a) Agro-ecology*: Model villages needs to be established in consideration of different agro-ecologies which supports diversified agricultural production. Nutrition interventions should focus on ensuring consumption of diverse food from both animal and plant-based sources. To ensure such an approach NSA-MV establishment need to consider agro-ecologies which can support production of the diverse agricultural commodities. In addition to this, establishment of NSA model village demands space for engagement of practices that ensure consumption of diversified diet and also supply markets with required type and number of nutritious foods. In this regard NSA_MVs need to be established in rural settings where there is adequate space for application of all the interventions to the standard. On top of this as agricultural sectors our primary focus will be on rural setups.

432.*(b)Access to Natural resource:* A village to be established as model will be selected by considering the following issues from access to natural resources.

(i) Villages needs to have access to water resource

Access to water is among the most important component in the production of agricultural produce. As model villages are established to learn from and scale up to other areas, it is important to ensure success of projects working on it. There for it is important to make sure that water can easily be accessed through the use of different means.

(ii) Villages need to have adequate land for producing nutrient dense foods. Adequate land is necessary to demonstrate NSA specially to setup homestead gardening in addition to tailoring production of nutrient dense foods in the main farming fields.

(iii) Villages need to support production of plant and animals-based food production throughout the year. The agro-ecology of the selected village need to support farming throughout the year. As ensuring safe nutritious food across the year is the important components for improved HH nutrition, it is important to demonstrate production of both animal and plant-based foods throughout the year.

433.*(c). Production*

i. Villages need to have the potential to support production of diverse nutrient dense crops

ii. The village need to have the potential to farm poultry and rear small ruminants
iii. There need to be a potential to support growth of perineal crops

434.*(d). Infrastructure setup:*
NSA Model Villages (NSA-MV) should be established in areas where there are available FTCs/PTC where it has its own farming land
i. NSA Model Villages (NSA-MV) should be established in areas where there are Health Posts/Health centers
ii. NSA-MV should be within easy reach from woredas
iii. NSA-MV needs to be established where there is reliable road infrastructure to the village where NSA-MV to be established

435.*(e). Nutritional status and cultural issues:*
i. NSA model village should be established in woredas where there are higher rates of under nutrition
ii. It should be established where cultural norms allow women and men to engage in farming and other business-oriented activities

436.*(f) Functioning structure:*
NSA MV should be established in an administrative area where there is functioning nutrition structure

15. Result Monitoring and Evaluation

437. ME&L activities will be carried out under Component 4 of the project, as already described.

15.1 Key Activities

438. ME&L activities include:

(a) developing and strengthening an MIS that networks all the entities involved in implementing the project and is linked to the monitoring and evaluation systems and other online systems supported by the project.

(b) Carrying out baseline, midterm, and final evaluations and annual work planning as a bottom-up participatory exercise involving all stakeholders including PAP communities; and

(c) Generating quarterly, biannual, and annual progress reports consolidating regional and national activities including reports from implementing and technical partners.

439. The project will collaborate with ILRI to develop a clear and feasible data collection and analysis methodology, and to conduct the baseline, midterm, and final evaluations for the project. Further details are outlined in the PIM.

15.2 Monitoring, Evaluation Framework

440. A robust and user-friendly monitoring, evaluation, learning and reporting system, will be established, building on the achievements under LLRP-I. The system will include planning, self-monitoring and knowledge sharing for all the institutional entities in the implementation arrangement for the project. It will show implementation progress including physical and financial reports prepared in a timely manner and of acceptable quality. The Monitoring Framework is presented in Table 15.1.

441. The M&E system will give strong emphasis to monitoring of target performance. All implementers are required to provide disaggregated data on women and youth participation, in relation to overall project targets of 50% participation of women and 30% of youths. The M&E system will collect and analyse information about project outreach, effectiveness of the targeting strategy and specific benefits for women and youth.

Table 15.1: Monitoring and Evaluation Framework

Main Activities	Purpose	Key Tools	Main Responsibility
Progress tracking	Monitoring of inputs and outputs	MIS	FPCU and RPCU
		GEMS-Kobo tools and Power-BI	FPCU and RPCU
		Annual work planning	FPCU and RPCU
		Half yearly and annual progress reports	FPCU and RPCU
Performance measurement	Evaluation of outcomes and impacts	Results Framework	ME&L Specialists
		Setting up baseline	FPCU
		Midterm review	FPCU
		End of project impact evaluation (Implementation and Completion Results and Report)	FPCU
Process monitoring and internal learning	Ensuring quality of implementation	Visioning and benefit tracking by communities	Kebele Development Committee
		Learning forums from kebele to federal level	RPCU and FPCU
ESRM monitoring	Ensuring fiduciary standards and environmental and social ESRM	Financial MIS	FMS of RPCU and FPCU
		Environmental auditing	E&SS specialists
		Complaint redress mechanism	Federal and Regional Steering Committee

15.3 Monitoring

442.A continuous tracking project inputs and outputs to ensure the project's resource. LLRP II will also work with ILRI and AICCRA to increase data quality and adapt the ILRI's Tracking Adaptation in Livestock Systems tool to track adaptation and resilience to climate change among targeted PAP households. Performance monitoring and review of the effectiveness and assessing project results and outcomes against the Results Framework.

15.4 Evaluating

443.LLLRP outcomes and impacts towards the development objective and intermediate outcomes by carrying out baseline, midterm, and final assessment. The evaluations will be carried out by a competitively recruited consulting firm. Evaluations will be also utilizing satellite imagery; biomass estimation tools and techniques monitor impact of rangeland management interventions.

15.5 Learning and Dissemination

444.carrying out institutional mapping and performance and quality of capacity building efforts. Facilitating learning events at the regional and federal levels, including through regular bi-annual project implementation review and annual work plan and budget (AWPB) planning workshops. The lessons are communicated through various knowledge sharing and communication techniques including sharing through reports, workshops, meeting and the establishment of a comprehensive MIS. There will also be identification, documentation for scaling up of best practices and success stories related project interventions. These products will be in hard and soft versions and dissemination will increasingly use social media in addition to print and web platforms. All communication materials will be translated into local language to ensure wider dissemination.

15.6 Participatory ME&L

445.A results chain based on all components and sub-components will be developed to ensure that data structure and data needs at different levels are comprehensively met. Jointly with other implementation entities in ensuring project progress; Introducing simple monitoring formats to be used by customary institutional entities to track project milestones focusing on results and budget use and to identify implementation problems and best practices; Digitized resource maps, pictographic information on the RMIPs and its implementation progress; facilitating periodic structured discussions on learning and findings; capacity building of customary institution leaders and committee members on managing relevant information and promoting learning from such information; (v) develop information sharing and learning hubs at range land level. As part of self-monitoring, accountability mechanisms such as social audit committees, public display of information, participation in meetings, and a participatory grievance redress mechanism will be implemented.

15.7 Process Monitoring:

446.The focus of the process monitoring exercise is: (ii) Effectiveness of the targeted community participation; (ii) performance of the mandated functions of the customary institution and management structure; (iii) coordination, linkages and collaborative performance among stakeholders; (iv) compliance with guidelines and manuals both on the actions and by the actors.

447.The process monitoring will close the feedback loop for a continuous incorporation of the implementation lessons to the project and will be a quality enhancement tool. The process monitoring lessons and recommendation will be submitted to woreda, region and federal management and form the basis of the learning fora at various levels. Strong coordination and collaboration between the M&E unit and the subject matter specialists at all levels. Impact will be assessed based on a methodologically gender-sensitive baseline, mid-term and completion surveys, which will use key indicators to measure women's empowerment.

15.8 Management Information System (MIS)

448. Monitoring data entered an MIS will be collated, synthesized and shared through quarter progress reports. The key characteristics of the MIS for the project include: (i) access and transact the MIS from remote areas by all stakeholders over mobile or internet connectivity; (ii) enable authenticated data recording and backup at all levels with friendly interface; and (iii) flexible enough to accommodate improvements to the input and report data structures etc. The MIS will be programmed to generate infographic dash boards to all stakeholders with drill down access to details depending on levels, authority and information needs. The progress reporting data are input at the woreda level onwards. A mobile application will be developed and utilized for inputting progress data electronically through smart phones/ tablets with SIM card. The staff will also have the option to use desk top computers. The early response system, CIS, RMS and CIS will also have mobile apps for information gathering from wider rangeland landscape areas and will have two-way information flows. Linking MIS to the new early warning and early response system, CIS, RMS, Geo-Enabled initiative for Monitoring and Supervision (GEMS), grievance redress mechanism (GRM) including the SMS service, and other project-supported systems.

15.9 Annual Work planning:

449. Bottom-up participatory resources planning and management of the project along with other interventions proposed under the project components call for systematic phasing and scheduling of activities. The subcomponent will institute an annual planning exercise fully reflecting the demands and priorities of communities and PAP areas. The capacity of the community and staff at various levels will be built on the wok planning.

15.10 Capacity building:

450. Continuous capacity building of M&E Officers, R/FPCU staff, RCSTs and woreda staff and supporting line ministries will be undertaken. The overall purpose of the capacity building efforts will be to provide skills in planning, monitoring of activities, evaluation of results, audit of data, and other specific technical skills to support the preparation and implementation of the Project's M&E activities including RBM systems. The capacity of communities on the ME&L activities will be carried out on a ToT model combining learning by doing, peer learning and using friendly pictorial learning materials. The capacity building of project staff will benefit from structured learning events, technical assistance, learning and sharing thematic group events and from manuals and self-learning modules. Experience sharing visits among stakeholder groups to disseminate innovative approaches and best practices related to different project subcomponents will be an important element of the capacity building.

15.11 M&E manual:

451. A comprehensive ME&L manual will be developed/updated for the project. The manual needs to include the broadened components/ sub-components. The innovative technologies to be deployed for data collection, collation and information generation must be included in the manual. The manual shall elaborate the result chain and contain all the data collection and reporting templates included in the ME&L framework. Prepared simplified pictographic templates, standard planning, reporting and progress monitoring for use in conformity with the project design and LLRP-I M E&L manual taking as a starting point and quality assurance support from the Bank.

15.12 Implementation Arrangement for M&E

452. It is well aligned with the LLLRP-II institutional arrangement. Overall responsibility for M&E will rest with the M&E specialist of the FPCU, who will be supported by technical assistance from MIS and IT senior officer. M&E officers at regional levels report directly to the M&E specialist in the F-PCU as well as the regional coordinator. The Regional M&E officers will work closely with RCST Team leader, which will have a focal person for supporting monitoring activities and

support WoPD in their monitoring work. The woreda project coordinator will oversee ME& L activities at the woreda level. The data management, analytical and reporting capacities of RCSTs and at local levels will be continuously enhanced through capacity building programs and technical assistance. To support an integrated M&E system, the M&E team will work closely with staff in charge of each component. Evaluation activities, thematic studies, Information System design, development and capacity building, process monitoring etc. will be undertaken by external consultants to be procured on a competitive basis.

15.13 Reporting Mechanisms:

453. LLLRP will have four levels of reporting, using simple basic formats with a set of indicators to be monitored,

15.13.1 Customary Institutions Level

454. Community level activities will be monitored by woreda coordinators following a predetermined format and will use the collected information for woreda level reporting. Simplified pictographic templates will be introduced at customary institutions, but carefully avoiding fatigue due to information overloading.

15.13.2 Woreda level:

455. Each woreda coordinator will produce a monthly report with data on each of the woreda's project kebeles and on woreda-level activities. Woreda reports will be based on agreed-upon formats to report/document kebele characteristics, project outputs, progress against plans, procurement, and financial issues. In addition to providing information on each kebele, the woreda reports will aggregate kebele data and provide woreda-wide information on performance (covering all components), implementation bottlenecks, best practices, and success stories. The woreda reports will be submitted to the Woreda Cabinets for decision making and RCST for compilation and inputting into the Project's MIS

15.13.3 Regional level:

456. The RPCU will receive reports on each woreda, from RCST and will access detailed woreda and kebele information from the MIS. The system will be designed to electronically gather and aggregate data from the next lower level. The Regional M&E officer will be responsible for entering additional regional information into the MIS and for checking on the veracity of data inputted into the MIS by the RCST.

457. Based on a review by component leaders of information from these sources, the Regional M&E Officer will produce quarterly regional reports that review performance of each woreda and at the region, document progress against plans, and identify region-wide implementation issues and best practices.

458. Regional reports will be submitted to the RSC and FPCU and used to provide feedback to Woreda Cabinets. In addition, these reports will be used as one source of information at the regional level for annual events to share experience and lessons learnt.

15.13.4 Federal level

459. The FPCU will receive reports electronically aggregated on the system on each region from RPCUs and will access detailed regional, woreda, and kebele information from the MIS. The FPCU M&E officer will then be responsible for entering additional national level information into the MIS. The FPCU ME&L Senior Officer will prepare quarterly and annual progress reports to be shared with the MILLs (FSC), WB and IFAD. These reports will also be one source for posting LLLRP related information on the website of the Project.

15.14 Results Framework

460. The monitoring and evaluation of a LLRP phase two is primarily guided by the following agreed and approved result framework, which is also part of the PAD. The results framework shows the hierarchical linkage among the results chains of theory of change expected to be attained at all levels from outcome up to impact level.

461. Baseline data will be used as data source that need to be available before (or at the early) the start of the interventions. Some data might also be extracted from existing databases, data collection for preparing multiyear plan and detail study of the project area before commencement of the project interventions. The development goal (impact) mainly focuses on the changes which occur later in the process during the period of economic development.

462. The Result Framework Indicators are therefore measured in comparison to the situation at the beginning. The data collection thus takes time at the very beginning (during baseline) and annually. Data source is mainly data collected by Development Agents (DAs) and other local agents as appropriate and the data is processed by RPCU for reporting. The responsibility of data analysis and interpretation is mainly at federal PCU level. Hence, the progress report on quarter, bi-annual and annual basis of each budget year will feed into the results framework to monitor the progress of Project results indicators. The results framework is given in **Annexure-8** and the monitoring and evaluation plan is given in **Annexure 9.**

16. Measuring Livelihood and Climate Resilience

16.1 Understanding Resilience

463. Improving Livelihood and Climate Resilience of the PAP communities is the central theme and all project activities are focussed around building this resilience. Resilience is about enhancing the capacities to pro-actively and positively manage the changes happening around PAP communities in the lowlands of Ethiopia which are transforming the natural resource systems with turbulence and uncertainty. The project is addressing the resilience in terms of three types of capacities:

(i) Absorptive capacity;
(ii) Adaptive capacity; and
(iii) Transformative capacity.

16.2 Resilience Capacity Building

464. The detailed description of the three capacities and the specific LLRP interventions which will address build the respective resilience capacities are summarized in table 16.1. Alongside cross referencing is also made to the subcomponent of the project activity directly addressing this resilience and the detailed indicators to measure the noted capacities.

Table 16.1: Addressing and Measuring Livelihood and Climate Resilience in LLRP II

Resilience Capacity	LLRP II Intervention Area	Components	Measurement Indicators in Results Framework
Absorptive Capacity (Capacity to take intentional protective action and cope with or bounce back after a shock by ensuring stability and limiting negative impacts)	• **Early warning and response system and CIS** to provide timely and relevant information on natural shocks will help communities and government to take appropriate actions to reduce impacts.	1.1	**IR indicator:** Beneficiaries with access to timely information from early warning and response systems and climate information services (percentage)
	• **Participatory rangeland and pasture management** will protect rangeland and pastures as natural capital	2.2	**PDO indicator:** Land area under sustainable landscape management practices (hectares)
	• **Woreda risk profiles** help take proactive decisions to protect community groups through risk reduction and contingency planning	1.1	**IR indicator:** Woredas with new or updated automated disaster risk profiles (number)
	• **Disaster preparedness and resilience investments** will enhance preparedness and resilience of communities, their ecosystem and production systems.	1.2	**PDO indicator:** Climate resilient public economic infrastructure constructed and operational
Adaptive Capacity (adaptation is the flexibility to better manage and accept an unpredictable change)	• **National RMS** covering land, soil, and water as an adaptation to climate change	2.1	**IR indicator**: National rangeland monitoring system (RMS) developed and operational (number)
	• **Rangeland management plans** as forward-looking decisions and innovations to implement nature-based climate-smart land management practices	2.2	**IR indicator:** Climate Smart and Nature based Rangeland Management Plans (RMPs) updated or formulated and rolled out for implementation (Number)
	• **Animal health services** including the One Health approach, feed husbandry practices, and market intervention to ensure access to markets, livestock, and input supplies	3.1	**PDO indicator**: Increase in yield of targeted livestock and crop commodities (Percentage) **IR indicator**: Project Beneficiaries that adopted two or more climate smart improved technologies and innovations* (Number)

Resilience Capacity	LLRP II Intervention Area	Components	Measurement Indicators in Results Framework
			IR indicator: Area provided with new or improved irrigation
	• **Feed, animal husbandry practices and market** interventions	3.2	**IR indicator:** Annual increase in off take of animals from the project supported woredas
	• **Digital crop and livestock extension** for technological and social innovations	3.2	**IR indicator:** Project beneficiaries that adopted two or more climate-smart improved technologies and innovations (number)
	• **Women-focused community groups** as social network to have strong and diverse participation on diverse livelihoods options	3.2	**IR indicator:** Leadership positions held by women in all mixed (women and men) groups created/supported by the project (percentage)
	• **Policy, solutions, and strategic approaches** for supporting adaptations during changing conditions	4.2	**IR indicator:** National and Sub-national annual Policy dialogues organized and facilitated by MILLs on climate change and PAP development agenda (Number)
Transformative Capacity (Capacity to consciously engage in long time change process)	• **Conflict mitigation to protect land-use rights** for collaboratively working together for shared management of natural resources	2.3	**IR indicator:** Feedback (complaints, queries, suggestions) addressed and responded within stipulated timeframes publicly communicated by the project (percentage)
	• **Diversifying and commercializing livelihoods** to reorganize and potentially transform practices and system to generate momentum for change	3.2	**PDO indicator:** Beneficiaries with 25 % or more annual household income increment due to project interventions. **IR indicator:** Beneficiaries supported with potential and viable alternate livelihood options (Number)
	• **Productive marketing alliances** along value chains to engage in the long-term process of change addressing poverty and social movements ensuring sustainable and just features	3.2	**IR indicator:** Productive alliances established and functional between PAP producers and private sector actors

16.3 Reporting on Resilience

465. A consolidated report on resilience capacity building as achieved by the project in terms of the three resilient capacities will be included in the annual progress report and closely monitored. The follow-up actions required based on the report will be included in the annual work plan. Moreover, the impacts of resilience capacity building will be verified by independent consulting firm/institutions at the time of mid-term and end of the project.

Part-V: Annexures
(Included as Volume-II)

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Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex 7: Mainstreaming themes – Eligibility criteria checklist

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

Mainstreaming themes – Eligibility criteria checklist						
	☑ **Be gender transformative**	☐ **Be youth sensitive**	☐ **Be nutrition sensitive**	☐ **Prioritize persons with disabilities**	☐ **Prioritize indigenous peoples**	☑ **Include climate finance** ☑ **Build adaptive capacity**
Situation analysis	☐ National gender policies, strategies and actors ☑ Gender roles and exclusion/discrimination ☑ Key livelihood problems and opportunities, by gender	☐ National youth policies, strategies and actors ☐ Main youth groups ☐ Challenges and opportunities by youth group	☐ National nutrition policies, strategies and actors ☐ Key nutrition problems and underlying causes, by group ☐ Nutritionally vulnerable beneficiaries, by group	☐ National policies, strategies and actors ☐ Main groupings among PwDs ☐ Context-based barriers and opportunities for PwDs	☐ International standards, national policies, strategies and key IPs' organizations ☐ Main IPs communities, demographic, social, cultural and political characteristics ☐ Important livelihoods constraints and opportunities for IPs and their cultural heritage	
Theory of change	☑ Gender policy objectives (empowerment, voice, workload) ☑ Gender transformative pathways ☑ Policy engagement on GEWE	☐ Pathways to youth socioeconomic empowerment ☐ Youth employment included in project objectives/activities	☐ Nutrition pathways ☐ Causal linkage between problems, outcomes and impacts	☐ Pathways to PwDs' socioeconomic empowerment using a twin-track approach	☐ Pathways to IPs' socioeconomic empowerment	
Logframe indicators	☑ Outreach disaggregated by sex, youth and IPs (if appropriate) ☑ Women are > 40% of outreach beneficiaries ☑ IFAD empowerment index (IE.2.1)	☐ Outreach disaggregated by sex, youth and IPs (if appropriate) ☐ Persons with new jobs/employment opportunities (CI 2.2.1)	☐ Outreach disaggregated by sex, youth and IPs (if appropriate) ☐ Targeted support to improve nutrition (CI 1.1.8) **Outcome level CIs** ☐ CI 1.2.8 MDDW ☐ CI 1.2.9 KAP	☐ Outreach disaggregated by sex, youth, disability and IPs (if appropriate)	☐ Outreach indicator disaggregated by sex, youth and IPs ☐ IPs are > 30% of target beneficiaries	
Human and financial resources	☑ Staff with gender TORs ☑ Funds for gender activities ☑ Funds for IFAD empowerment index in M&E budget	☐ Staff with youth TORs ☐ Funds for youth activities	☐ Staff or partner with nutrition TORs ☐ Funds for nutrition activities	☐ Staff with disability inclusion-specific TORs ☐ Funds for disability inclusion-related activities (including accessibility)	☐ Staff with IPs-specific TORs ☐ Funds for IPs related activities, including FPIC	IFAD Adaptation Finance $54,474,000 IFAD Mitigation Finance $14,254,000 Total IFAD Climate-focused Finance $68,728,000

ECG Remarks	**Gender** The project meets the requirements for being validated as gender-transformative. **Nutrition** **Youth** **Persons with Disabilities** **Indigenous Peoples** ☐ No social inclusion themes

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Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: CI Environmental and social safeguards commitment Plan

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

Federal Democratic Republic of Ethiopia
Ministry of Irrigation and Lowlands (MILLs)

Lowlands Livelihood Resilience Project Phase II (LLRP II)
(P180076)

Appraisal

Environmental and Social Commitment Plan (ESCP)
December 2023

ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. The Federal Democratic Republic of Ethiopia (the Recipient) will implement the **Lowlands Livelihood Resilience Project, Phase II (LLRP II)** (the Project), with the involvement of the Ministry of Irrigation and Lowlands (MILLs), as set out in the Financing Agreement. The International Development Association (the Association) has agreed to provide financing for the Project, as set out in the referred agreement.

2. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards (ESSs) and this Environmental and Social Commitment Plan (ESCP), in a manner acceptable to the Association. The ESCP is a part of the Financing Agreement. Unless otherwise defined in this ESCP, capitalized terms used in this ESCP have the meanings ascribed to them in the referred agreement.

3. Without limitation to the foregoing, this ESCP sets out material measures and actions that the Recipient shall carry out or cause to be carried out, including, as applicable, the timeframes of the actions and measures, institutional, staffing, training, monitoring, and reporting arrangements, and grievance management. The ESCP also sets out the environmental and social (E&S) instruments that shall be adopted and implemented under the Project, all of which shall be subject to prior consultation and disclosure, consistent with the ESS, and in form and substance, and in a manner acceptable to the Association. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Association.

4. As agreed by the Association and the Recipient, this ESCP will be revised from time to time if necessary, during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to Project performance. In such circumstances, the Recipient and the Association agree to update the ESCP to reflect these changes through an exchange of letters signed between the Association and the Borrower's designated official, the Minister for Irrigation and Lowlands. The Recipient shall promptly disclose the updated ESCP.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
MONITORING AND REPORTING			
A	**REGULAR REPORTING** Prepare and submit to the Association regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of Environmental and Social (E&S) instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanisms. The FPCU shall conduct an independent E&S audit every two years and submit the audit report to the Association.	Submit quarterly and annual reports to the Association throughout Project implementation, commencing after the Effective Date.	MILLs, Federal Project Coordination Unit (FPCU)
B	**INCIDENTS AND ACCIDENTS** Promptly notify the Association of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury, including those that could be caused due to exposure to potentially hazardous chemicals (pesticides). Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate. Subsequently, at the Association's request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.	Notify the Association no later than 48 hours after learning of the incident or accident. Provide subsequent report to the Association within fifteen (15) days or within a timeframe acceptable to the Association.	MILLs, FPCU
C	**CONTRACTORS' QUARTERLY REPORTS** Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts, and submit such reports to the Association.	Submit the monthly reports to the Association as annexes to the reports to be submitted under action A above.	MILLs FPCU Regional Project Coordination Units (RPCUs)
d			
ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
1.1	**ORGANIZATIONAL STRUCTURE** (a) Maintain the Federal Project Coordination Units (FPCU) and the Regional Project Coordination Units (RPCUs) for Lowlands Livelihood Resilience Project (LLRP I) (P164336) within MILLs, including the current Federal Level E&S staff and provide adequate resources to support the management of ESHS risks and impacts of the Project. Each Project implementing Regional State, including the newly added regions, shall recruit One Environmental and One Social Specialist. E&S focal persons shall be assigned in each Project implementing Woreda and Kebele (b) Hire a qualified SEA/SH specialist at the FPCU to provide support for any activities related to the GBV/SEA/SH including implementation of the GBV/SEA/SH action plan.	Recruit all E&S experts and focal persons prior to disbursement for component I and IIt activities and thereafter maintain these positions throughout Project implementation. Hire the SEA/SH specialist within three (3) months from the Project Effective Date, and maintain position throughout Project implementation.	MILLs FPCU MILLs FPCU
1.2	**ENVIRONMENTAL AND SOCIAL INSTRUMENTS** a) Implement the Environmental and Social Management Framework (ESMF), which have been prepared for the Project, consistent with the relevant ESSs. b) Adopt and implement site-specific Environmental and Social Management Plans (ESMPs and Environmental and Social Impact Assessments (ESIAs) in line with the screening, assessment, and mitigation procedures of the ESMF.	Throughout Project implementation. Adopt before launching the bidding processes for the respective Project subproject activities, and thereafter implement throughout Project implementation.	MILLs FPCU
1.3	**TECHNICAL ASSISTANCE** Ensure that the consultancies, studies, capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with terms of	Throughout Project implementation.	MILLs FPCU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	reference acceptable to the Association, that are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.		
1.4	**Exclusion Criteria:** Exclude the following type of sub-projects/ activities as ineligible for financing under this project: ○ Sub-projects/ Activities that have significant adverse Environmental and Social risk and impacts which cannot be easily managed or mitigated to acceptable level. ○ Sub-projects/ Activities that may cause damage to physical and cultural resources. ○ Activities that involve construction of reservoir dams that are above 15 meters height. ○ Involve removal or conversion of forests and other designated natural resources and wildlife reserved areas. ○ Activities that may cause degradation of biodiversity and living natural resources as well as on habitats of significant value for biodiversity such as critical and natural habitats. ○ Involve land use changes such as drainage of wetlands and cultivation. ○ Activities that may potentially affect the quality or quantity of water or a waterway shared with other nations. ○ Activities that may cause significant loss of biodiversity. ○ Activities that may have any potential adverse direct impacts on village centers (because it is located inside a village or close enough to a village); ○ Activities which are likely to have significant adverse environmental and social impacts that are sensitive, diverse, irreversible or unprecedented use.	Throughout Project implementation.	MILLs FPCU
ESS 2: LABOR AND WORKING CONDITIONS			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
2.1	**LABOR MANAGEMENT PROCEDURES** Implement the Labor Management Procedures (LMP), prepared as part of the ESMF, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (OHS) (including personal protective equipment and emergency preparedness and response), code of conduct (including provisions relating to SEA and SH), forced labor, child labor, grievance arrangements for all Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.	Implement the LMP throughout Project implementation.	MILLs FPCU RPCUs
2.2	**GRIEVANCE MECHANISM FOR PROJECT WORKERS** Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.	Enhance and maintain the operation for the existing grievance mechanism for Project workers prior to engaging Project workers and thereafter maintain and operate it throughout Project implementation.	MILLs FPCU
ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT			
3.1	**WASTE MANAGEMENT PLAN** a) Prepare and implement Waste Management Plans (WMPs) where relevant following the procedure outlined in the ESMF . b) Incorporate waste management measures under site-specific ESMPs to be prepared under action 1.2 above, to manage hazardous and non-hazardous wastes, consistent with ESS3.	a) Prepare WMPs, where relevant, prior to bidding for works and thereafter implement throughout Project implementation. b) Same timeframe as for the adoption and implementation of ESMPs under action 1.2 above.	MILLs FPCU RPCUs
3.2	**RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT**		MILLs FPCU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	a) Incorporate resource efficiency and pollution prevention and management measures in the ESMPs. b) An Integrated Pest Management Plan (IPMP) shall be developed for the subprojects that may involve the use of pesticides and shall follow the guidelines provided for in the annex of the ESMF.	a) Same timeframe as for the adoption and implementation of ESMPs. b) Throughout the project implementation	
ESS 4: COMMUNITY HEALTH AND SAFETY			
4.1	**TRAFFIC AND ROAD SAFETY** Incorporate measures to manage traffic and road safety risks as required in the ESMPs to be prepared under action 1.2 above.	Same timeframe as for the adoption and implementation of ESMPs.	MILLs FPCU
4.2	**COMMUNITY HEALTH AND SAFETY** Assess and manage specific risks and impacts to the community arising from Project activities, including, inter alia, e.g., behavior of Project workers, risks of labor influx, response to emergency situations, and include mitigation measures in the ESMPs to be prepared in accordance with the ESMF.	Same timeframe as for the adoption and implementation of ESMPs.	MILLs FPCU RPCUs
4.3	**SEA AND SH RISKS** Implement the Gender-based violence/Sexual Exploitation and Abuse, and Sexual Harassment (GBV/SEA/SH) Action Plan, which has been prepared as part of the ESMF, to assess and manage the risks of GBV, SEA and SH.	Throughout Project implementation.	MILLs FPCU
4.4	**SECURITY MANAGEMENT** Implement measures to manage the security risks of the Project, including the risks of engaging security personnel to safeguard project workers, sites, assets, and activities, as set out in the Security Management Plan (SMP) which has been prepared and adopted prior to appraisal, guided by the principles of proportionality and GIIP, and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.	Throughout Project implementation.	MILLs FPCU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
4.5	**DAM SAFETY** Engage qualified engineers to design dam safety measures for the small dams planned under this Project, in accordance with good international industry practice, and thereafter adopt and implement such measures.	Throughout the project implementation	MILLs FPCU
ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT			
5.1	**RESETTLEMENT POLICY FRAMEWORK** Implement the Resettlement Framework (RF) for the Project which has been prepared prior to appraisal, consistent with ESS5.	Throughout Project implementation.	MILLs FPCU
5.2	**RESETTLEMENT PLANS / PROCESS FRAMEWORKS** Adopt and implement a Resettlement Plan (RP) for each activity under the Project for which the RF requires such RP, as set out in the RF, and consistent with ESS5. If restrictions in access to natural resources in legally designated parks were to occur, adopt and implement a Process Frameworks (PF) in accordance with ESS5.	Adopt and implement the respective RAP, including ensuring that before taking possession of the land and related assets, full compensation has been provided and displaced people have been resettled and moving allowances have been provided, Prepare PFs and implement them, where applicable, before the commencement of any subproject activities that involve restrictions in access to natural resources in legally designated parks.	MILLs FPCU
5.3	**GRIEVANCE MECHANISM** A grievance mechanism (GM) to address resettlement related complaints shall be described in the RPF, RAPs, and SEP.	Establish the GM in the timeframe specified in 10.2 below.	MILLs FPCU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
		Establish GRC from Kebele to Woreda level prior to commencement of Project implementation and maintain it throughout the Project life.	
ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES			
6.1	**BIODIVERSITY RISKS AND IMPACTS** Incorporate mitigation measures for potential adverse impacts on biodiversity in ESIAs/ESMPs consistent with ESS6. Where significant risk and adverse impacts on biodiversity have been identified, a Biodiversity Management Plan shall be developed. If any potential adverse impacts on biodiversity are identified based on E&S screening of the subprojects (following a screening procedure included the ESMF that helps to exclude protected areas and critical habitats), the subproject E&S risk management instruments (ESIAs/ESMPs) will include mitigation measures for potential risks on biodiversity. In case of significant impacts due to subprojects in or potentially adversely affecting non-critical habitats (those habitats that are not legally protected or proposed for protection and do not have as high a conservation value), if any, Biodiversity Management Plans (BMPs) will be developed.	Same timeframe as for the adoption and implementation of ESMPs. *Throughout Project implementation*	MILLs FPCU
ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES			
7.1	**SOCIAL ASSESSMENT / SOCIAL DEVELOPMENT PLAN** Implement the Project's Social Assessment (SA) including the Social Development Plan (SDP) prepared prior to appraisal, consistent with ESS7. Ensure that distinct social and cultural groups are appropriately informed and benefit from the Project in an inclusive and culturally appropriate manner.	Throughout Project implementation.	MILLs FPCU
7.2	Maintain and operationalize the existing GRM under ESS10, and, where applicable, establish new subproject GRMs in new subproject implementing area, as described in the SEP and consistent with ESS7. Ensure that GRMs are culturally appropriate and accessible to affected Historically Underserved Traditional Local Communities and	In the timeframe specified in Section 10.2, and thereafter implemented throughout Project implementation.	MILLs FPCU RPCUs

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	considers the availability of judicial recourse and customary dispute settlement mechanisms among the communities.		
ESS 8: CULTURAL HERITAGE			
8.1	**CULTURAL HERITAGE RISKS AND IMPACTS:** Incorporate measures in the ESMPs/ESIA for subprojects to: a) Protect cultural heritage from adverse impacts of project activities and support preservation. b) Conduct meaningful consultation with stakeholders regarding cultural heritage both tangible and intangible.	Same timeframe as for the adoption and implementation of ESMPs.	MILLs FPCU RPCUs
8.2	**CHANCE FINDS** Implement the chance finds procedure that has been included as part of ESMF, consistent with ESS8.	ISame timeframe for the adoption and implementation of ESMF.	MILLs FPCU
ESS 9: FINANCIAL INTERMEDIARIES			
9.1	ESS9 is not relevant to the Project.		
ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE			
10.1	**STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION** Implement the Stakeholder Engagement Plan (SEP) that has been prepared and disclosed prior to Project appraisal, consistent with ESS10 and ESS7, including measures to, inter alia, provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.	Throughout Project implementation.	MILLs FPCU
10.2	**PROJECT GRIEVANCE MECHANISM**	Establish grievance mechanism for new sites and update it for the existed site prior to project implementation, and thereafter maintain and operate the	MILLs FPCU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
	Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10, ESS7, and ESS5. The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of the different project grievances, including SEA/SH complaints and refer survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner; land-acquisition and involuntary resettlement grievances, and complaints that reflect the concerns of the historically underserved people who meet the criteria of ESS7, among others.	mechanism throughout Project implementation.	
CAPACITY SUPPORT			
CS1	In addition to staffing support provided in 1.1 above, conduct capacity building training for targeted groups, including, Project workers and Project staff, stakeholders, communities on: ● Stakeholder mapping and engagement. ● Specific requirements on the SA/SDP, ESMF, SEP, RF, ESMPs, LMP, IPMP, SMP, and SEA/SH Action Plan. ● Subprojects' E&S screening and specific aspects of E&S assessment as established in the updated ESMF and preparation of ESMPs. ● GBV/SEA/SH, OHS, appropriate mechanical equipment operation and maintenance, etc. ● Occupational and Community Health and Safety including safe working procedures. Specific training on implementing the IPMP, vector and disease control prevention plan, chance finds procedure etc.	Regularly, throughout Project implementation.	MILLs FPCU RPCUs

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY
CS2	Organize training for Project workers and other project beneficiaries on: • Occupational and Community Health and Safety risk management • Proper use of personal protective equipment • Project GBV/ SEA/SH action plan • Community on emergency preparedness and response • Code of conduct • Grievance mechanisms	After the Project Effective Date, and regularly, throughout Project implementation.	MILLs FPCU RPCUs

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: Resettlement Framework

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FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

MINISTRY OF IRRIGATION AND LOWLANDS (MILLs)

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MINISTRY OF IRRIGATION AND LOWLANDS

THE LOWLANDS LIVELIHOOD RESILIENCE PROJECT, PHASE TWO (LLRP II, P180076)

ETHIOPIA

RESETTLEMENT FRAMEWORK (RF)
(FINAL DRAFT)

JANUARY 2024

Addis Ababa

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List of Abbreviations and Acronyms

ATI	Agricultural Transformation Institute
BDS	Business Development Support
CAGs	Common Action Groups
CDD	Community Driven Development
C-ESRS	Concept-Environment and Social Review Summary
CEDAW	Convention on Elimination of All Forms of Discrimination Against Women
CH	Critical Habitat
CIGs	Common Interest Groups
COC	Code of Conduct
CRC	Community Resettlement Committee
CRSL	Climate Resilient Sustainable Livelihood
CSA	Central Statistical Agency
CSO	Civil Society Organization
DHS	Demographic Health Survey
DPRSIPs	Disaster Preparedness and Resilience Strategic Investment Plan
DVGs	Disadvantaged or Vulnerable Groups
E & S	Environmental and Social
ECC	Ethiopia Cooperative Commission
EDHS	Ethiopia Demographic and Health Survey
EDRMC	Ethiopia Disaster Risk Management Commission
EIAR	Ethiopia Institute of Agricultural Research
EMI	Ethiopia Meteorology Institute
EPHI	Ethiopia Public Health Institute
ESCP	Environmental and Social Commitment Plan
ESF	Environment and Social Framework
ESMF	Environmental and Social Management Framework
ESS	Environmental and Social Standard
ESS	Ethiopian Socioeconomic Survey
EWR	Early Warning Response
FDRE	Federal Democratic Republic of Ethiopia
FGD	Focus Group Discussion
FGM	Female Genital Mutilation
GAP	Gender Action Plan
GBV	Gender Based Violence
GDI	Gender Development Index
GHG	Green House Gas
GoE	Government of Ethiopia
GPN	Good Practice Note
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
HEIS	Hands-on Extended Implementation Support
HTP	Harmful Traditional Practice

HUC	Historically Underserved Community
IA	Implementing Agency
IDA	International Development Association
IFAD	International Fund for Agricultural Development
JSDF	Japan Social Development Fund
LRP	Livelihood Restoration Plan
LLRP	Lowlands Livelihood Resilience Project
LMIS	Livestock Market Information System
LMP	Labor Management Procedure
ME & L	Monitoring Evaluation and Learning
MFI	Micro-Finance Institution
MILLs	Ministry of Irrigation and Lowlands
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MoH	Ministry of Health
MoWYCA	Ministry of Women Youth and Children Affairs
MSE	Micro and Small Enterprise
NDC	National Determined Contribution
NGO	Non-Governmental Organization
PACK	Pastoral and Agro-Pastoral Center for knowledge
PAP	Pastoral and Agro-Pastoral
PAPs	Project Affected Persons
PASSACOs	Pastoral and Agro-Pastoral Saving and Credit Cooperatives
PCU	Project Coordination Unit
PDO	Project Development Objective
PEI	Public Economic Infrastructure
PIA	Project Implementation Agency
PRMR	Pastoral Risk Management for Resilience
PS	Project Site
PVCs	Property Valuation Committees
RF	Resettlement Framework
RGRMCs	Regional Cabinets, Regional Grievance Management Committees
RMP	Rangeland Management Plan
RMS	Rangeland Management System
SA	Social Assessment
SDGs	Sustainable Development Goals
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SH	Sexual Harassment
SPJ	Social Protection and Jobs
SMEs	Small and Medium Enterprises
SNNP	South Nations Nationalities and People
SWEPR	South West Ethiopia Region

TOR	Terms of Reference
TPM	Third Party Monitoring
TSA	Targeted Social Assessment
UNICEF	United Nation Children's Fund
US	United States
VAC	Violence Against Children
VAWG	Violence Against Women and Girls
WGMCs	Woreda Grievance Management Committees
WPTF	Woreda Project Task Forces

Executive Summary

Introduction: The proposed project Lowlands Livelihood Resilience Project II (LLRP II) will improve the communities' coping capacity against the impacts of recurrent drought and reduce extreme poverty by boosting disaster risk and rangeland management capacities to poor and vulnerable farmers, pastoralists and agro-pastoralists. The project will contribute to improving the livelihood and welfare condition of the communities. It is also endowed with an opportunity to enhance the socio-economic cooperation and collaboration among the target Woredas.

The project development objective(s) is to improve the livelihoods and climate resilience of pastoral and agro-pastoral (PAP) communities in the lowlands of Ethiopia.

As with LLRP I, LLRP II project is designed around three integrated and mutually reinforcing components, which reflect the distinct but interconnected layers of an integrated intervention to boost the livelihoods and climate resilience capacity of the PAP community. Components 1, 2 and 3 will support respectively: Pastoral Risk Management for Resilience (PRMR); Integrated Rangeland Management (IRM); and Climate Resilient and Sustainable Livelihoods (CRSL). Further, Component 4 will support Project Management, ME&L and Policy Support (at national, regional, zone and woreda level).

Given the nature of project activities, this Resettlement Framework (RF) is developed to serve as a guideline to clarify resettlement principles, organizational arrangements, schedules, and arrangements for financing the resettlement and procedures that govern the project-related land acquisition, valuation principles, and compensation procedures.

The main objectives of this RF

- To establish resettlement principles and institutional arrangements to be applied under LLRP II project activities.
- To provide guidelines for development of appropriate mitigation and compensation measures for resettlement related impacts resulting from the proposed LLRP II project activities.
- To provide guidelines for the preparation of Resettlement Plans (RPs) and/or Livelihood Restoration Plans (LRPs) for LLRP II project activities that require land acquisition/permanent transfer of land or result in access restrictions on land use, involuntary resettlement or any impact on assets.

Scope of the Resettlement Framework

This RF covers to all LLRP II project activities requiring land acquisition, restrictions on land use or involuntary resettlement. Where necessary, separate Resettlement Plans (RPs) or Livelihood restoration Plans (LRPs) shall be prepared for each subproject, based on the guidelines and procedures provided in this RF prior to the implementation of the respective planned subproject. This RF is based on the legal and institutional arrangements of the Government of Ethiopia on resettlement and compensation and the provisions of the World Bank ESS5 on land acquisition, restrictions on land use and involuntary resettlement.

The RF for LLRP II is prepared for the project components that require land acquisition with potential resettlement impacts whose exact nature and locations are not yet known and the scope and scale of resettlement aspects cannot be determined as a result. The major scope of the RF includes:

- Reviewing relevant World Bank and Ethiopian policies,
- Identifying the key institutions and stakeholders authorized to carryout project-related land acquisition activities along with their respective mandates, roles and responsibilities,
- Developing an Entitlement Matrix to be adopted for subsequent site-specific Resettlement Plan (RP) and/or Livelihood Restoration Plan (LRP) procedure for the LLRP II.
- Reviewing existing grievance redress mechanisms (GRM), community based and/or mandated by law and application of the same in practice in compliance with WB guidelines and Ethiopian legislative framework. Thus, designing Grievance Redress Mechanism (GRM) of the project that will be appropriate and accessible for all PAPs.
- Identifying Historically Underserved Communities (HUCs), disadvantaged or vulnerable groups (DVGs) that might be disproportionally affected due to involuntary resettlement from project-related land acquisition and propose differential mitigation measures accordingly. In Ethiopian context, HUC include Afar, Gambella, Benishangul Gumuz, Ethiopian Somali Regions, and pastoralists in parts of Oromia and SNNPR.

Comparison of the Ethiopian Legal Framework with World Bank ESS5

The review of resettlement legislations shows that the Ethiopian and WB's legal frameworks complement each other on several grounds. For instance:

- Both have the provision stating that it is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay land holders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation.
- The provision in both underscores that information about compensation standards, formulas, and rates should be provided in a transparent and consistent manner. It is also important to ensure that rates are applied consistently.
- Both legal frameworks assert that compensation and resettlement assistance for the expropriated land shall sustainably restore and improve the livelihood of the displaced people.

Nevertheless, there are gaps between the GoE legal framework and WB's ESS5. This RF adheres to the Ethiopian legal framework as reviewed and the WB ESS5 and ESS7 in its recommendations. The gap filling measures are developed in this RF to ensure compliance within the two sets of laws and policies for the LLRP II. Where there are differences between the national laws and ESS5, the one that provides greatest benefit to the PAPs will prevail in the case of the LLRP II.

Implementation Arrangements for the RF

The RF for the LLRP II proposes strong implementing arrangements with clearly defined roles and responsibilities and composed of the following actors.

- Project Coordination Unit (PCU) within the Ministry of Irrigation and Lowlands,
- Regional States, including Regional Cabinets, Regional Grievance Management Committees (RGRMCs)
- City and Woreda level stakeholders, including Woreda Grievance Management Committees (WGMCs), Urban or Woreda Land Administration Offices
- Property Valuation Committees (PVCs)
- Woreda Project Task Forces (WPTF)
- Community Resettlement Committees (CRCs)
- Project-Affected Communities or Persons (PAPs) and
- Collaborative other Responsible Agencies or Sub-national Jurisdictions, responsible for any aspects of land acquisition, resettlement planning, or provision of necessary assistance.

Potential Resettlement Impacts of LLRP II

In terms of impact, LLRP II project is expected to have both positive and negative impacts in the direct Project Influence Area (PIA) and proxy impact in the indirect influence area. The potential social impacts will be quicker felt in the direct influence area. The adverse (or negative) social impacts are very minimal and could not make significant impacts that will impede the life of the local population. Specific potential positive socio-economic impacts of the project include:

- LLRP is designed to accommodate the livelihood, land use and resource management system of the local communities in the targeted regional states through participatory approach to communities' rangeland management and livelihood activities.
- Enhances participation of all stakeholders in planning, implementation and monitoring of projects and programs.
- Increases knowledge and awareness of local communities on the economic, social and environmental benefits of rangeland.
- In cases where land is needed and it is acquired involuntarily, it will make sure that all assets are compensated.
- Increases the roles of women in rangeland management and conservation through gender mainstreaming in the rangeland sector.
- The compensation and resettlement committees will create a platform on for addressing complaints and grievances related to the implementation of resettlement and compensation claims in a way that addresses to the issues raised by title and non-title PAPs.
- Demarcation of livestock routes will make control of diseases easier as veterinary staff can then manage the movement of livestock in cases of livestock disease out-breaks.
- Skills development and trainings will also be provided to women on PRMR, IRM, CSRL leadership and management thereby promoting economic livelihoods and empowerment. The project will support women's group participation in the implementation of management interventions.
- The burdens of water problems often fall on the shoulders of women and children. Children and women devote a significant share of their time to searching for water where the drinking

water supply is inadequate. Therefore, the implementation of the proposed project helps children, especially girls, will have more time for schoolwork.

- Human and livestock mobility of the project area is basically for two basic things; one for water and the other is to search for natural pasture for their livestock. The availability of a clean and adequate water supply leads to a sedentary way of life (Reduce mobility for the search of water).
- Livestock feed is the other decisive factor for pastoral and Agro-pastoral community.
- Crop farming/forage production and participation in other income diversification activities such as petty trading are expected to expand with sedentary life and in response to declining means of indigenous livelihood system.
- The project can create brief employment opportunity for the semiskilled and unskilled labor force of the area and helps in generating income that can support their livelihood.

Potential Adverse Resettlement Impacts of the Project

Components 1, 2 and 3 have potential adverse resettlement impacts associating with project-related land acquisition. The proposed LLRP II project will have anticipated potential adverse effects on residence houses, farmlands, grazing areas, fruits and other trees crops, and public utilities. Along the impacts envisaged to be occurred, mitigation measures that would minimize the negative impacts and the net gains to be achieved are presented in this resettlement framework (RF) document. The LLRP II project may involve limited land acquisition and displacement of land-uses and/or livelihoods. Adverse impacts include (i) Impact from land acquisition, resettlement and compensation; (ii) Conflict over Rangeland Enclosure Impact on Historically Underserved Communities; (iii) Impacts of land acquisition, restriction to land and involuntary resettlement; (iv)Impact on Communal Land; (v) Impact on Residence House; and (vi) Loss of Livelihoods or Economic Bases. These factors justify the potential physical and economic impacts of LLRP II.

In addition to the above identified six major adverse impacts, the following potential adverse environmental and social impacts like; (i) Impact from Borehole Sites, Borrow Areas and Access Roads (ii) risks of Gender Based Violence, sexual exploitation and Abuse; (iii) Exposure to COVID-19, HIV/AIDS and other Sexually Transmitted Diseases (STDs); (iv) denial of employment opportunities for the locales; (v) Noise and Dust Pollution; (vi) Occupational Health and Safety; (vii) Impact on Historically Underserved Communities and (viii) Impact on Community Utilities and Services Infrastructure can be adequately managed by integrating environmental and social due diligence and recommended mitigation measures (See the Social Assessment for detail discussion on the adverse impacts and proposed mitigation measures).

The RF also recognizes the disproportionate impacts on disadvantaged and vulnerable groups (DVGs) as well as on Historically Underserved Communities (HUCs) of Ethiopia where the project activities will take place. As per Article 89 of the Constitution of the FDRE, there are communities in all the three connectivity routes proposed in the LLRP II recognized as Historically Underserved Communities (HUCs) that meet a distinct social and cultural group identified in accordance with paragraphs 8 of the ESS7. Owing to this fact, there are good reasons that underline the disproportionate adverse resettlement impacts of the project to the HUCs:

Preparation of Resettlement Plan (RP)

The overall risk of LLRP II is rated as substantial so potential adverse resettlement impacts associated with project-related land acquisition is also rated as substantial. As a result, in line with the provisions in Proclamation No. 1161/2019 (Article 16) and ESS5 (paragraph 12), MILLs requires to prepare Resettlement Plan (RP) for project Components 1, 2 and 3. The scope and level of the RP varies with the magnitude of displacement and complexity of the measures required to mitigate the adverse impacts result from each project component.

- For project activities with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the RP will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring, and addressing grievances.
- For project component causing physical displacement, the RP will set out the additional measures relevant to relocation of affected persons (see the proposed mitigation measures for details).
- For project component involving economic displacement with significant impacts on livelihoods or income generation, the RP will set out the additional measures relating to livelihood improvement or restoration (see the proposed mitigation measures for details).
- For project component that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the RP will establish a participatory process for determining appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.
- For access restrictions in relation to legally designated parks, protected areas, or other common property, the RP may take the form of a process framework. It is used to design project activities, determine eligibility criteria, reach agreement on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances, and arrange for participatory implementation and monitoring.
- In all cases, the RP describes the manner in which the objectives of Proclamation No. 1161/2019 and ESS5 discussed earlier shall be achieved.

Once determined that RP is to be required, all potential PAPs will be identified, consulted on land acquisition and livelihood issues and informed about their rights to compensation at full replacement cost or restore them at pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. A key function of the preparation of the RP is to determine the anticipated costs of resettlement and arrangements for meeting those costs (including contingencies) in a timely manner to inform efforts to avoid or mitigate adverse impacts. It is important to ensure that the budget specifically allocated to meeting the costs of resettlement is adequate to implement the planned resettlement measures. It is also important to specify in the arrangements the commitments obtained from relevant institutions within government and any other parties to meet the resettlement costs. No forced evictions, as defined in ESS5, will be allowed

under the project. In addition, the resettlement plan should provide an implementation schedule indicating how the resettlement activities are linked to the implementation of the overall project. No civil works will start prior to provision of full compensation to PAPs.

Method of Asset Valuation

GoE Proclamation No. 1161/2019, Article 2(8) defines valuation as means of a common compensation valuation method used to calculate the value of property on expropriated land. The basic goal of property valuation in the RP for LLRP II is to provide a measure of the utility derived through the access to and control of property. Both the Ethiopian legal framework (Proclamation No. 1161/2019 and Regulation No. 472/2020), and WB ESS5, set out the same method of asset valuation to guide the RP for the LLRP II. That is, the replacement cost. It is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs.

Replacement cost approach makes two basic guidelines. First, the compensation of lost assets and properties is based on the willingness of owners of a resource to give up their rights to that resource. Though serving public interest gets priority compared to group or individual interests; consensus and negotiation needs to be reached with the PAPs with regards the willing to give land for the required sub-components. Second, compensation standards for categories of land and fixed assets will be disclosed and applied consistently. Compensation rates may be subject to upward adjustment where negotiation strategies are employed. In all cases, a clear basis for calculation of compensation will be documented, and compensation distributed in accordance with transparent procedures. The process used for determining compensation values should be transparent and easily comprehensible to project-affected persons. Summary of the valuation method in Regulation No. 272/2020 is provided in Annex 3.

Eligibility Criteria for Affected Persons

Avoidance is the preferred approach in accordance with the mitigation hierarchy in ESS1. It is especially important to avoid physical or economic displacement of those socially or economically vulnerable to hardship as a result. When land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraph 26 through 36 of ESS5. The purpose of deciding on eligibility requirements in the RF for LLRP II is to ensure that PAPs experiencing a complete or partial loss of land, crops, trees, and other properties or access to natural resources are specifically identified and recognized as eligible for any kind of assistance.

As per ESS5, eligibility is also informed by the census of affected parties present in the project-affected areas before the cutoff date.

Grievance Redress Mechanism

For projects such as LLRP II with substantial environmental and social impacts, grievances are a fact of life. How the project responds (or is perceived to be responding) when such grievances surface is important and can have significant implications for the overall implementation of the project. A grievance mechanism should be scaled to fit the level of risks and impacts of the project. It should flow from the project's broader process of stakeholder engagement and business integrity principles and integrate the various elements of engagement activities.

During the implementation of the LLRP II, grievances and dispute may arise in the course of the implementation of sub-components involving involuntary resettlement. The reasons, among others, may be related to the following issues:

- Targeting for project beneficiaries.
- Valuation of assets and compensation.
- Disagreement on plot boundaries, either between the affected person and the expropriation agency or between two neighbors.
- Disputed ownership of a given asset (two or more affected people claim that the affected asset is theirs);
- Successions, divorces, and other family issues resulting in disputed ownership or disputed shares between inheritors or family members.
- Where affected people opt for a resettlement-based option, disagreement on the resettlement package (the location of the resettlement site does not suit them, proposed housing or resettlement plot characteristics, or agricultural potential are not adequate in their view) may arise.
- Disputed ownership of businesses and business-related assets (quite usually, the owner and the operator of a business may be distinct individuals, which give rise to dispute in the event of compensation).

Project-Specific Grievance Redress Mechanism (GRM)

Regardless of scale, involuntary resettlement from the implementation of the LLRP II may give rise to grievances among affected households and communities on issues ranging from rates of compensation and eligibility criteria to the location of resettlement sites and the quality of services at those sites.

Hence, project-specific grievance redress mechanism will be established/strengthened to allow PAPs to complain about any decision or activities regarding inclusion in the census, eligibility and temporary or permanent loss of their land, assets or sources of income and their compensation. To mitigate this, project-specific grievance mechanism shall be put in place from the beginning of the social and environmental assessment process and exist throughout construction and operations as well as resettlement planning, implementation, through to the end of project life.

Information Disclosure Plan

In line with the requirements in ESS10, LLRP II will continue to engage with, and provide enough information to, stakeholders throughout the life cycle of the project in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project. Public disclosure of the RF/RPs will be made to PAPs and other stakeholders for review and comments on entitlement measures and other issues in the implementation of the RF. The purpose of the disclosure is to receive comments and suggestions from PAPs and incorporate appropriate suggestions accordingly.

This RF will be disclosed in a form, manner and language comprehensible to PAPs and at a place accessible to the potential PAPs and other stakeholders for review and comments on entitlement measures. The PCU in the MILLs will disclose and post this RF in the websites of the MILLs. The RF will also be disclosed at World Bank's external website. Comments and critiques made on the RF by affected communities and other stakeholders will be taken for consideration. Other disclosure mechanisms in the project implementation areas for potential PAPs, stakeholders, representatives of civil societies, local leaders will also be applied by LLRP II.

Monitoring and Evaluation

Resettlement planning and implementation processes would be monitored and evaluated at local, regional and national levels to ensure these are carried out in accordance with the relevant requirements of the RF, and for follow up remedial actions, where necessary. The provisions for monitoring and evaluation (M&E) will ensure the proposed actions are implemented as intended and within the timelines established, and that, the expected results are achieved. Where shortcomings or problems are found, M&E can initiate appropriate corrective actions.

The monitoring of project activities related to land acquisition, compensation and resettlement would fit into the overall project M&E framework. The objective of the monitoring plan will be to ensure that all stakeholders are provided with timely and updated information with regards to the implementation of a RP. The focus of the M&E will include an assessment of the following:

- RP implementation is in accordance with the schedule;
- Whether RP implementation has to be adjusted due to changes that have occurred;
- Whether complaints and grievances are being properly and effectively addressed; and
- Inform decisions to resolve problems encountered during RP implementation.

The Resettlement Framework (RF) is prepared in line with applicable national legislation and WB ESS5. There is uncertainty about the number of PAPs before detailed project designs are completed, thus it is vital to prepare RF than resettlement plan (RP)-which is prepared when the number of people and extent of impact is known. The document has two main objectives: to identify the degree of impact (displacement, dispossession, relocation and benefits) associated with the planned LLRP II project; and to outline the required mitigating measures for expected unwanted impacts. The relevant ESF standards and legal frameworks have been reviewed and gaps identified. Other secondary information relevant to the preparation of the document were also gathered and reviewed.

CHAPTER ONE-INTRODUCTION

1.1. Introduction

This Resettlement Framework (RF) prepared for a substantial Risk project, consistent with requirements of the World Bank Environmental and Social Framework. Its fundamental purpose is to establish terms of agreement between relevant authorities in Ethiopia and the World Bank regarding principles and procedures to be used in subsequent preparation of a site-specific Resettlement Plans (RPs)). The World Bank approval of an RP (or RPs) is required before project authorities invite bids for any contracts in which works are expected to involve physical or economic displacement as a result of land acquisition or restriction of access to or use of natural resources.

This RF is intended to avoid or minimize any adverse impacts associated with physical or economic displacement, and to ensure arrangements are in place to mitigate any adverse impacts that may occur. The Ministry of Irrigation and Lowlands (MILLs) hereby agrees to apply the principles, procedures, and standards incorporated in Environmental and Social Standard 5 (ESS5) of the World Bank Environmental and Social Framework (ESF) if obtaining any sites for project use would cause economic or physical displacement.

This RF is intended to utilize the existing legal and policy framework of Federal Democratic Republic of Ethiopia (FDRE) particularly Proclamation No.1161/2019 to deal with "Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People", incorporating any supplementary measures necessary to achieve consistency with ESS5 principles and standards.

1.2. Project Objectives and Components

The Bank adopts Hands-on Expanded Implementation Support (HEIS) Approach, with the 1st Project over three years. The project's PDO is "To improve the 'livelihood resilience' of pastoral and agro-pastoral communities in Ethiopia in the face of increasing climate risks." LLRP II, with a budget of around US$ 440 million and five years (2024-2029) implementation period will focus on the following eight major areas: (1) Emphasizes on disaster risk management for system resilience, introducing one new component: Pastoral Risk Management for Resilience; (2) Places greater focus on climate change mitigation and adaptation and aligns with the new corporate requirement on Paris Alignment and the National Determined Contribution (NDC) of the country; (3) Shifts towards strategic investments, prioritizing them over social service subprojects; (4) Adopts a One Health approach; (5) Integrates innovative grants and improved technologies; (6) Addresses causes of conflict and fragility through risk management and natural resource management; (7) Promotes integrated water resources management, considering human and livestock needs alongside natural resources management and (8) Enhances institutional coordination and partnership between sector ministries and international organizations. The components of LLRP II comprise of the following broad interventions:

Component 1: Pastoral Risk Management for Resilience (PRMR) (initial allocation of US$228M, including US$184M IDA and US$44 M IFAD): 23. This component will enhance absorptive and adaptive capacities of Pastoral and agro-pastoral (PAP) communities and their

ecosystem through strengthening DRM capacities and implementing climate preparedness and resilience building infrastructure. Operates through two complimentary sub-components:

Subcomponent 1.1: Strengthen the Lowlands Early Warning and Response System and Climate Information Systems and Services (US$9 million, including US$7 million IDA and US$2 million IFAD): This subcomponent will finance activities related to strengthening the early warning and response system and climate information services (CIS) in Ethiopia's lowlands with a focus on "last mile connectivity." This focus will ensure that information and advice about impending climate change-exacerbated hazards (including drought, floods, conflicts, livestock disease outbreaks, higher temperatures, and pest infestations) reach households across PAP areas in a timely fashion. To strengthen the early warning and response system, the project will finance: (i) preparation of Woreda Disaster Risk Profiles (WDRPs). WDRPs will be prepared/updated (where they already exist) for all 120 of the project woredas in the 8 regions outlining the major climate change vulnerabilities facing each woreda. In a process led by Ethiopia Disaster Risk Management commission (EDRMC), WDRPs will be prepared using participatory processes involving community representatives and key stakeholders at the woreda level. Experienced international organizations such as, the International Institute for Rural Reconstruction (IIRR) may facilitate the process and prepare a report using an interactive online platform to be hosted by the EDRMC. Consortium of International Agriculture Research Centers (CGIAR) through Accelerating Impacts of CGIAR on climate Research for Africa (AICCRA) project will support the integration of climate information into WDRPs; (ii) building the government and community's awareness and mainstreaming of DRM; (iii) support the EDRMC's roll out the new Multi-Hazard, Impact-Based Early Warning and Early Action System (MH-IB-EW-EAS) roadmap for 2023–2030, in the lowlands, including by helping it develop region-specific implementation plans; (iv) supporting the implementation of the National Framework for Climate Services (NFCS) in the lowlands by the Ethiopian Meteorology Institute (EMI); (v) strengthening partnerships and coordination among Ministry of Irrigation and Lowlands (MILLs), EDRMC, and the EMI to ensure the successful implementation of the MH-IB-EW-EAS and NFCS in the lowlands; and (vi) building the institutional, organizational, and human resource capacity of key stakeholders including the EDRMC and EMI (at the federal, regional, and woreda levels), with a focus on forecasting and last mile communications in the lowlands of Ethiopia.

Sub-component 1.2: Implementing Disaster Preparedness and Resilience Investments (US$219 million, including US$177 million IDA and US$42 million IFAD) :

This subcomponent will support the identification of, and selectively fund, a range of investments in climate-smart Public Economic Infrastructure (PEI), that is, physical infrastructure that can help mitigate the impacts of climate-related (and other) hazards on PAP systems and communities. The identification, selection, and planning of PEI investments will proceed as follows:(a) Regional Disaster Preparedness and Resilience Investment Plans (DPRSIPs); (b) Climate-Smart PEI Investment Plan for LLRP II and (c) Climate-Smart PEI Investments.

Component 2: Integrated Rangeland Management (initial estimate US$65M, including US$ 52.6M IDA and US$12.4M IFAD): It will continue to use rangelands as an entry point for investment

to support the development and management of the rangelands in an integrated, climate smart, nature based and participatory approaches and practices on targeted rangeland clusters. They will also increase above- and below-ground soil carbon stocks, contributing to climate change mitigation and resilience. To achieve these results, the component will apply integrated, participatory, nature-based, and climate-smart approaches and leverage renewable and efficient energy sources and technologies. It will also leverage selected research outputs and innovations generated by International Livestock Research Institute's (ILRI's) AICCRA project on feed, pasture management, and integrated rangeland management in the lowlands. In further prompting nature Based Solutions (NBS) to the project investments, the project will benefit from "NBS Invest" program of Accelerating investment in NBS to help address climate adaptation in Least Developed Countries.

The three interrelated sub-components are illustrated below:

Sub-component 2.1: Rangeland Health Monitoring and Institutional Capacity Building (US$4.5 million, including US$3.6 million IDA and US$0.9 million IFAD) : It will strive to materialize two major activities. These activities include: (a) the establishment of a national rangeland monitoring system, and (b) rangeland monitoring and management institutions, proactively targeting women in capacity-building efforts.

Sub-Component 2.2. Participatory Rangeland and Pasture Management (PRPM) US$52.5 million, including US$42.5 million IDA and US$10 million IFAD) : this subcomponent is established on the following three sub-projects:

a) Preparation of Rangeland Management Plan (RMP); update the existing 28 rangeland management and investment plans (RMIPs) prepared under LLRP I and formulate new RMPs covering 120 woredas (5-year RMP);
b) Support rangeland and pasture development interventions (restoration of degraded rangelands, soil, and water conservation (physical, biological and agronomic practices), controlling of invasive bush and herbaceous species (Prosopis Julifora), participatory and temporary area closure, etc.). Through these interventions and water infrastructure investments carried out under Subcomponent 1.2, the project will facilitate the sustainable management of water for livestock and human consumption in dry and wet season grazing areas and livestock migration and trade corridors.[1] The subcomponent also will finance technical support, training, and supervision at federal, regional and woreda levels. and
c) Support production and marketing of forage and feed. Guided by the fodder and feed value chain analysis carried out under LLRP I, the subcomponent will support the production and marketing of forage and feed by financing: (i) establishment of fodder producer and marketing cooperatives and micro and small enterprises (MSEs) with focus on women including training, input supplies; supporting establishment of nurseries and grass multiplication centers, etc., and provision of matching grants in coordination with subcomponent 3.2, (ii) developing productive alliances between fodder producers (such as MSEs) and traders; and (iii) promoting the joint management of feed stores via support for

[1] This activity will be based on available GIS-based mapping and documentation of mobility routes, migration corridors, and wet and dry season grazing areas prepared by LLRP I and IGAD.

public-private partnerships. The project will not encourage the government-led mass production and free distribution of fodder, as this would impede the sector's commercialization. However, in the event of a drought emergency (per the rainfall and vegetation condition forecasting under Subcomponent 1.1 and 2.1), the project may facilitate and support fodder production and marketing in drought hotspot areas in collaboration with MSEs, for example, through the provision of inputs and advisory services. Subcomponent activities will be closely coordinated with Subcomponent 1.2, which may finance construction of feed store and feed processing plants, as well as Subcomponent 4.2, under which the project will support the development or updating of policies and strategies on the privatization and commercialization of fodder and feed production in PAP areas.

Sub-component 2.3: Resource Related Conflict Management and Mitigation (US$8 million, including US$6.5 million IDA and US$1.5 million IFAD) : this sub-component has manifested through three activities such as; a) support conventional and indigenous conflict prevention and mitigation mechanisms by carrying out conflict analysis and mapping, building capacity, and facilitating peace-building and dialogue; b) strengthen the capacity of customary institutions to protect, negotiate, and secure access to key natural resources; (c) engage the government to identify, formulate and enforce appropriate pastoral land tenure and land use policies and strategies that legally recognize and certify customary pastoral land ownership and resource rights; and (d) identify and promote gender-sensitive and climate-smart and modern technologies including fuel-efficient and safe cook stoves, and alternative energy sources such as solar energy and bio-digesters.

Component 3: Climate Resilient and Sustainable Livelihoods (CRSL) (US$92 million, including US$72 million IDA, US$16 million IFAD and US$4.00 million capital mobilized from community groups): This component aims to enhance the absorptive and transformative capacities of the PAP household by increasing, diversifying, and stabilizing the incomes of PAP households, including those who are moving out of the pastoral system, with a focus on promoting climate-smart technologies and value chains towards fewer animals with higher productivity and lower GHG emissions. The two sub-components include:

Sub-component 3.1: Crop and Livestock Productivity and Climate Resilience (US$37 million, including US$30 million IDA and US$7.0 million IFAD): It will finance strengthening of existing pastoral and agro-pastoral training centers (PAPTCs), including rehabilitation, equipping, furnishing, provision of materials, targeted trainings and development of training modules, and printed communication materials on best practices, innovations, and technologies. Activities will also include demonstration of technologies, supply of inputs for demonstration and trainings and PAP-to-PAP learning. The project will also use the agro-pastoral field school (AFS) approach[2] and adopt and pilot the ILRI's Pioneer Positive Deviance (P-PD) approach for PAP-led adaption to climate change on livestock.[3] The required inputs, technical and materials supports will be provided to the APFS and

[2] Details on the specific extension approaches and methodologies will be provided in the PIM.

[3] Farmer-led adaptation identified with the Pioneer-Positive Deviance (P-PD) approach demonstrates endogenous innovations scalable through Farmer2Farmer scaling networks.

P-PD initiatives. Smart-packs will be developed for: (a) nutrition-sensitive agro-pastoralism, (b) livestock breeds, (c) One Health, (d) feed, and (e) husbandry and herd management.

Sub-component 3.2. Commercialization and Livelihoods Diversification (US$55million, including US$42 million IDA, US$9 million IFAD and US$4 million from community contributions): This subcomponent will foster the commercialization of PAP production systems and the diversification of PAP household incomes by supporting the development of crop and livestock value chains, reducing exposure to and dependency on drought vulnerable livelihoods). Focus value chains will include those for live animals (including camel), red meat, milk, hide and skin, fodder, fishery, honey, gums and resins, horticulture and potentially others. These outcomes will be realized by accomplishing the following three activities:

(a) Producer and marketing Groups: The subcomponent will support a range of private sector initiatives driving sector commercialization and income diversification. The project will establish 3,975 new Micro and Small Enterprises (MSEs) and strengthen 1,000 existing Common Interest Groups (CIGs) to graduate to MSEs. The groups will be involved in the production, aggregation, trading, and processing of crops, livestock, and other commodities, with a focus on women-led businesses (50 percent of the MSEs will be women-only groups).
(b) Access to Finance (support for PASACCOs and PASSACO Unions) The subcomponent will expand access to finance on-farm, off-farm and non-farm alternative activities, materials, equipment, and inputs in three main ways.
(c) Market Access and Linkages The subcomponent will support market infrastructure and market access in close coordination with Subcomponent 1.2, under which market facilities and transportation (road) upgrade investments will be undertaken, and Component 4, under which national standards for market facilities will be updated, respectively.

Component 4: Project Management, ME&L and Policy Support (US$39 million, including US$30 million IDA and US$9 million IFAD): This component will handle 35. This component will finance (i) project management; (ii) monitoring, evaluation, and learning (ME&L); and (iii) knowledge management and policy support.

Sub-component 4.1: Project Management, ME& L US$36 million, including US$29 million IDA and US$7 million IFAD): This will facilitate institutional coordination and partnerships among ministries and nongovernmental and international organizations, strengthen the capacity of Project Coordination Units (PCUs) at all levels, engage in project planning including by generating annual work plans, develop and oversee project implementation including fiduciary and safeguards, and monitor project implementation and outcomes.

Subcomponent 4.2: Knowledge Management Policy SupportUS$3 million, including US$2.4 million IDA and US$0.6 million IFAD) : It will be dedicated to realize two interrelated sub-projects: a) carry out studies of direct relevance to project activities, support the establishment of a national level think tank and policy platform on lowlands development with focus on climate change and livelihood resilience among PAP communities, sponsor academic policy research and create a space for national-level policy dialogue on pertinent issues; and b) Policy Engagement: support targeted

policy studies, gap assessment and policy briefing notes, support establishment and management of pastoral and Agro-pastoral center for Knowledge (PACK).

Given the innovative nature of the project, it will be mainstreaming Nature Based Solution (NBS) and Paris Alignment on Climate change (PA) in the planning and implementation of development interventions towards climate change adaptation and mitigation including LLRP II in the lowlands of Ethiopia. Hence, NBS will be applied for disaster risk management (Component 1) and climate change adaptation (component 3); and (2) to further develop critical knowledge and understanding of the effectiveness of various nature-based solution applications to integrated rangeland management (component 2) of LLRP II. Furthermore, potential conflicts raised due to rangeland enclosure and other project activities will be guided by the technical support from the WB NBS team as a resulted the implementation of sub-component 2.3: Resource Related Conflict Management and Mitigation will be shaped and directed by the principles and technical and operational knowledge base and skill extracted from NBS.

1.3. Project Components and Land Acquisition

The project components which include sub-projects with construction interventions may involve resettlement. The construction activities related to the Subcomponent 1.2: Prioritize and Carry Out Disaster Preparedness and Resilience Investments of LLRP II will be consisting of 1) construction of flood control structures, feed and food stores; 2) climate-smart Public Economic Infrastructure (PEI) where investments include construction, upgrading and or rehabilitation of: (i) water resources both for human and livestock consumption (such as deep water, small, and micro dams); (ii) small-scale irrigation schemes (including solar and drip irrigation technologies) (up to 500 hectares) that is under sub-component 1.2., (iii) all-weather feeder roads; (iv) cold chain and feed store ; (v) livestock market facilities, and veterinary service facilities, and (vi) wetland management and flood management measures; and 3) the construction or rehabilitation of veterinary service facilities such as federal and regional laboratories and quarantine stations. However, the scope of construction work is relatively small in size and would require about an estimated 200-300 workers (during pick time) in each site. The project also involves community mobilization, skill development and cash transfer activities among the rural communities around the project sites to support in building their resilience and coping capacity. This will be carried out by working with the common interest groups (CIGs), community action groups (CAGs) and medium and small enterprises (MSEs). Generally, the project will engage four types of workers in the implementation: direct, contracted, primary supplier and community workers. The civil works construction period will likely be two years (2024/25 to 2025/26), followed by two years of monitoring of the infrastructures for their performance and effectiveness.

1.4. Rationale on Resettlement Plan Preparation

A Resettlement Framework is prepared because sub-project information will not be available at appraisal. The purpose of an RF is to clarify resettlement principles, organizational arrangements and design criteria to be applied to subprojects during implementation. As soon as the required sub-project information becomes available, site-specific Resettlement Plans will be developed. Thus, it is not feasible to prepare resettlement plan (RP) at the time the RF is prepared. Because the specific activities of project components need to be identified, MILLs will screen sub-projects related to sub-

component 1.2 and determine whether they will require the involuntary resettlement of people within the determined project area, and they will be responsible of the application of the ESSs, including ESS5 (see annex 3).

The RP will be prepared in consultation with the affected parties, regarding the eligibility, cut-off date, disturbances to livelihoods and income-earning activities, valuation methods, compensation payments, potential assistance, and timetables. MILLs will undertake supportive supervision on implementation of the RPs related to sub-component 1.2. More specifically, RP is required if land is to be acquired in such a way that people are displaced from land or productive resources or when a sub-project is expected to cause physical and economic resettlement. To address the relocation of related sub-projects, the RP would need to cover minimal content[4] and shall be prepared prior to land acquisition. Displacement can result in relocation, loss of shelter, loss of assets or access to production-related assets; loss of income or livelihood sources; or loss of access to locations that provide higher income or lower expenditure for business or individuals. The steps to be undertaken for each individual RP include a screening process followed by a socioeconomic census, land asset inventory of the area and identification of the investment PAPs. It is implemented by developing RP. Moreover, it requires the reviewing, approving, implementing, and monitoring of the progress and success of the RPs. Thus, preparing RP during the time of preparation of the RF is not feasible.

1.5. Objectives of the RF for LLRP II

The general objective of the RF is to serve as a guideline to clarify resettlement principles, organizational arrangements, schedules, and arrangements for financing the resettlement procedures that govern project-related land acquisition, valuation principles, and compensation procedures. The development of RF is also meant to ensure that systematic and well thought out processes are followed (as against any ad-hoc processes) in addressing social concerns during the different stages of implementation. Moreover, it is imperative to ensure a framework that guarantees participation of affected persons, involvement of relevant institutions and stakeholders, adherence to both World Bank and Government of Ethiopia's procedures and requirements, and to outline appropriate compensation principles for Project Affected Persons (PAPs). To this end, the specific objectives of the RF for the LLRP II are to:

(i) establish the foundation to clarify resettlement principles, organizational arrangements, schedules, and arrangements for financing the involuntary resettlement.
(ii) provide the guidelines that govern project-related land acquisition and/or asset loss, valuation principles, compensation procedures, and grievance handling systems.
(iii) define the eligibility criteria for the identification of Project Affected Persons (PAPs) and entitlements for compensation and other resettlement assistance.
(iv) describe the consultation procedures and participatory approaches involving PAPs and other key stakeholders in the planning, implementation, and follow-up of the resettlement project activities.
(v) describe implementation and monitoring arrangements; and
(vi) provide procedures for filing grievances and resolving disputes.

[4] The scope of requirements and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The "minimum elements of resettlement plan" is indicated under annex 4 of this RF.

1.6. Key Principles

MILLs will take all feasible measures to avoid or minimize adverse impacts from land acquisition and restrictions on land use associated with project development. The fundamental objective of ESS5 is to ensure that, if physical or economic displacement cannot be avoided, displaced persons (as defined below) are compensated at replacement cost for land and other assets, and otherwise assisted as necessary to improve or at least restore their incomes and living standards.

Physical and economic displacement may give rise to severe economic, social, and environmental risks and adverse impacts to the PAPs. For this reason, the RF for LLRP II is guided by the following set of policy principles:

(i) Avoid involuntary resettlement and land acquisition where feasible.
(ii) If unavoidable, involuntary land acquisition or restrictions on land use are limited to direct project requirements for clearly specified project purposes within a clearly specified period of time to minimize excessive land acquisition (and unnecessary displacement) and to discourage land speculation.
(iii) improve living conditions of poor or vulnerable persons who are physically displaced, through provision of adequate housing, access to services and facilities, and security of tenure.
(iv) conceive and execute resettlement activities as sustainable development program, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project warrants
(v) ensure that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.
(vi) Where displacement is unavoidable, minimize adverse resettlement impacts on individuals and communities through adjustments in size, routing, or siting of project activities.
(vii) Once adverse impacts are minimized, resettlement and compensation activities will be conceived and executed as a sustainable development program.
(viii) The RF seeks to ensure a fair and transparent process where affected communities are meaningfully consulted, have participated in the planning and implementation process, and have been adequately compensated to the extent that the pre-displacement incomes have been at least restored or improved.

ESS5 also establishes key principles to be followed in resettlement planning and implementation. These include:

a) All displaced persons are entitled to compensation for land and attached assets, or to alternative but equivalent forms of assistance in lieu of compensation; lack of legal rights to the assets lost will not bar displaced persons from entitlement to such compensation or alternative forms of assistance.
b) Compensation rates refer to amounts to be paid in full to the eligible owner(s) or user(s) of the lost asset, without depreciation or deduction for fees, taxes, or any other purpose.

c) Compensation for land, structures, un-harvested crops, and all other fixed assets should be paid prior to the time of impact or dispossession.
d) When cultivated land is to be taken for project purposes, the MILLs seeks to provide replacement land of equivalent productive value if that is the preference of the displaced persons.
e) Community services and facilities will be repaired or restored if affected by the project.
f) Displaced persons should be consulted during preparation of the RP, so that their preferences are solicited and considered.
g) The RP (in draft and final versions) is publicly disclosed in a manner and language accessible to displaced persons.
h) A grievance mechanism by which displaced persons can pursue grievances will be established and operated in a responsive manner.
i) Negotiated settlement processes are acceptable as an alternative for legal expropriation if appropriately implemented and documented.
j) Land donation is acceptable only if conducted in a wholly voluntary and appropriately documented manner[5].
k) The MILLs bears official responsibility for meeting all costs associated with obtaining project sites, including compensation and other considerations due displaced persons. The RP includes an estimated budget for all costs, including contingencies for price inflation and unforeseen costs, as well as organizational arrangements for meeting financial contingencies.
l) Monitoring arrangements will be specified in the RP, to assess the status and effectiveness of RP implementation.

This RF is therefore prepared to guide and govern the components (components 1,2,3 and 4 selected for financing and sets out the elements that will entail involuntary resettlement, which will not be known during the project appraisal. It ensures that any possible adverse impacts or proposed project activities are addressed through appropriate mitigation measures in particular, against potential resettlement risks and adverse impacts).

1.7. Key Definitions

Displaced persons (ESS5, Para. 10) are defined as any persons subjected to project-related adverse impacts who (a) have formal legal rights to land or assets; (b) have a claim to land or assets that is recognized or recognizable under national law; or (c) who have no recognizable legal right or claim to the land or assets they occupy or use. The term incorporates all potential categories of persons

[5] ESS5-Footnote 10: In some circumstances, it may be proposed that part or all of the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached.

affected by land acquisition and associated impacts; all of those adversely affected are considered "displaced" under this definition regardless of whether any relocation is necessary.

Replacement cost (ESS5, Para. 2, footnote 6) is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement materials and labor for construction of structures or other fixed assets, plus all transaction costs associated with asset replacement. In all instances where physical displacement results in loss of substandard shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets minimum community standards of quality and safety.

1.8. General Description of the Project Area Influence

The project is expected to directly reach (as primary beneficiaries) about 3 million people (about 600,000 households), including the 2.5 million people targeted under LLRP I, of which 50 and 20 percent will be women and youth beneficiaries respectively. These beneficiaries are selected individuals and households residing in the 120 climate-affected PAP woredas of 7 regions and one city administration, including the 7 regions covered by LLRP I (Afar, Benshangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, and Southwest Ethiopia) and Diredawa. They include pastoralists and agro-pastoralists (PAPs) who live and work in the targeted rangelands and are generally looking to diversify their livelihoods, including in some cases by opting out of PAP occupations. The project will also benefit a range of organizations including various public institutions delivering public goods and services, cooperatives, small and medium enterprises (SMEs), other private enterprises in project-targeted value chains, micro-finance institutions (MFIs) and government and non-governmental organizations, and international implementing partners. Depending on resource availability, the project will expand to additional 20 woredas, which will make the total project geographic coverage to 120 woredas in 7 regions and Diredawa.

While communities living around the selected 120 Woredas located within seven regional states and one city administration are vulnerable, it is essential to recognize that communities cannot be treated as homogenous groups. Other social variables within communities may lead to different or disproportionately distributed access to resources, rights and vulnerability among specific social groups.

CHAPTER TWO-LEGAL AND REGULATORY FRAMEWORK

Preparing RF alone is not enough to effectively mitigate unavoidable adverse social and economic impacts from project related land acquisition or restrictions on land use and access to natural resources. Mitigation also needs to be reinforced through formal legislation. This section presents a review of applicable national and WB standards-ESS5 relating to expropriation of land holdings for the project's purposes, payments of compensation and resettlement of displaced people. Also, the section analyzes the gaps between the national and WB's standards and, thereby, indicates measures to fill the gap (if there is any) in implementing the RF for the LLRP II.

2.1. Ethiopian Legislations Relevant to Land Acquisition, Compensation and Resettlement

Ethiopia, to lay a legal foundation of expropriation, has enacted laws, proclamations, and regulations that deal with expropriation of land holdings for public purposes, valuation and payments of

compensation. The sub-sections that follow review the most relevant national legislation guiding the preparation and implementation of RF and RP for the LLRP II.

2.1.1. The Constitution of the FDRE

The major binding document for all other derivative national and regional laws and regulations is the1995 Constitution of the Federal Democratic Republic of Ethiopia (FDRE). Article (40) of the Constitution declares that every Ethiopian has the right to the ownership of private property. This right includes the right to acquire, to use and, in a manner compatible with the rights of other citizens, to dispose of such property by sale or bequest or transfer. However, the article further states, this right can be limited or modified by law where "public purpose" so demands. In association with this, the Constitution has several provisions about expropriation and related issues. Article 44(2) of the Constitution indicates that interventions for public purposes that cause the displacement of people or adversely affect the livelihood of the local population shall give the right to "commensurate" monetary or other means of compensation including relocation (resettlement) with adequate state assistance. Provisions in the constitution clearly states government's obligation not only to compensate for the works on land created by the labor and capital of land users but also to compensate for the lost land through resettling the affected individuals/communities by the state programs with adequate assistance. These Constitutional provisions are the basis for the subsequent proclamations and regulations on compensation procedures and the legal framework for the resettlement and rehabilitation policy framework in Ethiopia.

2.1.2. Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People Proclamation No. 1161/2019

The issues of expropriation, valuation and payments of compensation have been governed by the Federal Expropriation and Payment of Compensation Law (Proclamation No. 455/2005), Rural Land Administration Law (Proclamation No.456/2005) and the Council of Ministers Regulation No.135/2007. However, the FDRE Peoples Representative Council has recently rectified Proclamation No.1161/2019 to deal with "Expropriation of Land for Public Purposes, Payments of Compensation and Resettlement of Displaced People" replacing the aforesaid legislation that has been in practice over the last fifteen years. The preamble of the proclamation recognizes the essentials of the RF for the LLRP II.

WHEREAS:

- It is necessary to rectify and fill gaps envisaged in the former law and to include other provisions to make the system of expropriation of landholdings and payment of compensation more effective.
- It is necessary that government needs to use land for development works it carries out for the interest of the public.
- It is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay landholders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation.

- It is necessary to identify and define the powers and responsibilities of authorities which are in charge of property valuation; payment of compensation and resettlement; and
- It is necessary to determine the decision-making process and grievances procedure related to the expropriation and payment of compensation.

According to the Proclamation No. 1161/2019, ***"Public Purpose"*** means decision that is made by the cabinet of a Regional State, Addis Ababa, Diredawa or the appropriate Federal Authority on basis of approved land use plan or; development plan or; structural plan under the belief that the land use will directly or indirectly bring better economic and social development to the public (Article 1).

As per this Proclamation Article 2, ***"Property Compensation"*** means payment to be made in cash or in kind or in both to a person for his property or permanent improvements situated on his expropriated landholding.

The proclamation states that ***"Economic Loss Compensation"*** means payment to be made to those who are not displaced but who suffer loss of employment, trade; or rentals, or similar activities as a consequence of expropriation of land for public purposes (Article 5).

"Displaced People" means a person, households, firms, or public or private institutions who has been living in occupied land, including tenants, employed and self-employed persons on the land for public benefit (Article 16).

The legal guidance for the LLRP II RF is provided in: Article 4 sub-articles 1-4 which state the principles of expropriation of land for public purposes; Article 5 sub-article 1-5 that declares on procedures of land expropriation; Article 8 sub-articles 1-8 set out provisions on procedure of the landholding handover; Article 12 sub-articles 1-6 contain the provisions on property compensation; and Article 17 sub-article 1-7 issued on valuation of property. The details of these provisions are given in ***Annex 2.***

2.1.3. Regulation No. 472/2020

The valuation methods in Proclamation No. 1161/2019 have recently been revised in the Council of Ministers Regulation No. 472/2020 replacing the previous Regulation No. 135/2007. The new Regulation provides details of property valuation and compensation methods. Accordingly, Article 13 (1-10) of the Regulation has set out the valuation formula to be used to compensate for the affected properties. For the legal guidance in the RF of the LLRP II, details of the Regulation No. 472/2020 on compensation assessment, valuation formula, support for displaced people, and resettlement package are provided in ***Annex 3.***

2.1.4. Legislations of the Project Target Regional States

Article 52 sub-article 2(d) of the Constitution of FDRE mandates regional states with the power to administer land and other natural resources for the benefits that brings better public development. However, the legal framework in all the project target regions underscores that their respective regulations and policy guidelines regarding the expropriation of land, compensation payments, and

resettlement of the displaced people shall adhere to and be consistent with the Federal Proclamation and regulation in this respect. This makes the legal framework of the target regions an exact replica of the federal legislation. Hence, effort to formulate regional land related policies/proclamations adds no new things regarding the management of involuntary resettlement in the LLRP II.

But, the review of the proclamations on resettlement in the project target regions showed basic gap. That is, as stated earlier, the FDRE Peoples Representative Council issued Proclamation No. 1161/2019 and its subsequent Regulation No. 472/2020 replacing the previous Proclamation No. 456/2005 and Regulation No. 135/2007. Yet, none of the project target regions have revised their legislation accordingly. Instead, the resettlement legislation of the project target regions still refers to the older federal legislation: The Expropriation of Landholdings for Public Purposes and Payment of Compensation Proclamation No. 455/2005. The Afar regional state proclamation No. 49/2009; Benishangul-Gumuz regional state proclamation No. 85/2010; Gambela regional state proclamation No. 185/2011; and Somali regional state proclamation No. 128/2013 are all enacted based on the older federal proclamation no. 456/2005. This situation resulted in numerous discrepancies between the federal and regional legislations regarding amount of compensation payment and displacement calculation formula. The new federal legislation Proclamation No. 1161/2019 has incorporated many modifications compared with the previous proclamation No. 455/2005. For example:

- One important new incorporation in the Proclamation No. 1161/2019 is pertaining to, displacement compensation paid for rural landholders who are permanently displaced from their holding. When we consult Proclamation No. 455/2005, a rural landholder whose landholding has been permanently expropriated shall be paid displacement compensation which shall be equivalent to ten times the average annual income he secured during the five years preceding the expropriation of the land (Article 8). But Proclamation No. 1161/2019 replaced this provision as, where equivalent substitute land is not available, the land holder shall be paid displacement compensation which is equivalent to fifteen times the highest annual income he generated during the last three years preceding the expropriation of the land (Article 13 sub-article 1 (b & c). Here Proclamation No. 1161/2019 increased the time that displacement compensation calculated to fifteen years which was only ten years in the previous Proclamation No. 455/2005.
- Another notable inclusion in the new proclamation which is not incorporated in the previous one is displacement compensation for communal landholding. Proclamation No. 1161/2019 obliges Regional States, Addis Ababa, and Diredawa in order to issue directive and determine displacement compensation for communal landholding. The proclamation provides that, valuation of displacement compensation for communal landholding shall be based on the use of the communal land; or the lost benefits and livelihood of the displaced people (Article 13 sub-article 3(a)).
- A further remarkable and interesting enclosure in the proclamation No. 1161/2019 is a provision that mandates regional states, Addis Ababa and Diredawa city administrations to establish fund for compensation payment and rehabilitation (Article 16 sub-article (1)). The Proclamation obliges regional states, Addis Ababa, and Diredawa to develop resettlement

packages that may enable displaced people to sustainably resettle (Article 16 sub-article (2)).

- To overcome the discrepancies of resettlement legislations between the federal and project target regional states such as the one mentioned above, the implementation of the RP for the LLRP II will apply the latest Federal Proclamation No. 1161/2019 that offer better compensation payment for the displaced persons or communities.

2.1.5. Land Tenure System and Arrangements

Land is a significant natural resource for the pastoral and agro-pastoral communities. Land belongs to the state in Ethiopia. The constitution of the federal government under Article 40 (3) points out that the right to ownership of land and all-natural resources is exclusively vested in the State and in the peoples of Ethiopia. It is articulated that "Land is a common property of the Nations, Nationalities and Peoples of Ethiopia and shall not be subject to sale or to other means of exchange". The Article further in Sub-article 4 ensures that peasants and pastoralists have the right to obtain land without payment and the protection against eviction from their possession.

The land policy of Ethiopia does not reflect the common property systems preferring to deal with simple concepts of individual or state property. The state by no means attempted to define and grant land rights to community groups and pastoral lands are still excluded from registration and land deed certification process unlike the agricultural highlands. In pastoral areas, the land tenure system of the project areas belongs to clans. Every member of the pastoral community has the right to use the land collectively by clan under customary law. Villagers have rights to the land that their residents have traditionally used including grazing land, fallow land and free lands. They have a customary right to own the village land that they hold under customary law or have received as an allocation from the village council. Cultivation of cropland is a means used to put land under private holding as far as the individual tiller belongs to the same community. When he leaves the community, it becomes communal property.

2.2. World Bank ESS5 on Land Acquisition and Involuntary Resettlement

2.2.1. The World Bank ESF

The World Bank Environmental and Social Framework (ESF) sets out the World Bank's commitment to sustainable development, through a Bank Policy comprising ten Environmental and Social Standards (ESSs). Together, the ten ESSs set out the requirements on the identification, assessment and management of environmental and social risks involving development projects supported by the Bank through Investment Project Financing.

The reviews that follow focus only on those ESSs directly relevant for the RF of the LLRP II but the full ESF document with details on each ESS can be accessed from: https://www.worldbank.org/en/projects-operations/environmental-and-social-framework.

Out of the ten ESSs set out in the WB ESF, ESS5 on Land Acquisition, Restriction on Land Use and Involuntary Resettlement is especially relevant for this RF and subsequent resettlement plans and operations of the proposed LLRP II. Other relevant standards include ESS1 (Assessment and Management of Environmental and Social Risks and Impact); ESS 7 on Sub-Saharan African Historically Undeserved Traditional Local Communities (SSAHUTLCs); and ESS10 on Stakeholder Engagement and Information Disclosure. The major provisions of these ESSs are highlighted below.

2.2.2. Assessment and Management of Environmental and Social Risks and Impact (ESS1)

ESS1 requires the Borrower to carry out an environmental and social assessment of the project to assess the environmental and social risks and impacts of the project throughout the project life cycle. The assessment will be proportionate to the potential risks and impacts of the project, and will assess, in an integrated way, all relevant direct, indirect, and cumulative environmental and social risks and impacts throughout the project life cycle, including adverse resettlement impacts associated with the project related land acquisition and restriction to access natural resources (paragraph 23).

As further set out in paragraph 24 of the same ESS, the preparation of the RF and RP should be based on the environmental and social assessment providing current information, including an accurate description and delineation of the project and any associated aspects, and environmental and social baseline data of the project target regions at an appropriate level of detail sufficient to inform characterization and identification of resettlement risks and impacts for the project affected communities.

2.2.3. Historically Underserved Communities (ESS7)

The project target areas are predominantly occupied by pastoralists and agro-pastoralists that are designated as HUCs and meeting ESS7 criteria. Owing to this fact, ESS7 recognizes that Historically Underserved Communities (HUCs)[6] have identities and aspirations that are distinct from mainstream groups in national societies and often are disadvantaged by traditional models of development. In many instances, they are among the most economically marginalized and vulnerable segments of the population. Their economic, social, and legal status frequently limits their capacity to defend their rights to, and interests in, land, territories, and natural and cultural resources, and may restrict their ability to participate in and benefit from development projects (paragraph 3).

Paragraph 25 of ESS7 sets out additional provisions exclusive to project affected HUCs. It states that in the course of project-related land acquisition HUCs may be particularly vulnerable to the loss of, alienation from or exploitation of their land and access to natural and cultural resources. In recognition of this differential vulnerability, in addition to the aforesaid General Requirements stated in ESS5, the project implementing agency MILLs is required to obtain the Free Prior Informed Consent (FPIC) of the project-affected HUCs in circumstances in which project-related land acquisition (for detail kindly refer the SA prepared for LLRP II):

[6] Afar, Gambella, Benishangul Gumuz, Ethiopian Somali Regions, and pastoralists in parts of Oromia and SNNPR are designated by Ethiopian Government and agreed with the World Bank joint screening in 2013, as meeting the criteria of ESS 7, as Historically Underserved Communities.

Also, as per the requirements in paragraphs 20 and 21, the mitigation measures and development benefits for the affected HUCs due to project-related land acquisition necessitate special planning packages as reflected in the Social Development Plan. The implementing agency MILLs will undertake Targeted Social Assessment (TSA) that help determine the eligibility and the appropriate structure and mechanisms for the delivery and management of compensation and shared benefits for the project affected HUCs. Further, opportunities for benefit sharing are considered as distinct from compensation for adverse impacts and address the longer-term sustainable development of the project-affected HUCs.

2.2.4. ESS10: Stakeholder Engagement and Information Disclosure

Following the provisions set out in paragraphs 13 to 18 of the ESS10, the project implementing agency MILLs will engage with the project affected communities, including host communities, groups and persons. Among other things, engagement with the project affected communities and persons involve the decision-making processes related to resettlement and livelihood restoration options and alternatives from which the affected communities and persons may choose. Disclosure of relevant information and meaningful participation of affected communities and persons will take place during the consideration of alternative project designs, and thereafter throughout the planning, implementation, monitoring, and evaluation of the compensation process, livelihood restoration activities, and relocation process. Additional provisions apply to consultations with displaced historically underserved communities of Ethiopia, in accordance with ESS7
The consultation process should ensure that vulnerable and disadvantaged groups' perspectives are obtained and their interests factored into all aspects of resettlement planning and implementation.

As set out in ESS10 paragraphs 19 through 22, the MILLs will disclose project information to communities, groups and persons affected due to project-related land acquisition to allow them to understand the risks and impacts of the project, and potential opportunities.

2.2.5. Land Acquisition, Restriction on Land Use and Involuntary Resettlement (ESS5)

ESS5 paragraph 1 recognizes that project-related land acquisition or restrictions on land use may cause physical displacement (relocation, loss of residential land or loss of shelter), economic displacement (loss of land, assetsassets, or access to assets, leading to loss of income sources or other means of livelihood), or both.

The provision in paragraph 25 of the ESS5 states that where the likely nature or magnitude of the land acquisition or restrictions on land use related to LLRP II with potential to cause physical and/or economic displacement is unknown during project preparation, the main implementing agency MILLs is required to develop an RF establishing general principles and procedures compatible with this ESS5. Once the exact project resettlement impacts of Component 1, of the LLRP II are defined and the necessary information becomes available, such a framework will be expanded into one or more specific RPs proportionate to the risks and impacts of each project components. The provision in the same paragraph further declares that no physical and/or economic displacement will occur until the RP(s) required by ESS5 has been finalized and approved by the Bank.

When the adverse impacts from land acquisition or restrictions on land use due the implementation of Component 1, of the LLRP II cannot be avoided, the GoE will offer the affected communities, groups or persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraphs 26 through 36 of ESS5. Though further applicability will be established during the environmental and social assessment as required in ESS1, the project adhere to the scope of the entitlement of the involuntary resettlement provided in ESS5 (paragraphs 4 through 9) while the project strictly observes the eligibility classification and resettlement procedures set out in paragraphs 10 through 18 of the ESS5. Yet, the project will apply the assessment procedures and compensation terms for physical displacement as set out in paragraphs 26 through 32 and for economic displacement in paragraphs 33 through 36. In line with this, the minimum contents of the RPfor the LLRP II are annexed herewith this document ***(Annex 4).***

2.3. Comparison of the Ethiopian Legal Framework with World Bank ESS5

The above review of resettlement legislation shows that the Ethiopian and WB's legal frameworks complement each other on several grounds. For instance:

a) Both have the provision stating that it is essential to determine the types of compensable properties and lost economic interests and the principles thereof and establish the methods of valuation in order to pay land holders whose landholdings and property are expropriated or damaged or lost their economic interests in the process of expropriation fair and equitable compensation.
b) The provision in both underscores that information about compensation standards, formulas, and rates should be provided in a transparent and consistent manner. It is also important to ensure that rates are applied consistently.
c) Both legal frameworks assert that compensation and resettlement assistance for the expropriated land shall sustainably restore and improve the livelihood of the displaced people.

Nevertheless, there are gaps as well between the Ethiopian legal framework and WB's ESS5. One notable gap observed in the Ethiopian legal framework is related to the provision on voluntary land donations, whereas the ESS5 has addressed it. The other gap is related to entitlements for payment where, according to the Ethiopian legal framework, the rights to compensation are essentially based on the right of ownership which limits the rights of non-formal occupants like slum dwellers and tenants while the WB's provision addresses the limitation. This RF will adhere to the Ethiopian legal framework as reviewed above and the WB ESS5 and ESS7 in its recommendations.

The gap filling measures are developed in this RF as provided in ***Table 2*** to ensure compliance within the two sets of laws and policies for the LLRP II. Where there are differences between the national laws and ESS5, the latter shall prevail.

Table 1: Comparison matrix of Ethiopian legal frameworks with World Bank's ESS5 and gaps filling

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
Policy objectives	• The Constitution of the EFDR stipulates that the government has the power to expropriate private property for public purposes subject to payment, in advance, of compensation 'commensurate' to the value of the property (Article 40 (8)). • Proclamation No. 1161/2019 declares that expropriation of land for public purposes shall be made only on the basis of approved land use plan; urban structural plan; or development master plan (Article 4 (1)). • Only appropriate Federal Authority, or a Regional, Addis Ababa, Diredawa cabinet shall decide on whether the expropriated land directly or indirectly brings better development and is beneficial to the public (Proclamation No. 1161/2019 Article 5(1)). • As per Article 12 of Proclamation No. 1161/2019, the landholder whose land is expropriated shall be paid compensation for the property on the land and the permanent improvement made on the land (Sub-article 1). • Proclamation No. 1161/2019 states that compensation and resettlement assistance for the expropriated land shall sustainably restore and improve the livelihood of displaced people (Article 16(2))	• ESS5 aims to: avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project design alternatives; avoid forced eviction; mitigate unavoidable adverse social and economic impacts from land acquisition or restrictions on land use by: (a) providing timely compensation for loss of assets at replacement cost; and (b) assisting displaced persons in their efforts to improve, or at least restore, their livelihoods and living standards, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. • ESS5 conceives and executes resettlement activities as sustainable development programs, providing sufficient investment resources to enable displaced persons to benefit directly from the project, as the nature of the project may warrant. • ESS5 ensures that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.	The Ethiopian legal framework and WB's ESS5 have more or less similar measures. Thus, the overall objectives shall be applied in the LLRP II to avoid or minimize involuntary resettlement and to ensure consultation throughout the project lifecycle. But there are gaps in relation to compensation and replacement cost. Hence, to fill the gaps in the Ethiopian legislations, the planning, implementation and monitoring of Resettlement Plans (RPs) for the LLRP II will put in place those specific provisions in the ESS5 regarding the valuation method to reach replacement cost. Replacement Cost Approach (RCA) will be adopted for the calculation of compensation. This is expanded to cover transition and transportation allowance for PAPs who will move temporarily.

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
Project-affected squatters or illegal settlers	• The Constitution of the EFDR or Proclamation No. 1161/2019 has no legal provision to accommodate squatters or illegal settlers. • In fact the provisions in the Proclamation No. 1161/2019 exclude squatters or illegal settlers. As per Article 8 Sub-article 1(c) in order to be included in compensation payment or any other resettlement benefit, landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office. • Also, Article 8(8) of the same proclamation denies the right of squatters/illegal occupiers: "Where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice".	ESS 5 paragraph 10 Eligibility criteria, section (b) and (c) states that people who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or (c) Who have no recognizable legal right or claim to the land or assets they occupy or use will be considered them as affected persons and establish status. But, project-affected persons who have no recognizable legal rights to the land they occupy are not eligible for compensation for land, but are eligible for resettlement and livelihood assistance and compensation for assets.	To fill the gap in the national legal framework, the resettlement assistance in LLRP II applies the provision of ESS5 paragraphs 10(b) and 10(c) to mitigate the economic impacts on squatters or illegal settles caused due to project-related land acquisition, using the census of parties present in the project affected area before the cutoff date as the basis for their eligibility for RP coverage.
Historically underserved communities (HUCs)	• The Ethiopian legislations lack provisions that recognize the differential risks and adverse impacts that project-related land acquisition may cause on the life of HUCs and other vulnerable groups in the project target areas. • What makes all the legislation (the Constitution, Proclamation No. 1161/2019, Rural Land Proclamations of the LLRP II target regional states) similar is that they mainly focus on farmers or peasants and a few provisions recognizing HUCs' land rights in general are incorporated. • Therefore, the Ethiopian legal framework has no specific provisions that recognize and guide mitigation measures for the differential	• HUCs have identities and aspirations that are distinct from mainstream groups in national societies and often are disadvantaged by traditional models of development. In many instances, they are among the most economically marginalized and vulnerable segments of the population. Their economic, social, and legal status frequently limits their capacity to defend their rights to, and interests in, land, territories, and natural and cultural resources, and may restrict their ability to participate in and benefit from development projects (paragraph 3). Thus, the WB ESS7 asserts that due to project related land acquisition, HUCs may be particularly vulnerable to the loss of, alienation from, or exploitation of their land and access to natural and cultural resources (paragraph 24). • In recognition of this vulnerability, in addition to the General Requirements of ESS5, ESS1 and ESS10, the WB ESS7 issued	To overcome the gap of the national legislations, the RF and subsequent preparation and implementation of the RP for the LLRP II applies those specific provisions in ESS7 for HUCs.

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	risks and adverse impacts on HUCs associating with LLRP II's land acquisition.	additional provisions in case the project related land acquisition affects HUCs. Accordingly, ESS7 set out numerous requirements including the following ones: ✓ A targeted social assessment is conducted when HUCs are present in, or have collective attachment to, the LLRP II target areas. A key aspect of the assessment is understanding the relative vulnerabilities of the affected HUCs and how the project may affect them. ✓ The social assessment is proportionate to the nature and scale of the LLRP II's potential risks to, and impacts on, as well as the vulnerability of, the HUCs (ESS7, GN 11.1). ✓ Preparation and implementation of different mitigation measures and a social development plan must be prepared before executing project components requiring land acquisition. The findings of the targeted social assessment help determine the eligibility and the appropriate structure and mechanisms for the delivery and management of compensation and shared benefits. Opportunities for benefit sharing are considered as distinct from compensation for adverse impacts and address the longer term sustainable development of the affected communities (ESS7, GN 21.1). ✓ Meaningful Consultation Tailored to HUCs (paragraph 23) ✓ Paragraph 24 of the ESS7 stipulates Circumstances Requiring Free, Prior, and Informed Consent of HUCs before obtaining project-related land.	
Vulnerable and disadvantaged groups	Ethiopian law makes no specific accommodations for potentially vulnerable groups such as women, children, the elderly, the landless, people with disability, and those living under the poverty line.	In comparison to the Ethiopian laws, the WB ESF pay a special attention for the vulnerable and disadvantaged groups. ESS5 paragraph 17 (GN17.3) underscores the disproportionate resettlement impacts and the need for differential consideration. Among other things, the provision set out that: • It is important that affected disadvantaged or vulnerable individuals or groups have a voice in consultation and resettlement planning processes. This may involve special efforts to include those who are particularly vulnerable to hardship because of physical or economic displacement. Depending on the project context, this may be people living	To fill the gaps in the Ethiopian legislation, the planning, implementation and monitoring of Resettlement Plans (RPs) for the LLRP II will put in place those specific provisions in the ESS5 regarding the vulnerable and disadvantaged groups.

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
		below the poverty line, the landless, the elderly, the disabled, or female- and child-headed households. • Community engagement in this case may include dedicated focus groups, and members of disadvantaged or vulnerable groups should be included among the representatives of affected communities. • Project-affected vulnerable people may also require assistance to participate in consultation events or discussion forums, for example, through provision of transportation to consultation venues, or visits to individual households for consultation purposes. • Affected persons identified as disadvantaged or vulnerable may also need additional help to understand their options for resettlement and compensation.	
Eligibility criteria for compensation	As per the provision in the Proclamation No. 1161/2019 Article 8 sub-article 1(b), the eligibility criteria for compensation will be decided based on the formal legal rights of the holders which he/she is required to deliver during the socio-economic census and the authority of the provided documents will be checked. However, according to sub-article 8, where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice. Thus, the eligibility criteria of the Ethiopian law exclude squatter or illegal settlers.	According to ESS5 paragraph 10, affected persons may be classified as persons: (a) who have formal legal rights to land or assets; (b) who do not have formal legal rights to land or assets, but have a claim to land or assets that is recognized or recognizable under national law; or (c) who have no recognizable legal right or claim to the land or assets they occupy or use. Contrary to Ethiopian law, affected persons who have no recognizable legal right or claim to the land or assets they occupy or use are eligible for assistance under ESS5 paragraph 10(c). As set out in GN 10.1 of the ESS5, these can be seasonal resource users, such as herders, grazers, fishers, or hunters (although if the rights of such users are recognized by national law, they may fall into category (a) or (b)). They can also be persons occupying land in violation of applicable laws. Affected persons in these groups are not eligible for compensation for land, but are eligible for resettlement and livelihood assistance and compensation for assets.	To fill the gap, the RF and subsequent RPs will depend on the eligibility criteria for compensation as provided in the WB ESS5 paragraph 10(c) Who have no recognizable legal right or claim to the land or assets they occupy or use. The census described in paragraph 20 will establish the status of the affected people.
Compensation	According to Proclamation No. 1161/2019 Article 8 (4) land holder who is served with	Similarly, the provision in ESS5 states that when land acquisition or restrictions on land use (whether permanent or	

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	notice to hand-over his landholding shall take the compensation and replacement plot or house within 30 days of notice. The Borrower will offer affected persons compensation at replacement cost.	temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraphs 26 through 36 of the ESS5. ESS 5 Requires that the borrower will take possession of acquired land and related assets only after the compensation in accordance with this ESS 5 has been made available and, where applicable, displaced people have been resettled and moving allowance has been provided to the displaced persons in addition to compensation. According to ESS5, "Replacement cost" is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do exist, replacement cost may be determined through alternative means, such as calculation of output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety.	Payment of compensation and support for displaced person should always be effected before the land is handed over, as per the requirements of ESS 5 and Proclamation No. 1161/2019. To fill the gaps in the Ethiopian legislation, the planning, implementation and monitoring of Resettlement Plans (RPs) for the LLRP II will put in place those specific provisions in the ESS5 regarding the valuation method to reach replacement cost. Replacement Cost Approach (RCA) will be adopted for the calculation of compensation. This is expanded to cover transition and transportation allowance for PAPs who will move temporarily.
Valuation method	Proclamation No. 1161/2019 Article 9, sub-article 1-3 stated that valuation methods to determine the compensation for various properties and detailed prescriptions applicable thereto are provided under Regulation No. 472/2020 within Article 13,14 and	According to ESS5, "Replacement cost" is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do exist, replacement cost may be determined through alternative means, such as calculation of	To fill the gaps in the Ethiopian legislations, the planning, implementation and monitoring of RPs for the LLRP II will put in place those specific provisions in the ESS5 regarding the valuation method to reach replacement

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	15. However, in the Proclamation, it is noted that to determine the amount of compensation, a certified private institution or individual consultant valuators shall evaluate the property situated on land to be expropriated based on a nationally approved valuation method (Article 17, sub-article 1). Where there is not certified private institution, it shall be evaluated by an autonomous government organization established for this purpose. If there is no autonomous organization, considering the location of the expropriated land, valuation committee could be established by the relevant City or Woreda administration comprising proper professionals (Article 17, sub-article 1-3). Nevertheless, where the property is state owned infrastructure or utility line, the valuation shall be made by the government entity owning it (Article 17, sub-article 6). The unit price of compensation valuation shall be revised at most every two years.	output value for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs. In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. The valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.	cost. Replacement Cost Approach (RCA) will be adopted for the calculation of compensation. This is expanded to cover transition and transportation allowance for PAPs who will move temporarily.
Livelihood restoration and assistance for economically displaced persons	• Proclamation No. 1161/2019 stipulates that compensation and resettlement assistance compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people (Article 4(2)). • The amount of compensation to be paid at Federal, or Regional or Addis Ababa or Diredawa level for similar properties and	The Ethiopian and WB policy share the same objectives on livelihood restoration and assistance. ESS5 stipulate that: • In the case of projects affecting livelihoods or income generation, the Borrower's plan will include measures to allow affected persons to improve, or at least restore, their incomes or livelihoods (paragraph 33). • Likewise, paragraph 35 states that economically displaced persons will be provided opportunities to improve, or at least	Ethiopian and WB's legal provision alike states that compensation alone is not sufficient to restore or improve the livelihoods and social welfare of displaced households and communities. In line with this resettlement objective, in LLRP II:

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	economic losses in the same areas shall be similar (Article 4(3)).	restore, their means of income-earning capacity, production levels, and standards of living.	• Income restoration program will be used to reestablish sources of livelihoods for those affected people who are significantly impacted and have permanently or partially lost their sources of livelihood. Livelihood restoration programs in the LLRP II will be robust and can accurately meet the livelihood restoration objectives in this regard. • In case of subprojects involving economic displacement, MILLs will develop LRPs to compensate affected persons and/or communities and offer other assistance that meet the objectives of World Bank Environmental and Social Standard, ESS 5. The LRP will establish the entitlements of affected persons and/or communities and will ensure that these are provided in a transparent, consistent, and equitable manner, in adequate opportunity to reestablish their livelihoods.
Cut-off date	• As set out in Proclamation No.1161/2019, building erected, improvements on land or properties added after the issuance of the expropriation order to the landholder will not be considered for compensation (Article	As per the ESS5, the cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when it is well communicated, documented, and disseminated, including by providing clear demarcation of areas designated for	The Ethiopian Proclamation No. 1161/2019 and WB ESS5 paragraph 20 (GN 20.2) state almost the same provision on cut-off date. Thus, whether

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	8(1c). The same sub-article further states that decision on cut-off date is made after collecting landholding rights and conduct inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated. • Article 8 of the same proclamation stipulate that the City or Woreda Administration shall follow the following orders when land holders' hand over their lands: ✓ Shall consult land holders who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project (sub-article 1(a)) ✓ Notwithstanding with sub-article 1(a), land holders who are to be displaced may be consulted on the type; benefits and general process of the project in less than one year if the concerned Federal or Regional State decides that the land is required urgently for investment.	resettlement. Individuals taking up residence in, or use of, the project area after the cut-off date are not eligible for compensation or resettlement assistance. Similarly, the loss of fixed assets (such as built structures, fruit trees, and woodlots) built or planted after the cut-off date is not compensated, except where it can be demonstrated that such post-cut-off date improvements were needed to maintain the livelihoods of the affected person during the period between the cut-off date and displacement (paragraph 20, GN 20.2.	the RF or RP for the LLRP II applies the Ethiopian or WB's legal provision that yields the same outcome.
Responsibilities of the project	• Article 5 of Proclamation No.1161/2019 sets out the responsibilities of the implementing agency requiring them to gather data on the land needed and works, and send this to the appropriate officials for permission. • Article 9 (1) states that the project implementing agency is responsible to submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project.	• The WB ESS5 require the project implementing agency to conduct a census that identifies affected persons, and includes pertinent demographic (age, gender, family size, births, and deaths) and related social and economic information (ethnicity, health, education, occupation, income sources, livelihood patterns, productive capacity, and so forth). The census helps to determine eligibility of affected persons. It includes undertaking an inventory and valuation of assets and establishing, documenting, and making known the rights of those affected (paragraph 20, GN 20.1). • ESS5 requires that the Borrower's plan will establish the roles and responsibilities relating to financing and implementation and include arrangements for contingency financing to meet unanticipated costs, as well as arrangements for timely and	The Proclamation No. 1161/2019 and ESS5 set out a similar responsibility of the project implementing agency. In line with this: • The process involving the implementation of LLRP II includes screening, a census, and the development of RP, management of compensation payments

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
	• As per the Proclamation No. 1161/2019, the project implementing agency is responsible to pay the money required for compensation and resettlement to the City or Woreda Administration, when it is decided that compensation and resettlement payment shall be made to the displaced people (Article 9(2)).	coordinated response to unforeseen circumstances impeding progress toward desired outcome (paragraph 22). • The provision in paragraph 23 of the ESS5 necessitate the Borrower to establish effective procedures to monitor and evaluate the implementation of the RAP and will take corrective action as necessary to achieve the objectives of the ESS5.	and monitoring and evaluation of success. • It must also include proper consultation with the affected parties through the process.
Resettlement instruments	Article 16 of Proclamation No. 1161/2019 incorporate provisions on the resettlement instruments. Accordingly: • Regional States, Addis Ababa and Diredawa shall establish a fund for compensation payment and rehabilitation (sub-article 1). • Regional States, Addis Ababa and Diredwa shall develop resettlement packages that enable displaced people to sustainably resettle (sub-article 2). • Urban or Woreda Administrations shall have the duty to resettle the People displaced on the basis of the resettlement package and allocated budget (sub-article 3). • If the land expropriation for public purpose is for investment, the people who are displaced may own shares from the investment (sub-article 4).	ESS5 paragraph 22 states that to address the risks and adverse resettlement impacts, the Borrower will prepare a plan proportionate to the risks and impacts associated with the project-related land acquisition: a) For projects with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the plan will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring, and addressing grievances. b) For projects causing physical displacement, the plan will set out additional measures relevant to relocation of affected persons. c) For projects involving economic displacement with significant impacts on livelihoods or income generation, the plan will set out the additional measures relating to livelihood improvement or restoration; and d) For projects that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the plan will establish a participatory process for determining appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.	The provisions in Proclamation No. 1161/2019 and ESS5 do not differ on resettlement instruments. Thus: • LLRP II requires preparation of resettlement plans for any project component that results in economic or physical displacement. The scope and level of detail of the plan varies with the magnitude of displacement and complexity of the measures required to mitigate adverse impacts. In all cases, the plan describes the manner in which the objectives of ESS5 can be achieved. • For access restrictions in relation to legally designated parks, protected areas, or other common property, the resettlement plan may take the form of a process framework. It is used to design project activities, determine

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
			eligibility criteria, reach agreement on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances, and arrange for participatory implementation and monitoring.
Consultation and disclosure of information	The Ethiopian laws incorporated the general provisions rather than explicitly stating the principles and provisions of consultation and disclosure of information regarding projects involving resettlement impacts: • Article 92 of the Constitution states that people have the right to full consultation and to the expression of views in the planning and implementation of development projects that affect their lives. • The provision in Proclamation No. 1161/2016 states that the City or Woreda Administration shall consult land holders who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project (Article 8 sub-article 1(a)). But, this is limited to consultation prior to implementation.	But, the WB ESS5 set out clear provisions specific to project involving resettlement impacts. Accordingly: • The consultation and participation process is an ongoing, organized, and iterative process. The RP should show how affected households and communities (including host communities) are involved throughout the process of resettlement planning, implementation, and monitoring (paragraph 12). • GN13.1. Information about compensation standards, formulas, and rates should be provided in a transparent and consistent manner. Where compensation for land or assets (including crops) is calculated according to formulas or rates set out in documents prepared by the Borrower, these are made available and explained to affected persons. It is also important to ensure that rates are applied consistently (paragraph 13) • The consultation process should ensure that the perspectives of the HUCs and other vulnerable and disadvantaged groups including women are obtained and their interests factored into all aspects of resettlement planning and implementation (paragraph 18). • ESS7 set out provisions specific to resettlement impacts affecting HUCs: To promote effective project design, to build local project support or ownership, and to reduce the risks and adverse resettlement impacts from project-related land acquisition, the Borrower (MILLs) will undertake an engagement process with affected HUCs. This engagement process will include stakeholder analysis and engagement	To fill the gaps in the Ethiopian laws and ensure inclusive and on-going consultation process, the LLRP II applies: • The provisions in the ESS5. • Those consultation requirements in the ESS7 distinctive to HUCs. • Further, details of stakeholder engagement in line with ESS10.

Theme	Ethiopian legal framework	WB ESS5	Gap filling measures
		planning, disclosure of information, and meaningful consultation in a culturally appropriate and gender and inter-generationally inclusive manner (paragraph 23).	
Timing of compensation payments	Proclamation No. 1161/2019 Article 8 (4) stipulates that the land holder who is served with notice to hand-over his landholding shall take the compensation and replacement plot or house within 30 days of notice. Further, pay compensation or provide substitute land before the displacement of people from their landholding (Article 8 (1g).	Likewise, as per ESS5, the Borrower will take possession of acquired land and related assets only after compensation in accordance with this ESS has been made available and, where applicable, displaced people have been resettled and moving allowances have been provided to the displaced persons in addition to compensation. In addition, livelihood restoration and improvement programs will commence in a timely fashion in order to ensure that affected persons are sufficiently prepared to take advantage of alternative livelihood opportunities as the need to do so arises (paragraph 15).	As both yields the same resettlement outcome, the RP in LLRP II applies both Proclamation No. 1161/2019 and ESS5.
Note: *In instance of differences between the Ethiopian Legislation and World Bank Environmental and Social Standard 5, the one that provides greatest benefit to the PAPs will prevail*			

2.4. Institutional and Implementing Arrangements for LLRP II in General

Given the multiple activities involving the LLRP II as described earlier, it necessitates a strong institutional and implementing arrangements ranging from federal to local level. The below descriptions provide detailed insight on this.

2.4.1. Institutional and Implementation Arrangements

The project will further evolve the institutional model tested during phase I bringing in the much-required convergence and synergies of the different institutions mandated with support and services responsibilities to Pastoral and agro-pastoral (PAP) communities in the country. The overall implementation arrangement will combine the administrative layers existing in the country with thematic focus and the geo spatial considerations of rangeland resources. The MILLs will be the lead implementing agency. The Project Coordination Units (PCUs) for LLRP (phase 1) will also continue to support LLRP II with additional experts on DRM, water engineering and capacity building. An overlap of up to one year implementation is expected between LLRP and LLRP II for which the required fiduciary precautionary measures will be put in place to avoid potential double dips.

The ministry and the PCUs at all levels have acquired adequate experience in the implementation of Bank-financed project. However, based on experiences from other projects such as Development Response to Displacement Impacts Project-DRDIP/DRDIP II and AGPII/FSRP, which had some implementation overlaps and have been managed by similar PCUs, the Bank's monitoring and implementation support will ensure that the PCU will give equal attention to the two project simultaneously. The implementation arrangement will achieve collaboration and partnerships with implementing partners which include Ministry of Agriculture, Ethiopia Cooperatives Commission (ECC), Ethiopia Institute of Agriculture Research (EIAR), Ethiopia Disaster Risk Management Commission (EDRMC), Ethiopia Meteorology Institute (EMI), and Agriculture Transformation Institute (ATI). One value added to the design is the technical collaboration, the project is envisaging with international organizations operating in the country to ensure state of the art technology transfer and innovations. This includes the Consortium of International Agriculture Research Centers (CGIAR) institutes such as International Livestock Research Institute (ILRI), International Center for Agriculture Research in Dry Areas (ICARDA), Integrated Maize and Wheat Improvement Center (CIMMYT), International Center of Insect Physiology and Ecology (ICIPE), and CIAT. Given the fact that some project woredas and communities have been inaccessible for monitoring and evaluation under LLRP phase one, a Third-Party Monitoring Agency (TPMA) will be considered under LLRP II. The TPMA will expand the existing practices of hiring independent firms for mid-term and end line evaluation studies with increased frequencies and more elaborated terms of reference.

CHAPTER THREE- IMPLEMENTATION ARRANGMENTS FOR THE RP AND LRP

Project-related land acquisition process and the associated physical and/or economic displacement are likely to generate grievances by the PAPs. The same is true in the design and implementation of Resettlement Plans (RPs) and Livelihood Restoration Plan (LRP). To mitigate this, the RF for the LLRP II proposes strong implementing arrangements composed of the following elements.

3.1. Project Coordination Unit (PCU)

The main Agency involved in the implementation of the RF will be the PCU which is hosted with MILLs. As mentioned earlier, MILLs has already established PCU which was set up for the ongoing Lowlands Livelihood Resilience Project (LLRP, P164336). The implementation of the RF requires strengthening the existing PCU by staffing it with experienced Environmental Safeguards Specialist, Social Safeguards Specialist, and Gender-Based Violence/Sexual Exploitation and Abuse/Sexual Harassment (GBV/SEA/SH) Specialist. The specific responsibilities of the PCU related the RP and LRP for LLRP II includes:

- Closely work with the relevant implementing arrangements at the federal, regional, woreda and local community level as describe earlier.
- Closely working with and overseeing the RP preparation team or designate group of expert consultants. For each individual or household affected due to project-related land acquisition, the RP preparation team or designated group of expert consultants will complete a Compensation Report containing the necessary demographic and socio-economic profiles of the PAPs.
- The PCU will also closely work with the Community Resettlement Committee (CRC) established with the responsibilities described below.
- Explain all types of compensation to the PAPs. These refer especially to the basis for valuing the land and other assets.
- Once the PAPs are appropriately informed and consensus is made on method of asset valuation, the PCU will produce a Contract or Agreement that lists all property and assets being acquired by the sub-component and the types of compensation selected.
- Manage the RP and LRP implementation, budget allocation, coordination and monitoring and evaluation. Monitor the restoration of services/utilities affected by the construction works, such as water supply and power supply.
- Participate in the decision making for proposed subproject.
- Screening of proposed activity to determine if there is a need for RP.
- Coordination, preparation, and implementation of RPs.
- Procuring a consultant for preparation of RP, and M&E of RP implementation.
- Providing funds for compensation payment.
- Initiate and ensure smooth RP implementation.
- Prepare a budget for compensation and support for the PAPs which are to be financed by the responsible Ministry.

- Coordinate with relevant agencies in settlement of grievances.
- Monitor and evaluate the implementation of RP.

3.2. Regional Level

Regional States: As per Proclamation 1161/2019 (Article 19 (1) and (2)), the main responsibilities of the regional states shall include: (a) establish fund for compensation payment and rehabilitation; (b) develop resettlement packages that enable displaced people to sustainably resettle; and (c) provide political and administrative support for the implementation of the RP and LRP. Further responsibilities of the respective regional states are provided in Article 23, sub-article 1-4 as follows:

- Provide further Regulations and Directives enacted under Proclamation No. 1161/2019.
- Follow up and ensure the implementation of the RP and LRP.
- Develop and implement resettlement packages. An independent entity that implements and governs this framework shall be established or appointed by the respective regional states.
- Provide capacity building support to Urban and Woreda Administrations to enable them implement RP and LRP.
- Assess the living conditions of the displaced persons and provide solutions to the identified problems.

Regional Cabinet: As per Proclamation No. 1161/2019, the Regional Cabinet is the highest regional decision-making body with regard to project-related land acquisition. A woreda or an urban administration as an agent of the government, can expropriate rural or urban land holdings for public purpose. However, the procedures of the land expropriation must be determined based on the plan and approved by an appropriate federal body or Regional Cabinet.

Regional Grievance Management Committee (RGRMC): As per the provisions in Article 18, sub-articles 1&2, Regional States shall establish Complaint Hearing Body and Appeal Hearing Council which shall have jurisdiction to entertain grievances arising from decisions involving project-related land acquisition, compensation payments and resettlement programs. The same provision further states that the regional Complaint Hearing Body and Appeal Hearing Council is the highest appeal hearing body before the grievance referred to the formal court option. In line with this provision, the RF for LLRP II proposes the members of the Regional Grievance Management Committee (RGMC) shall compose the representative from the Region or City Council, Cluster Area Project Personnel (CAPP), Heads and expertise of the Bureau of Rural Land Administration in the respective regions, Heads and expertise of Bureau of Women and Children Affairs in the respective regions, and representative of youth and women groups. The RGMC will collect unresolved complaints from the Woreda Grievance Management Committee (WGMC), and review the decision by the WGMC and make efforts to resolve the complaints.

3.3. City or Woreda Level

3.3.1. Urban or Woreda Land Administration Office

The Urban or Woreda Land Administration Office will have a major role and responsibility in the planning and implementation of the resettlement activities. Urban or Woreda Land Administration Office will be the main contact and is also responsible to facilitate the relocation of PAPs and work closely with the respective Regional States PCU and CAPP.

As set out in Proclamation No. 1161/2019 Article 16, sub-article 3, Urban or Woreda Administrations shall have the duty to resettle the People displaced on the basis of the resettlement package and allocated budget. According to the Proclamation No. 1161/2016, Article 16, sub-article 2, landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office. Given this, Article 25 set out the further duties and responsibilities of the Urban or Woreda Land Administration Office as follows:

- Organize consultative meetings with people that are going to be displaced on the type; benefits; and generally, the process of the project.
- Pay or make others pay the compensation to the landholders whose landholdings are expropriated.
- Implementing the resettlement packages.
- Maintain records of all property located on expropriated land.
- Support and ensure the improvement of the livelihood of displaced farmers and pastoralists.
- Maintain record and evidence relating to the displaced.

3.3.2. Property Valuation Committee (PVC)

Article 14 of the Regulation No. 472/2020 stipulates the need to establish Property Valuation Committee (PVC):

- the selection process of the members of the PVC shall consider requisite knowledge and skills relevant to the property be valued, gender and age compassion;
- where capable experts that qualify as property valuers are not available in the Woreda or Urban Administration, the Valuation Committee shall be established with experts from Zonal or Regional Administrations; and
- the number, qualification, and gender balance of the Valuation Committee; and its working procedure shall be determined in a directive issued by the Regional Cabinet.

3.3.3. Woreda Project Task Force (WPTF)

The WPTF described earlier will closely work with Urban or Woreda Land Administration Office, PCU, Cluster Area Project Person (CAPP), and Project Area Focal Person (PAFP) with the overall all issues

involving project-related land acquisition and associating property valuation, compensation payments and implementation of resettlement packages.

3.4. Community Level

3.4.1. Community Resettlement Committee (CRC)

Community Resettlement Committees (CRCs) will be established. The members of the CRC will be composed of the Kebele leader, PAFP, local elders (clan leaders, religious leaders), representative of the project-affected persons, and representative of the disadvantaged or vulnerable groups. The major tasks of the CRC include:

- It will be part of the property inventory and valuation process by checking those projects affected persons who want to make unfair advantage of compensation through over-reporting of assets lost or those who are unfairly treated in the compensation assessment. One possible way of doing so is through witnessing or validating the report of the inventory of assets affected which the RP preparation team or designate group of expert consultants produced for the resettlement compensation.
- Besides, the CRC will serve as the advisory body from planning through the implementation of the resettlement plan. Also, the CRC will play the responsibility to mediate between the project implementing agency and project affected communities and persons in cases of disagreement in the process of implementing the RPs. Furthermore, the CRC will assume the responsibility of monitoring the implementation of RPs by the community.

3.4.2. Project-Affected Communities or Persons (PAPs)

MILLs will actively engage with the project affected persons (PAPs) including host communities, as per the SEP for LLRP II. Accordingly, decision-making processes related to resettlement and livelihood restoration will include options and alternatives from which project affected communities and persons may choose. Disclosure of relevant information and meaningful participation of affected communities and persons will take place during the consideration of alternative project designs and thereafter throughout the planning, implementation, monitoring, and evaluation of the compensation process, livelihood restoration activities, and relocation process.

3.5. Collaboration with Other Responsible Agencies or Sub-national Jurisdictions

The project implementing agency MILLs will establish means of collaboration with any other governmental agencies, sub-national jurisdictions or entities that are responsible for any aspects of land acquisition, resettlement planning, or provision of necessary assistance. There may be cases where the project implementing agency MILLs lacks the legal authority or organizational capacity to undertake project-related land acquisition and provide resettlement assistance directly. Instead, that responsibility may be within the mandate of another government agency that is not directly involved in project implementation. In such instances, it is recommended that MILLs take early and proactive

steps to ensure the necessary collaboration among all relevant agencies and secure the necessary budget commitments from involved agencies to implement the required resettlement plans.

CHAPTER FOUR-POTENTIAL PROJECT BENEFITS AND RESETTLEMENT RELATED IMPACTS

4.1. Potential Positive Socio-Economic Impacts

The LLRP II is expected to bring considerable positive impacts to the population in the project implementation area by contributing to increased and sustainable access to the natural resource management that will improve the health and socio-economic livelihoods of the peoples, their livestock as well as address capacity constraints of lowlands livelihood that will facilitate improved governance and efficiency of sustainable service delivery. The anticipated major benefits of the program are indicated below.

- LLRP is designed to accommodate the livelihood, land use and resource management system of the local communities in the targeted regional states through participatory approach to communities' rangeland management and livelihood activities.
- Enhances participation of all stakeholders in planning, implementation and monitoring of projects and programs.
- Increases knowledge and awareness of local communities on the economic, social and environmental benefits of rangeland.
- Increases the roles of women in rangeland management and conservation through gender mainstreaming in the rangeland sector.
- The compensation and resettlement committees will create a platform for addressing complaints and grievances related to the implementation of resettlement and compensation claims in a way that addresses the issues raised by title and non-title PAPs.
- Demarcation of livestock routes will make control of diseases easier as veterinary staff can then manage the movement of livestock in cases of livestock disease out-breaks;
- Skills development and trainings will also be provided to women on PRMR, IRM, CSRL leadership and management thereby promoting economic livelihoods and empowerment. Furthermore, community sensitization will also be conducted on a regular basis to ensure both women and men actively participate in the planning and managing of water and natural resources. Under sub-component 2.3., the community including women will be exposed to capacity building training with an aim of enhancing soil characteristics, water retaining capacity and manage degraded lands. These activities will encourage the infiltration of water during the rainy season into the surrounding land and reduce the loss of topsoil from surface runoff, all contributing to the restoration of a healthier ecosystem, one that supports communities and increases their adaptive capacity to cope with droughts. The project will support women's group participation in the implementation of management interventions.
- The burdens of water problems often fall on the shoulders of women and children. Children and women devote a significant share of their time to searching for water where the drinking water supply is inadequate. They also travel long distances which takes a significant part of their productive time. Therefore, the implementation of the proposed project helps children, especially girls, have more time for schoolwork.
- Human and livestock mobility of the project area is basically for two basic things; one for water and the other is to search for natural pasture for their livestock. The availability of a

clean and adequate water supply leads to a sedentary way of life (Reduce mobility for the search of water). During mobility, there are negative consequences such as resource competition, environmental degradation, the transmission of diseases, abandoning of farmland, incurring additional expenses, high livestock death, and ethnic conflict. Hence, the availability of water supply for lowlands area people will have significant social and environmental benefits as it alleviates the aforementioned demerits of searching water during the dry season.

- Livestock feed is the other decisive factor for pastoral and Agro-pastoral community. With the introduction of water supply for humans and livestock, activities related to improved forage production will be a promising intervention area for government and NGOs.
- Crop farming/forage production and participation in other income diversification activities such as petty trading are expected to expand with sedentary life and in response to declining means of indigenous livelihood system.
- The project can create brief employment opportunity for the semiskilled and unskilled labor force of the area and helps in generating income that can support their livelihood. The construction phase will bring about job creation for a large number of skilled and unskilled laborers for vegetation clearing, menial works, drivers, and machine operators. In addition, the operation phase is also expected to create jobs for some semi-skilled individuals in the management of the water supply system.

4.2. Potential Adverse Impacts

The proposed LLRP II project will have anticipated potential adverse effects on residence houses, farmlands, grazing areas, fruits and other trees crops, and public utilities. Along the impacts envisaged to be occurred, mitigation measures that would minimize the negative impacts and the net gains to be achieved are presented in this resettlement framework (RF) document. The LLRP II project may involve limited land acquisition and displacement of land-uses and/or livelihoods. Adverse impacts include (i) land acquisition, resettlement and compensation; (ii) Conflict over Rangeland Enclosure; (iii) Impacts of land acquisition, restriction to land and involuntary resettlement; (iv) Impact on Communal Land; (v) Impact on Residence House; and (vi) Loss of Livelihoods or Economic Bases. The major risks and mitigation measures related to resettlement issues are presented below:

4.2.1. Land Acquisition, Resettlement, and Compensation

The principal negative impact envisaged from the project is connected with very limited land acquisition in district towns of the project that may arise by distribution line during the construction phase of the disaster preparedness and resilience investments subcomponent 1.2. of the project. The proposed disaster preparedness and resilience infrastructures may be located on cultivated agricultural lands, which could adversely affect the individual family land use or homesteads, and thereby livelihood of these farmers and their families can somehow be affected although the significance is very low. The Government of Ethiopia has a comprehensive Land Tenure Policy that ensures full compensation for people affected by development projects. According to Zonal and District administrative officers, households displaced or may be economically affected by the

project's various activities such as : (i) water resources both for human and livestock consumption (such as deep water, small, and micro dams); (ii) small-scale irrigation schemes (including solar and drip irrigation technologies) (up to 500 hectares), (iii) all-weather feeder roads; (iv) cold chain and feed store; (v) livestock market facilities, and veterinary service facilities, and (vi) wetland management and flood management measures. are provided with not only financial compensation but also technical, regulatory, and capacity building support to engage in alternative livelihood options. The ESMF for the proposed project will ensure compliance with the GoE and the WB ESSs on resettlement and compensation. These and other impact mitigation measures will be reflected in the ESMP and RPs if any to be developed and implemented in each of the project districts. These guiding documents will be developed before the commencement of any physical works of the sub-projects using a participatory community consultation approach. Although expected, the impact can be extremely low.

Mitigation Measures

Mitigation measures to reduce or prevent impact of land acquisition include:

- Land of lowest value (non-cultivable and not used for grazing) should be allocated for the contractor's camp and quarry sites as much as possible;
- All the contractors' facilities should require best practice management in terms of site cleanliness, waste disposal and social management;
- Before implementing the infrastructure consult the public on the land acquisition process.
- Provide adequate compensation for the property loses and damages. This is usually done when the appropriate PAPs are identified during the screening and prior the construction activities start;
- Provision of appropriate compensation to land lost and other properties;
- Land acquisition should be limited to only areas that are essential for the project activities, and
- Identify alternative road or detour where there are no residents or perennial crops.

4.2.2. Conflict over Rangeland Enclosure

One consequence of range enclosures relates to the escalation of violent internal conflicts over infringement of 'private' enclosed lands. Reported cases include verbal abuse, fighting with dangerous weapons and the killing of animals by shooting, beating, stabbing or hamstringing them. Correspondingly, an unprecedented culture of litigation is in the making.

Mitigation Measures

In order to prevent potential sources of conflict:

- *Nature Based Solution: have an impact of rreconciling food security, livelihoods, climate and conservation objectives, like NBS the LLRP II strives to bring a triple win of poverty reduction, environmental conservation and tackling the climate crisis by promoting an integrated approach that diversifies livelihood options, builds climate resilience, and reduces deforestation and loss of biodiversity in a multi-sector and multi-stakeholder landscape; and*

- *NBS helps to build up awareness of the complexity of natural resource management problems and the value of a conflict resolution approach in addressing some of these.*
- *NBS helps to develop both a more participatory planning process and an holistic approach to natural resource management and conflict resolution.*
- **Using a shared problem and shared solution approach:** There is a need to shift the national narratives around rangeland resources management and their governance-moving from a narrative of competition and tension to one of shared problems and shared solutions. For this it is necessary to identify a trusted community leader and community mediator who can shape the narrative around water, energy and land, and raise this narrative to the highest political levels. It will be crucial to enable regional states and various ethnic groups to develop a joint vision for the nation that stresses opportunities and implements cooperative solutions for Ethiopia.

4.2.3. Impacts of land acquisition, restriction to land and involuntary resettlement

The PAPs to be impacted by any land take are likely to be non-homogenous groups; the risks highlighted in this RF differentially affect various categories of people.

Mitigation Measures

-Avoidance is the first response to risks that should be considered.
- Recognizing risks upfront and their financial implications is often a powerful stimulus to search for an alternative that eliminate the need for displacement or cuts down its size.
- The findings of the social impact assessment will be operationalized to identify the areas or sites where resettlement, due to land acquisition or restriction of access to resources, is likely to have impact.
-Land-to-land replacement, cash compensation at full replacement cost, resettlement assistance, RP and LRP will be in place to mitigate the impacts.

4.2.4. Impact on Communal Land

In the PIA some ethnic groups, clan groups or communities and families consider and treat land resources as a communal property, and rights to these resources are derived from the community. In their customary communal tenure system patrilineal kin groups or clans own all the resources inside the clan territory, which is marked by land features such as rivers, hills, big trees, roads and footpaths. The community makes decisions regarding the overall utilization of natural resources, while individual members possess only usufruct rights.

One among the affected land types in LLRP II is communal land. The most threatened are poor rural people-including ethnic minorities, pastoralists and peasants who have use right to communal land and need land the most. The land rights of these social minorities/PAPs rarely extend beyond use rights, which are often unprotected and weak-making them highly vulnerable to being dispossessed and forced off their land more easily. This condition puts the PAPs with customary tenure system at risk. Despite claims of generating high economic and social returns, the rising land acquisitions (i.e., indirect impact of the project investments seeks to induce) may have adverse impacts on local land-use practices and land resources, including land dispossession, declining access to resources,

environmental destruction and weakening of the customary land tenure systems. Furthermore, it may limit the PAPs to expand their farmlands or limit them to continue practicing their traditional farming practices. The PAPs may be forced to keep their livestock within the village and at the edges of their crop fields. This may lead the livestock to encroach into the crop fields.

Mitigation Measures

Mitigation measures for these impacts among other should include:

- Strengthen communal rights and provide legal support for the communities within the PIA.
- Genuine community consultation and participation have to be taken place as part of the land acquisition process.
- The client should work in recognizing the land title rights and share benefits equally to all eligible community members who have use right on the communal road.
- While handling displacement and resettlement; the process should be guided in a way that strengthens the communal land tenure system and cultural land use practice. To realize this capacity building training should be provided to local communities and the local government service providers.
- The pastoral communities need to be guaranteed a sustainable access to natural resources. If circumstances arise it needs to be reflected on the Process Framework (PF).
- The sub-projects need to be implemented in a way that recognizes[7]the different ethnic groups' distinct land use practices and its fragile ecological contexts.
- LLRP II sub-projects implementation should be supported with necessary land-use plans and implementation capacity and means to protect pastoral and communal areas from incursion.
- Lands allocated for the project must be beyond a five Km radius from villages.
- During the LRP preparation a multi-niche livelihood sources[8]needs to be considered. A standalone document will be prepared and integrated into sub-project specific RPs.
- Compensation will be made based on replacement principle. Affected persons will be offered compensation at replacement cost in line with the objectives stated in the ESS 5 (paragraph 11-16) and Proclamation No. 1161/2019 (Article 9, sub-articles 1-3 and Article 12 sub-articles 1-5). As per the ESS5 (paragraph 16); if the ownership of a land or other asset is disputed and force to pass through a lengthy process; "…. the Borrower may deposit compensation funds as required by the plan (plus a reasonable additional amount for contingencies) into an interest-bearing escrow or other deposit account and proceed with the relevant project activities. Compensation placed in escrow will be made available to eligible persons in a timely manner as issues are resolved."

[7]The value that the pastoral communities attach to the land and the customary land tenure system should be recognized and while implementing the sub-projects, mechanisms should be in place to avoid the chance of upsetting the land tenure and security system.

[8]During the LRP preparation, the livelihood sources should be diverse consisting of on-farm, off-farm, alternative livelihood and salary based employment opportunities.

4.2.5. Impact on Residence House

The households' residence would be expected to be affected due the LLRP II envisaged to be implemented in the project sites. All the housing units to be affected are residence houses that are located in rural Kebeles.

Mitigation Measures

If it is not avoidable, cash compensation payment at full replacement cost for the affected residence houses has been taken into consideration and amount ETB to be paid for each residence houses to be affected was estimated based on the data/information obtained from the respective government Woreda Administrations and MILLs.

4.2.6. Loss of Livelihoods or Economic Bases

The introduction of new livelihood activities in relation to the livelihood diversification can affect the existing livelihood activities practiced in the project areas and this in turn shakes the economic base of the community.

Mitigation Measures

Livelihood or economic rehabilitation should be guided in a way that promotes long-term and sustainable restoration of their livelihood or economic losses. A Livelihood Restoration Plan (LRP) proportionate to the scope and impact of the Project activities shall be developed and implemented.

In addition to the above identified six major adverse impacts, the following potential adverse environmental and social impacts like; (i) Impact from Borehole Sites, Borrow Areas and Access Roads (ii) risks of Gender Based Violence, sexual exploitation and Abuse; (iii) Exposure to COVID-19, HIV/AIDS and other Sexually Transmitted Diseases (STDs); (iv) denial of employment opportunities for the locales; (v) Noise and Dust Pollution; (vi) Occupational Health and Safety; (vii) Impact on Historically Underserved Communities and (viii) Impact on Community Utilities and Services Infrastructure can be adequately managed by integrating environmental and social due diligence and recommended mitigation measures (See the Social Assessment for detail discussion on the adverse impacts and proposed mitigation measures).

4.3. Lessons Learned from the Implementation of LLRP I

Major lessons learned and considered for LLRP II include the need to: (i) introduction of DRM to the existing resilience framework of LLRP I, with focus on building DRM capacities to help PAP communities better prepare and break the cycle of disaster and short-term response; (ii) better coordinate capacity building efforts across components to use project resources more efficiently (a dedicated capacity building officer will be hired to this avail); (iii) systematically design more targeted programs to address the disproportionate impacts of climate change on women and vulnerable groups; (iv) carry out more focused and targeted research to facilitate policy reform, (v) enhanced technical backstopping by international organizations; (vi) introduce more new technologies and innovations, including preparation and automation of WDRPs and DPRSIPs, interactive and satellite based RMS, digital banking and fin-tech, private and digital extension

services, collar-mounted tsetse fly control, adaptation and livelihood resilience tracking tool, the integration of the GEMS Kobo toolbox in the project MIS); and (vii) potentially put in place TPMA in conflict affected and inaccessible project areas.

Furthermore the following lessons are extracted from the ESRM implementation experiences along the project implementation phase of LLRP I. Hence, the following lessons can be incorporated to the process of ESRM implementation during LLRP II:

a. Providing regular supportive supervision and technical backup support by Federal and regional concerned Project staffs and IAs.
b. Conducting a series of consultative meeting with the participation of federal, regional and woreda concerned IAs to create common understanding and also initiate accelerated action plan to speed up the delayed projects especially the strategic subprojects
c. Involving MILL's Higher Officials' on Consultative Review Meeting with higher officials from regional President office and Bureau of Irrigation and Pastoral Development and engaging them on reviewing the Strategic Investment and accelerate action plan prepared and officially communicating with regions to bring into the attention of regional president office and Bureau heads.
d. Providing continuous technical backstopping and monitoring, field supervision and discussion with partners at all levels
e. The FPCU project management shall conduct a series of discussion with higher officials at Federal level (MILLs) as well as regional higher officials and involving sectors in jointly field visits to project woredas

CHAPTER FIVE-PREPARATION, REVIEW, AND APPROVAL OF RP

5.1. Preparation of Resettlement Plan (RP)

The environmental and social risk classification for LLRP II is rated as substantial. in line with the provisions in Proclamation No. 1161/2019 (Article 16) and ESS5, MILLs is required to prepare a Resettlement Plan (RP) for project-related land acquisition and resettlement. ***Annex 4*** provides indicative outlines of the RP.

The scope and level of detail of the RP varies with the magnitude of displacement and complexity of the measures required to mitigate the adverse impacts resulting from each project component.

- For project activities with minor land acquisition or restrictions on land use, as a result of which there will be no significant impact on incomes or livelihoods, the RP will establish eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring, and addressing grievances.
- For project components causing physical displacement, the RP will set out the additional measures relevant to relocation of affected persons (see the proposed mitigation measures for details).
- For project components involving economic displacement with significant impacts on livelihoods or income generation, the RP will set out the additional measures relating to livelihood improvement or restoration (see the proposed mitigation measures for details).
- For project components that may impose changes in land use that restrict access to resources in legally designated parks or protected areas or other common property resources on which local people may depend for livelihood purposes, the RP will establish a participatory process for determining appropriate restrictions on use and set out the mitigation measures to address adverse impacts on livelihoods that may result from such restrictions.
- For access restrictions in relation to legally designated parks, protected areas, or other common property, the RP may take the form of a process framework. It is used to design project activities, determine eligibility criteria, reach agreement on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances, and arrange for participatory implementation and monitoring.
- In all cases, the RP describes the manner in which the objectives of Proclamation No. 1161/2019 and ESS5 discussed earlier shall be achieved.

A key function of the preparation of the RP is to determine the anticipated costs of resettlement and arrangements for meeting those costs (including contingencies) in a timely manner to inform efforts to avoid or mitigate adverse impacts. It is important to ensure that the budget specifically allocated to meeting the costs of resettlement is adequate to implement the planned resettlement measures. It is also important to specify in the arrangements the commitments obtained from relevant institutions within government and any other parties to meet the resettlement costs. Due process is understood to include the following types of procedural protections: (a) adequate and reasonable notice for all affected persons prior to the scheduled date of hand-over or relocation (b) information on the proposed evictions, and, where applicable, on the alternative purpose for which the land or housing is to be used, to be made available in reasonable time to all those affected; (c) especially where groups of people are involved, government officials or their representatives as well, if requested, impartial observers to be present during an eviction; (d) all persons carrying out the

eviction are to be properly identified; and (e) evictions are not to take place in inclement weather or at night, or during festivals or holidays unless the affected persons consent otherwise; and (f) the resettlement plan should provide an implementation schedule indicating how the resettlement activities are linked to the implementation of the overall project. No civil works will start prior to provision of full compensation to PAPs.

The major elements or contents of a RP design criteria are summarized below:

- A description of the sub-project and a discussion of how the displaced will maintain or upgrade their living standards
- Identification of potential impacts
- Objectives of RP
- Site selection for new settlement, along with relocation risks and reconstruction;
- A census survey of displaced persons and valuation of assets
- Relevant findings of the socio-economic study
- Legal framework
- Institutional framework
- Eligibility criteria and eligible Project Affected Persons
- Valuation and compensation for losses
- Services offered after relocation (e.g. employment to restore their livelihoods, electricity, etc.) based on an assessment of their needs
- Resettlement measures
- Site selection, site preparation, relocation, provision of services (facilitation of relocation)
- Housing, infrastructure, and social services Environmental protection and management
- Community participation
- Integration with host populations
- Grievance procedures
- Organizational responsibilities and timetable (what institution is responsible for
- implementation of the relocation)
- Implementation schedule
- Costs and budget
- Monitoring implementation and outcomes
- Evaluation

5.2. Process for RP Preparation, Review and Approval

Resettlement plans are prepared for all project components that results in economic or physical displacement no matter what the number of displaced people would be. To direct the relocation of related subprojects, the RP would need to be as detailed as possible. Displacement can result in relocation, loss of shelter, loss of assets or access to production-related assets; loss of income or livelihood sources; or loss of access to locations that provide higher income or lower expenditure for business or individuals. The steps to be undertaken for each individual RP include a screening process followed by a socioeconomic census, land asset inventory of the area and identification of the investment Project Affected Persons (PAPs). It is implemented by developing a Resettlement Plan

(RP). The process for RP preparation, review and approval will involve the following key undertakings.

5.2.1. RP identification

The initial step in the indicated in a brief highlight of these initial tasks. The initial step in the RP preparation involves the subproject recommendation, screening of the sub-component activities for resettlement impacts identification of the sub-component activities followed by conducting socio-economic census.

A. Subproject Recommendation

Subproject recommendation within Appraisal-Environmental and Social Review Summary (A ESRS) is important as it enables the implementers to anticipate the actual impacts of the project in the specific project implementation sites. The subprojects under Components 1 have potential adverse resettlement impacts associated with project-related land acquisition Specifically activities under sub-component 1.2. These factors justify the potential physical and economic impacts for component 1 would be highly significant.

B. Screening process

During the screening phase, gathering information about land ownership, structures and uses of the land that would be directly affected (either temporarily or permanently) due to the project-related land acquisition might be involved. This information shall be verified by a qualified consultant who shall provide all economic, residential or other ownerships and uses of the land that might be affected, along with an estimation of the number of people affected by the type of impact. The screening of the sub-components process steps are indicated in the project ESMF and can be referred for details. Besides, a standard screening template/form is annexed in this RF document (see ***Annex 5***).

C. Asset Inventory and Initial PAPs Identification

The GoE authorities at both Woreda and local community levels; community elders and leaders; will arrange meetings with PAPs to discuss the compensation and valuation process. For each individual or household affected by the sub-component, the RP preparation team will complete a Compensation Report containing necessary personal information on the PAPs and their household members, their total land holdings, inventory of assets affected, and demographic and socio-economic information for monitoring of impacts. The Reports will be regularly updated and monitored as provided in **Annex 6** in this RF.

D. PAPs Consultation

A participatory approach is adopted to initiate the compensation process. The consultations must start during the planning stages when the technical designs are being developed, and at the land selection/screening stage. The process, therefore, seeks the involvement of PAPs throughout the Census Study for identifying eligible PAPs and throughout the RP preparation process.

E. Setting of Cut- off Dates

Deciding on the cut-off date marks the beginning procedure to implement the RP. As issued in Regulation No. 472/2020, Article 4(1), a written notice of the cut-off date shall be sent to all concerned landholders and proof of receipt by such landholders shall be provided.

The cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when it is well communicated, documented, and disseminated, including by providing clear demarcation of areas designated for resettlement. Individuals taking up residence in, or use of, the project area after the cut-off date are not eligible for compensation or resettlement assistance.

F. Census of PAPs and Socio-Economic Baseline

Once the screening process for sub-components with resettlement impacts ends, undertaking a socio-economic survey will follow. The census identifies affected persons, and includes pertinent demographic (age, gender, family size, births, and deaths) and related social and economic information (ethnicity, health, education, occupation, income sources, livelihood patterns, productive capacity, and so forth).

The information will be collected from the PAPs and related household members or dependents. Such information will be documented in writing, used to prepare the RP and to assess the necessary compensation and assistance for each person/household affected. The preparation of the RP will be based on the standard template as annexed to this RF (see ***Annex 4).***

G. Valuation of affected properties and compensation

Regulation No. 472/2020, Article 14 states the need to establish the Valuation Committee responsible to undertake details of compensation value of the property expropriated. As per sub-articles 1-3 of this article:

1. The selection process of members of the committee shall consider requisite knowledge and skill relevant to the property be valued; and gender and age.
2. Where capable experts that qualify as property valuers are not available in the Woreda or Urban Administration, the Valuation Committee shall be established with experts from Zonal or Regional Administrations.
3. The number, qualification, and gender balance of the Valuation Committee; and its working procedure shall be determined in the RF implementing arrangement.

Compensation Payment:

PAP payment: Compensation must be prompt or paid within a reasonable time. In any case, the eligible PAPs (that has been determined to be identified as eligible for compensation) should receive the compensation payment prior to eviction or project implementation. The payment should be made in accordance with the Ethiopian legal framework (Proclamation No. 1161/2019 and Regulation No. 472/2020) and WB's ESF (ESS5) as reviewed in detail in this RF.

Community Payments: Although most subprojects do not normally take land and other assets belonging to a community (such as a community center, school, or sacred site), if this occurs in a subproject, the community (as a whole) will be compensated. This compensation will be in the form of reconstruction of the facility (in case of damages) or replacement at least the same standard or equivalent or better standard required by local planning regulation. Examples of community compensation are expansion of grazing grounds; rehabilitation of school buildings, public toilets, health facilities; installation of wells or pumps; creation of marketplaces; and reconstruction of community roads.

***In*-kind compensation**: There are situation where the use of in-kind compensation is preferable. Particularly, when payment of cash compensation is considered, the ability of the affected persons or population to utilize cash to restore standards of living is assessed. Table 3 presents the entitlement matrix.

Disclosure and notification: All eligible PAPs are informed about the LLRP II sub-component with the adverse resettlement impacts and the RP process. A cut-off date is established as part of determining PAPs eligibility. In special cases where there are no clearly identifiable owners or users of the land or asset, the RP team must notify the respective local authorities and leaders. A "triangulation" of information (affected persons, community leaders and representatives, and other government agency, land valuation expert) may help to identify eligible PAPs The disclosure and notification process should also include the availability of a Grievance Redress Mechanism established by the host project (LLRP I), and how to access it. It should also involve the GRM focal persons at regional, woreda and community levels in the entire disclosure and notification process.

H. Resettlement Plan (RP) Preparation

RP preparation involves the screening of the sub-component activities for resettlement impacts identification of the sub-component activities followed by conducting socio-economic census. The Resettlement Plan will be prepared based on the findings of the census and socio-economic survey and consultations. It will include the findings of the census of project affected persons, and their entitlements to restore losses, socio economic characteristics of the project affected persons, institutional mechanisms and implementation schedules, budgets, assessment of feasible income restoration mechanisms, allotment of land from land reserve and issue of land users' certificate,

development of resettlement sites and relocation, grievance redress mechanism, coordination of implementation in conjunction with civil works procurement and construction schedules and monitoring mechanism. The resettlement plan should be structured as per the outline in annex-4 and will be proportional to expected risks and impacts.

5.2.2. RP review and submission

The MILLs and WB will review all RPs developed with the minimum contents indicated in Box 1 below. Before reaching this stage, an initial review and approval process is carried out through the Woreda Project Task Force (WPTF) and Woreda EPA at Woreda level; and regional PCU, regional EPA and regional MILLs bureaus and offices. For quality assurance, it is required that RPs prepared for specific investments be submitted to the WB for review and clearance to ensure that they are produced in line with principles and procedures stipulated in this RF, national legislation and World Bank ESF standards. Once the individual RPs are approved, they will be disclosed in the MILLs websites, and in the WB external website. In addition, each RP will be available in the localities (woreda administration Office) where the subproject investments are intended. The entitlement section of each RP and the entitlement matrix will be translated into the local languages and distributed among the affected communities, as required.

Box 1: Contents of a Resettlement Plan

Basic Contents of a Resettlement Plan (RP)

- Description of the project
- Identification of project impacts and affected populations;
- Objectives of the RP
- Site selection for new settlement, along with relocation risks and reconstruction;
- Results of a census survey of displaced persons and inventory and valuation of affected land and assets
- Description of any project-related restrictions on resource use or access
- Description of tenure arrangements, including collective, communal, or customary use or ownership claims
- Legal framework for land acquisition and compensation.
- Institutional framework
- Description of land and asset valuation procedures and compensation standards for all categories of affected assets
- Eligibility criteria for compensation and all other forms of assistance, including a cutoff date for eligibility
- Description of resettlement assistance and restoration of livelihood activities.
- Resettlement measures.
- Housing, infrastructure, and social services Environmental protection and management.
- Integration with host communities.

- Grievance procedures
- Detailed budget; and implementation schedule;
- Description of organizational responsibilities;
- Framework for public consultation, participation, and development planning;
- Grievance redress mechanisms; and
- Framework for monitoring, evaluation, and reporting

The PCU at MILLs will submit the RP document to the Regional Environmental Authority or Zonal Environmental Protection Office, Women and Social Affairs Office, Land Use Administration, and Pastoral Development Office in the respective project areas for review. The purpose of the review is to examine and determine whether the RP is an adequate assessment of the social/resettlement effects of the LLRP II sub-projects requiring land acquisition and of sufficient relevance and quality for decision-making. The PCU of the MILLs will address the review comments from the Regional Environmental Authority or Zonal Environmental Protection Office, Women and Social Affairs Office, Land Use Administration, and Pastoral Development Office in the respective project areas (if there are any) and submitted it to the higher management of the MILLs for review and approval. Finally, the RP document shall be submitted to the WB for further review. The PCU in the MILLs will review the RP document based on the comments and feedback given by the WB and re-submit the revised draft for WB's approval and clearance.

The final approved resettlement and compensation plans must include measures to ensure that the displaced persons are:

- Informed about their options and rights pertaining to project resettlement and compensation.
- Consulted on, offered choices among, and provided with technically and economically feasible resettlement and compensation alternatives.
- Provided prompt and effective compensation at full replacement cost for losses of assets and access, attributable to the project; and enabled to restore livelihoods but preferably, to improve upon their pre-project living standards and conditions.

The RP should include a time schedule; it requires review and clearance by the WB, and approval. When resolving the negative impacts of resettlement in a manner consistent with the applicable plan and criteria outlined in this document, implementation of an RP shall be deemed completed. The RP will provide a comprehensive estimate for all compensation costs. The standard RP indicated budget is presented on annex 6.

5.3. RP Implementation and Procedures

5.3.1. Implementation Procedures

The RP project implementation requires that the Borrower will not resort to forced evictions of affected persons. *Forced eviction* is defined as the permanent or temporary removal against the will

of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of basic infrastructure and services if relocation is in a new site, and lack of access to appropriate forms of legal and other protection including all applicable procedures and principles in the RF of the LLRP II. The following are the key procedures in the implementation of the RP for the LLRP II.

Step 1: Consultation and Participatory Processes;
Step 2: Disclosure and Notification;
Step 3: Documentation and verification of land and other assets;
Step 4: Compensation and Valuation:

In the Implementation Schedule of each RP, details on resettlement and compensation must be provided. The schedule for the implementation of activities, as agreed between the Project Planning team and PAPs must include:

- target dates for start and completion of civil works.
- timetables for transfers of completed civil works to PAPs.
- dates of possession of land that PAPs are using (this date must be after payments of all compensation); and
- the link between RP activities to the implementation of the overall sub project.

When approving recommendations for resettlement during screening, PAPs must confirm that the resettlement plans contain acceptable measures that link resettlement activity to civil works, in compliance with this RF. Proper timing and coordination of the civil works shall ensure that no affected persons will be displaced (economically or physically) due to civil works activity before compensation is paid and before any project activity can begin.

5.3.2. RP Monitoring and Evaluation

Monitoring and Evaluation (M&E) are key components of the RP and have the following objectives:

- Monitoring of specific situations or difficulties arising from implementation and how it complies with the objectives and methods set out in the RP.
- Verifying that project activities have been effectively completed with respect to quantity, quality, and time; and
- Evaluation of medium and long-term impacts of resettlement on the livelihood, environment, local capacities, and economic development of the affected households

The vulnerability issues will be considered in carrying out all activities relating to monitoring, evaluation and supervision. During the monitoring process, the various vulnerable groups referred to above should be consulted to ensure their concerns are handled fairly. Regular monitoring of the implementation of the RP will be carried out both internally, by the MILLs, and externally by an independent monitoring agency including completion audit.

Indicators for RP monitoring and evaluation:

- Timely availability of budget for compensation payment.
- Is appointment of experts who engage on RP implementation made after project appraisal completes.

- Timely availability of budget for compensation payment
- Percent of households receiving full compensation package within agreed timeline.
- Total compensation and support made versus total amount committed.
- Number of grievances lodged (as monitored by PCU) per month.
- Number of grievances solved per month.
- Number of grievances submitted at PCU level.
- Number of grievances submitted at administrative level.
- Number of sensitive grievances related to GBV-SEA/SH.
- Percent of households participating in Livelihood Restoration Programs. Confirm their full Livelihood Restoration (to pre-project level) after six months and
- Confirm if the Livelihood Restoration Program works, indicative of it's a) outcome and b) its sustainability.

5.4. Additional Assistance for Vulnerable PAPs

Despite the Project having a positive impact on vulnerable people and women in various ways, impacts related to gender and other sources of vulnerability requires the development of appropriate approaches. The project depending on the scale of the impact of sub-components, during RP preparation will conduct vulnerable group identification and need assessment study and produce a vulnerable group support plan with a detailed implementation plan. MILLs and participating woredas/cities are the main responsible bodies for implementation of the activities listed below:

I. Ensure the existence of joint property title for spouse and husband during resettlement compensation settlement.
II. Deposit women's cash compensation in individual bank accounts in their names during resettlement planning.
III. Deposit cash compensation on joint Bank accounts in the names of a husband and wife during resettlement planning.
IV. Provide livelihood training to women's groups organized in Micro and Small Enterprises (MSEs) with special attention to female headed households.
V. Special attention will be given to the impact of resettlement on women and other vulnerable groups during monitoring and evaluation of the RP. The income restoration measures will also target the vulnerable persons to ensure that they are reasonably assisted to overcome potential economic shocks from the project and maintain the quality of life not less than their pre-project state.
VI. In the case of physically displaced persons, the elderly and the sick, the Borrower will provide arrangements to allow them to obtain adequate housing with security of tenure. Where these vulnerable groups (informal settlers) own structures, the Borrower will compensate them for the loss of assets other than land, such as dwellings and other improvements to the land, at a replacement cost. Based on consultation with such vulnerable groups of people/PAPs, the Borrower will provide relocation assistance in lieu of compensation for land sufficient for them to restore their standards of living at an adequate alternative site.
VII. In such circumstances, the calculation of replacement cost defined in this RF establishes a minimum standard that should enable the purchase or construction of housing that meets

acceptable minimum community standards of quality and safety, even though the house being replaced may have been substandard.

Identification of vulnerable people and identification of the cause and impacts of their vulnerability, preferably through an identification mechanism devised with, and implemented by the beneficiary community; this step is critical because often vulnerable people do not participate in community meetings, and their disability/vulnerability may remain unknown. To address the problem, hence, assistance may take the following forms, depending upon vulnerable persons' requests and needs:

I. Assistance in the compensation payment procedure (e.g., specifically explain the process and procedures, make sure that documents are well understood);
II. Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery.
III. Assistance in moving providing vehicle, LLRP II and assistance at the moving stage, assist the person in identifying his/her resettlement plot.
IV. Assistance in building: providing materials, workforce, or building houses.
V. Assistance during the post-resettlement period, particularly if the solidarity networks that the vulnerable person was relying on have been affected: food support, health monitoring and the like.
VI. Health care if required at critical periods, particularly during moving and transition periods.

5.5. Livelihood Restoration Plan (LRP)

World Bank's ESS5 states that where people are affected by land take, the aim of resettlement should be that the PAPs should be "no worse-off if not better off" after the resettlement has taken place. Where impact on land use is such that people may be affected, preference shall be given to land-for-land solutions rather than cash compensation. The Constitution of Ethiopia and ESS5 differ in this regard as the latter entitles compensation for assets to all affected individuals regardless of landholding rights to land titles (including squatter settlements). Thus, the ESS5 includes additional groups who are eligible for compensation for lost assets, notably those without legal claim to the land. As such, tenants, squatters, and land users will need to be provided with compensation in line with ESS5. This applies to all people who are significantly impacted and displaced due to land loss that affects their livelihoods and means of survival. Where relocation or loss of shelter occurs, the RF requires that measures to assist the displaced persons be implemented in accordance with the Resettlement Plans and where necessary, affected people will be monitored in the rehabilitation of their livelihood.

The LRP will be prepared for the PAPs who are significantly impacted (for both economical and physical displacement) by the LLRP II components. LRP can be prepared as part of the RP or as a stand-alone document prior to the implementation of the project. The LRP can be prepared by MILLs or an independent consultant. But, if it is preferable LRP is integrated with the RF unless it applies for different areas or before the implementation of the RP.

5.6. Voluntary Land Donation Procedures

In some cases, communities may agree to voluntarily donate land in exchange for desired community benefits. Subject to prior Bank approval, this may be acceptable providing the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached. The WB ESS5 does not apply if people or communities make voluntary land donations in exchange for benefits or services related to LLRP II. Land donations can be voluntary only if the infrastructure is not location specific. That is, a school or clinic can be sited in a different location if the landowner objects. But, in case of location specific infrastructure such as a dam or reservoir, voluntary donation is precluded, since objectors can be coerced into acceptance. Thus, if the location of the proposed infrastructure cannot be changed, the policy would generally apply. Further, arrangements for voluntary resettlement are expected to involve no physical displacement or on significant adverse impacts on incomes (or they are expected to include community-devised mitigation mechanisms acceptable to those affected). It can be defined as "minor impacts" as loss of less than 10 percent of an individual's holdings. Because determining informed consent can be difficult, the following criteria are suggested as guidelines:

1. The infrastructure must not be site specific.
2. The impacts must be minor, that is, involve no more than 10 percent of any holding and require no physical relocation.
3. The land required to meet technical LLRP II subproject criteria must be identified by the affected community, not by line agencies or Program authorities (nonetheless, technical authorities can help ensure that the land is appropriate for subproject purposes and the Program will produce no health or environmental safety hazards).
4. The land in question must be free of squatters, encroachers, or other claims or encumbrances.
5. Verification (for example, notarized or witnessed statements) of the voluntary nature of land donations must be obtained from each person donating land.
6. If any loss of income or physical displacement is envisaged, verification of voluntary acceptance of community-devised mitigation measures must be obtained from those expected to be adversely affected.
7. If community services are to be provided under the Project, land title must be vested in the community, or appropriate guarantees of public access to services must be given by the private titleholder.

For cases where communities and/or individual landholders have offered to donate their land for LLRP II activities/subprojects, because it is of benefit to the broader community, the World Bank's

Voluntary Land Donation Protocol should be followed. MILLs staff involved in such instances need to exercise their best judgment where voluntary land is offered to avoid adverse impacts and reputational risks. Donations are based on the premise that the project benefit will offset or outweigh the loss of the land donated. Voluntary donation of land is only suitable for community driven subprojects/activities where the landowner and/or community wish to 'gift' land parcels or small areas for small-scale community infrastructure that will be of direct benefit to the donor's community.

An inventory of all affected assets located within the coverage of the project implementation areas shall be undertaken. Based on this, only affected assets identified during the census will be eligible for compensation. The project entitlement matrix based on Ethiopian laws and the World Bank ESF ESS5 is discussed in the following Table 3, under section 9.2.3.

CHAPTER SIX-AFFECTED ASSETS AND VALUATION PROCEDURES

6.1. Organizational Procedures for Entitlements

As the provision in Article 9 of the Proclamation No. 1161/2019 requires, land Requiring Body shall submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project (Sub-article 1) Accordingly, the money required for compensation and resettlement is paid to the City or Woreda Administration, when it is decided that compensation and resettlement payment shall be made to the displaced people (Sub-article 2).

Article 8, Sub-article 2 of Proclamation No. 1161/2019; set out the organizational procedures to be followed for delivery of entitlements involving the expropriation of land for public purpose. Accordingly, landholders or their agents whose landholdings are to be expropriated for the purposes of the LLRP II shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the Urban or Rural Land Administration Office at the time schedule by the office.

As further stipulated in Article 8, Sub-article 1(c) of the same Proclamation, the Urban or Rural Land Administration Office requires collecting landholding rights and conducting inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated. But properties added after the expropriation notification is given to the land holder are not compensated. According to Sub-article 1(d), the Urban or Rural Land Administration Office decide the legal rights of the holders by checking the authority of the documents collected as sub article 1 (c) of Article 8, determine the landholding rights or entitlements, calculate, determine, and the amount of the compensation and other related rights of the PAPs. Sub-article 1(e) requires the Urban or Rural Land Administration Office notify the land holder or his agent in writing to hand over the land expropriated for public purpose with the description of the amount of compensation the landholder shall be paid; and/or the size and location of the land or house in kind compensation.

Besides, the organizational procedure in the LLRP II requires the respective project target regions, Woreda or City Administrations to provide and facilitate all the administrative and organizational processes for delivery entitlements. Yet, the PCU in MILLs shall closely work with and supervision the process for delivery entitlements.

6.2. Method of Asset Valuation

Valuation is the means of market comparison or estimated amount for which the property should exchange. In line with this, Proclamation No. 1161/2019, Article 2(8) defines ***valuation*** as means of a common compensation valuation method used to calculate the value of property on expropriated land. The basic goal of property valuation in the RP for LLRP II is to provide a measure of the utility derived through the access to and control of property.

Both the Ethiopian legal framework (Proclamation No. 1161/2019 and Regulation No. 472/2020), and WB ESS5, set out the same method of asset valuation to guide the RP for the LLRP II. That is, the ***replacement cost.*** It is defined as a method of valuation yielding compensation sufficient to replace assets, plus necessary transaction costs associated with asset replacement. Where functioning markets exist, replacement cost is the market value as established through independent and competent real estate valuation, plus transaction costs. Where functioning markets do not exist, replacement cost may be determined through alternative means, such as calculation of output value

for land or productive assets, or the undepreciated value of replacement material and labor for construction of structures or other fixed assets, plus transaction costs.

In all instances where physical displacement results in loss of shelter, replacement cost must at least be sufficient to enable purchase or construction of housing that meets acceptable minimum community standards of quality and safety. Further, the valuation method for determining replacement cost should be documented and included in relevant resettlement planning documents. Transaction costs include administrative charges, registration or title fees, reasonable moving expenses, and any similar costs imposed on affected persons. To ensure compensation at replacement cost, planned compensation rates may require updating in project areas where inflation is high or the period of time between calculation of compensation rates and delivery of compensation is extensive.

Replacement cost approach makes two basic guidelines. First, the compensation of lost assets and properties is based on the willingness of owners of a resource to give up their rights to that resource. Though serving public interest gets priority compared to group or individual interests; consensus needs to be reached with the PAPs through negotiations with regard to the required land expropriation. Second, compensation standards for categories of land and fixed assets will be disclosed and applied consistently. Compensation rates may be subject to upward adjustment where negotiation strategies are employed. In all cases, a clear basis for calculation of compensation will be documented, and compensation distributed in accordance with transparent procedures. The process used for determining compensation values should be transparent and easily comprehensible to project-affected persons. Summary of the valuation method in Regulation No. 274/2020 is provided in ***Annex 3.***

CHAPTER SEVEN-ELIGIBILITY CRITERIA FOR AFFECTED PERSONS

Avoidance is the preferred approach in accordance with the mitigation hierarchy in ESS1. It is especially important to avoid physical or economic displacement of those socially or economically vulnerable to hardship as a result. When land acquisition or restrictions on land use (whether permanent or temporary) cannot be avoided, the Borrower will offer affected persons compensation at replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihoods, subject to the provisions of paragraph 26 through 36 of ESS5. The purpose of deciding on eligibility requirements in the RF for LLRP II is to ensure that

PAPs experiencing a complete or partial loss of land, crops, trees, and other properties or access to natural resources are specifically identified and recognized as eligible for any kind of assistance.

7.1. Eligibility Criteria

Eligibility is the definition of displaced persons and criteria for determining their inclusion or exclusion for compensation and other resettlement assistance, including relevant cut-off dates. The GoE has issued the legal frameworks. The eligibility for compensation is recognized in Article 44(2) of the 1995 Constitution. Further, the new Proclamation No. 1161/2019 is provided to address the public's concern on the previous Proclamation No. 455/2005. The new proclamation has included many changes in provisions including the provision of livelihood restoration of PAPs beyond compensation of the lost asset and property. According to Article 2 (3) *and* Article 12-14 *of the proclamation,* compensation is paid to those who have legally occupied the land and those who have property on such land developed through their labour and capital. As per these provisions, the lawful occupants are expected to produce evidence for their legal landholding. The most important evidence for this is the landholding certificate.

However, these GoE legal documents only have provisions for those who have legal title and do not give any legal entitlement for the squatters and informal settlers. In this and other related discrepancies between the WB's Policy and National Legislation, the project will be implemented as per the ESS5. Paragraph 10 defines three categories of affected persons who are eligible for coverage under ESS5. While people in all three categories are entitled to assistance of some sort under ESS5, the nature of that assistance may vary, as subsequent paragraphs of ESS5 make clear.

7.1.1. Category A

Affected persons who have formal legal rights to land or assets are those who have formal documentation under national law to prove their rights or are specifically recognized in national law as not requiring documentation. In the simplest case, an area is registered in the name of individuals or communities. In other cases, persons may have a lease on the land and therefore have legal rights. The implementation of the RP for LLRP II anticipates the affected persons in this category include farming households, urban households, and business owners.

7.1.2. Category B

Affected persons who do not have formal legal rights to land or assets, but who have a recognized or recognizable claim under national law can fall into a number of groups. They may have been using the land for generations without formal documentation under customary or traditional tenure arrangements that are accepted by the community and recognized by national law. In other cases, they may have never been provided with formal title or their documents may be incomplete or lost. They may have a claim for adverse possession if they have occupied land for a certain period of time as defined by national law, without the formal owner contesting the occupation. The RF classifies pastoral and agro-postural communities under this category.

7.1.3. Category C

Affected persons who have no recognizable legal right or claim to the land or assets they occupy, or use are eligible for assistance under ESS5. These can be seasonal resource users, such as herders, grazers, fishers, or hunters (although if the rights of such users are recognized by national law, they may fall into category (a) or (b)). They can also be persons occupying land in violation of applicable laws. Affected persons in these groups are not eligible for compensation for land but are eligible for resettlement and livelihood assistance and compensation for assets.

7.2. Scope of Entitlements in LLRP II

The scope of the entitlement in the LLRP II is determined based on the ESS5 as set out in paragraph 3 (a-h). This generally applies to permanent or temporary physical and economic displacement resulting from land acquisition or restrictions on land use for the implementation of the LLRP II activities. It also indicates (i) issues related to the cut-off dates, (ii) entitlement related to the Loss of Property/Assets, (iii) temporary losses, and (iv) Compensation for loss of land, crops/trees.

The census will establish the status of the displaced persons. Project-related land acquisition and/or restrictions on land use may result in the physical displacement of people as well as their economic displacement. Consequently, requirements of World Bank Environmental and Social Standard ESS 5 in respect of physical and economic displacement may apply simultaneously.

7.2.1. Physical displacement

Physical displacement refers to the relocation, loss of residential land or loss of shelter of the affected persons due to LLRP II related-land acquisition. The Ethiopian Proclamation No. 1161/2019, Article 13, Sub-article 1-5 set out the scope of compensation for physical displacement.

Likewise, the WB ESS5 paragraph 26 recognizes that, in the case of physical displacement, the PCU will develop a resettlement plan that covers, at a minimum, the applicable requirements of the ESS5 regardless of the number of people affected. The resettlement plan will be designed to mitigate the negative impacts of physical displacement and as warranted, to identify development opportunities. It will include a resettlement budget and implementation schedule and establish the entitlements of all categories of affected persons (including host communities). Particular attention will be paid to gender aspects and the needs of the poor and the vulnerable. Details of the scope of physical displacement and types of resettlement compensation are provided in Paragraphs 27 through 32 of the ESS5.

7.2.2. Economic displacement

Economic displacement refers to the loss of land, assets, or access to assets leading to loss of income sources or other means of livelihood caused due to land acquisition or restrictions on land use related

to the implementation of Components 1, 2 and 3 of the LLRP II. Article 14(1) of Proclamation No. 1161/2019 states that a person who lost economic benefit either permanently or temporarily without being displaced because of land expropriation shall be paid compensation. Further details on the scope of economic displacement and associated types of compensation payment are provided in Articles 15 to 17 of this proclamation.

Similarly, the WB provision; state that in the case of project-related land acquisition affecting livelihoods or income generation, the Borrower's resettlement plan will include measures to allow affected persons to improve, or at least restore, their incomes or livelihoods. The plan will establish the entitlements of affected persons and/or communities, paying particular attention to gender aspects and the needs of vulnerable segments of communities, and will ensure that these are provided in a transparent, consistent, and equitable manner (ESS5, paragraph 33). The provisions in paragraphs 34 through 35 stipulate further about the scope of economic displacement and types of compensation.

As recognized both in Ethiopian Proclamation No. 1161/2019 (Articles 13 through 17) and WB ESS5 (paragraphs 33 through 35) the types of applicable compensation depends on whether: (a) the lost means of livelihood are land-based or not; and (b) individually or communally owned. The term "land-based" includes agricultural land, livelihood activities such as rotational cropping, grazing of livestock, and the harvesting of natural resources.

7.2.3 Compensation Options

In view of the above, the types of compensation payment in the LLRP II will involve the following.

A. Replacement land

The Ethiopian Proclamation No 1161/2019 (Article 13) states that for persons whose lost livelihood is land-based compensation payment should preferably be in replacement land. Likewise, as per WB ESS5 (Paragraph 14), where livelihoods of displaced persons are land-based, the Borrower will offer the displaced persons an option for replacement land rather than in cash compensation, unless it can be demonstrated to the Bank's satisfaction that equivalent replacement land is unavailable. Both, the cited Ethiopian, and WB provision underscore that the replacement land should have a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost. However, cash compensation or (in the case of displaced persons under paragraph 10(c)) resettlement assistance in lieu of compensation for land is offered to those people who do not wish to continue their land-based livelihoods or who prefer to purchase land on their own. Compensation for land in urban areas will adhere to ESS5 (GP12.1c). That is, the market value of land of equivalent area and use, with similar or improved infrastructure and services, preferably located in the vicinity of the affected land, plus transaction costs such as registration and transfer taxes.

B. Community compensation

The Ethiopian Proclamation No 1161/2019 (Article 13) states that compensation for communal landholding should be in replacement land. But the Proclamation lacks further specification on the valuation method and manner of payment for permanent and temporary livelihood loss from communal land ownership. In contrast, the WB ESS5 provides a clear statement in this regard. That is, where land is collectively owned, the Borrower will offer the displaced community and persons an option for replacement land (Paragraph 14). Yet, as per ESS5 Paragraph 35 (b), where restrictions on land use and access to natural resources that cause a community or groups within a community to lose access to resource usage where they have traditional or customary tenure, or recognizable usage rights the project will be required to implement mechanism to either allow continued access to affected resources or to provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where common property resources are affected, benefits and compensation associated with restrictions on natural resource usage may be collective in nature.

C. Cash compensation

Cash compensation is considered for loss of property and assets including houses, structures like fences, fixed improvements, and business. Cash compensation will apply the principle of replacement cost: A method of valuation yielding compensation sufficient to replace assets plus the necessary transaction costs associated with asset replacement.

D. In-kind compensation

There are situations where the use of in-kind compensation is preferable. Particularly, when payment of cash compensation is considered, the ability of the affected persons or population to utilize cash to restore standards of living is assessed. For example, short-term consumption of cash compensation can sometimes result in hardship for subsistence-based economies or poorer households. In such cases, provision of in-kind compensation (for example, livestock or other moveable/transferable property) or vouchers earmarked for specific types of goods and services may be more appropriate. In either case whether cash, in-kind compensation, or some combination is provided the RP should consider the possibility of providing training or other guidance to recipients to help them make effective use of what they receive. Backdrop to the above discussions, ***Table 3*** presents the entitlement matrix.

Table 2: Entitlement matrix

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Agricultural land	Partial loss of farmland, i.e., less than 20% of landholding affected and land remains economically viable 0.5 ha threshold	Farmer/title holder	Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land. Depreciation and salvage value is not deducted, PAPs are allowed to salvage materials and all cash compensation is based on prevailing/current market rates (i.e., any applicable transaction cost shall be covered).
		Tenant/ lease holder 1 and above years duration of lease	Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land. Depreciation and salvage value is not deducted, PAPs are allowed to salvage materials and all cash compensation is based on prevailing/current market rates.
	Loss of farmland greater than 20% of landholding lost	Farmer/ Title holder	• Cash compensation for the harvest or product from the affected land or asset, equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land where equivalent substitute land is not available. Depreciation and salvage value will not be deducted, PAPs will be allowed to salvage materials and all cash compensation will be at prevailing/current market rates. • Replacement land of same value of land lost and at location acceptable to PAPs where feasible. • Land for land replacement will be in terms of a new parcel of land of equivalent size and productivity with a secure tenure status at areas/ locations acceptable to PAPs. Transfer of the land to PAPs shall be free of taxes, registration, and other costs. Where equivalent substitute land is given, the landholder shall be paid a one-year compensation equivalent to the highest income s/he annually used to generate in the last three years preceding the expropriation of the land. • Transfer of the land to the PAP shall be free of taxes, registration, and other costs. • **Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)**
		Tenant/Lease holder	• Cash compensation equivalent to fifteen times (fifteen years) the highest annual income s/he generated during the last three years preceding the expropriation of the land (i.e., with 1 and above years of lease). • ***Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)***
	PAPs land used for grazing	Title holder/farmer	Cash compensation for protected grasses on affected land for fifteen years. The amount of compensation for protected grass shall be determined based on the productivity of the

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Grazing land	partially affected; remaining area sufficient for continued use-20% and 0.5 ha threshold		land and the current market price of the grass per square meter as outlined in the Council of Ministers Regulation No. 472/2020
		Renter/Lease holder	Cash compensation for protected grasses on affected land. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current market price of the grass per square meter
	PAPs land used for grazing severely affected; remaining area insufficient for use	Title holder/ farmer	• Cash compensation for protected grasses on affected land for fifteen years. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land and the current market price of the grass per square meter. • Replacement land of same value of land lost and at location acceptable to PAPs where feasible. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location that is acceptable to the PAP. • Transfer of the land to the PAP shall be free of taxes, registration, and other costs. • ***Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)***
		Renter/Lease holder	Cash compensation for protected grasses on affected land. The amount of compensation for protected grass shall be determined on the basis of the productivity of the land (determined by plot size, whole harvest size, scale of land productivity efficiency, technological input and technical efficiency of land holder/farmer, renter or lease holder) and the current market price of the grass per square meter
Commercial Land	Land used for business partially affected; remaining land viable for business purpose	Title holder/ business owner	Land for land replacement could be the best option where feasible or cash compensation for affected land, taking into account replacement cost for the lost property and viable business. Opportunity cost compensation equivalent to land plus 5% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist).
		Business owner is lease holder	•Opportunity cost compensation equivalent to 10% of net annual income based on tax records for previous year (or tax records from comparable business, or estimates where such records do not exist) •Relocation assistance (costs of shifting) •Assistance in rental/ lease of alternative land/ property to reestablish the business
	Assets used for business severely affected; remaining assets become	Title holder/business owner	• Land for land replacement or compensation in cash according to PAPs choice; cash compensation to take into account replacement values. Land for land replacement will be provided in terms of a new parcel of land of equivalent size and market potential with a secured tenure status at an available location, which is acceptable to the PAP.

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
	insufficient for business purposes		• Transfer of the land to the PAP shall be free of taxes, registration, and other costs. • Relocation assistance (costs of shifting + allowance). • Opportunity cost compensation equivalent to 6 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher. • The RP will adopt alternative methodologies for informal businesses that do not keep tax records to estimate the compensation amounts, commensurate with the extent of the affectation (relocation assistance-costs of shifting and assistance to obtain alternative site to re- establish the business). Absence of formal documentation will not be an obstacle for affected people to receive compensation.
		Businessperson is lease holder	• Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher. • Relocation assistance (costs of shifting) • Assistance in rental/ lease of alternative land/ property (for a maximum of 6 months) to re-establish the business.
Residential Land	Land used for residence partially affected; remaining land viable for present use	Title holder	Cash compensation at full replacement cost for affected assets situated on land without factoring depreciation
		Rental/lease holder	Cash compensation equivalent to 10% or affected %of lease/ rental fee for the remaining period of rental/ lease agreement (written)
	Land used for residence severely affected; remaining land insufficient for use	Title holder	• Cash compensation at full replacement cost without factoring depreciation or replacement land of same value of land lost and at location acceptable to PAPs where feasible • Land for land replacement shall be of minimum plot of acceptable size under the zoning law/ s or a plot of equivalent size, whichever is larger, in either the community or a nearby resettlement area (i.e., which is acceptable by the PAPs) with adequate physical and social infrastructure systems as well as secured tenure status. • When the affected holding is larger than the relocation plot, cash compensation to cover the difference in value will be provided • Transfer of the land by government to the PAP shall be free of taxes, registration, and other costs. • ***Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)***
		Rental/lease holder	• Refund of any lease/ rental fees paid for time/ use after date of removal

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			• A residential house shall be given for two years free of charge until he constructs his residential housing or displacement compensation equal to two-year housing rentals estimated on the basis of the rental market comparable to the house of the displaced. • Cash compensation equivalent to 3 months of lease/ rental fee • Assistance in rental/ lease of alternative land/ property equivalent to the expropriated land in standard and size • Compensation for the breakup of their social ties (according article 30 of 472/2020- The amount of compensation for severed social relationship and moral damage shall be 25,000- 60,000) and moral damage they suffer as result of the expropriation. • Relocation assistance (Where the property on the land can be relocated and continue its service as before, the cost of removing, transporting, and erecting the property shall be paid as compensation. • ***Relocation assistance (costs of shifting + assistance in reestablishing economic trees + allowance up to a maximum of 12 months while short- term crops mature)***
Buildings and structures	Structures are partially affected; remaining structures viable for continued use	Owner	Cash compensation for affected building and other fixed assets, taking into account Replacement costs of structures and materials. In addition, Cash assistance to cover costs of restoration of the remaining structure
		Rental/lease holder	Cash compensation for affected assets, taking into account replacement costs for assets and materials (verifiable improvements to the property by the tenant). Disturbance compensation equivalent to two months rental costs
	Structures severely affected; remaining structures not suitable for continued use	Owner	• Cash compensation, taking into account replacement costs for structures and materials, for entire structure and other fixed assets without consideration of the depreciation costs, or alternative structure of equal or better size and quality in an available location, which is acceptable to the PAP. • Right to salvage materials without deduction from compensation • *Relocation assistance (costs of shifting + allowance)* • *Rehabilitation assistance if required (assistance with job placement, skills training)*
		Rental/lease holder	• Cash compensation for affected assets, taking into account at replacement cost for materials (verifiable improvements to the property by the tenant) • Relocation assistance (costs of shifting + allowance equivalent to four months rental costs) • Assistance to help find alternative rental arrangements • Rehabilitation *assistance if required (assistance with job placement, skills training)*
		Squatter/informal dweller	• Cash compensation for affected structures without consideration of depreciation costs, taking into account replacement cost of the lost structure.

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			• Right to salvage materials without deduction from compensation • *Relocation assistance (costs of shifting + assistance to find alternative secure accommodation preferably in the community of residence through involvement of the program)* • Assistance in lieu of land compensation sufficient to provide such persons with an opportunity to reestablish their livelihood elsewhere. • Rehabilitation assistance if required assistance with job placement, skills training.
		Street vendor (informal without title or lease to the stall or shop)	• Opportunity cost compensation equivalent to 2 months net income based on tax records for previous year (or tax records from comparable business, or estimates), or the relocation allowance, whichever is higher. • The RP will adopt alternative methodologies (Identification and consideration of opportunities to improve local living standards by supplemental investment (or through establishment of project benefit-sharing arrangements) in infrastructure, facilities, or services) and legal arrangements for regularizing tenure and transferring titles to those resettled, including provision of security of tenure for those previously lacking full legal rights to land or structures for informal businesses that do not keep tax records to estimate the compensation amounts, commensurate with the extent of the affectation (relocation assistance-costs of shifting and assistance to obtain alternative site to re- establish the business). Absence of formal documentation will not be an obstacle for affected people to receive compensation. • Relocation *assistance (costs of shifting)* • Assistance to obtain alternative site to re- establish the business.
Standing crops	Crops affected by land acquisition or temporary acquisition	PAP (owner, tenant, or squatter)	• If the crop is not harvested, the compensation payable will be based on the amount of produce available and/or the amount of produce that the produce could produce if the crop had arrived. The cost of the property owner's deduction will be deducted until the crop or vegetable is harvested. • Revenue from crop surplus will be determined based on current market prices of the leftover produce. • If one crop is produced more than once in a year, the amount of the crop per year will be the sum of the produce produced during the year. Crop Revenue = (area of the land per hectare x current market price of crop per Quintal x yield from 1hectare per Quintal) Revenue from surplus crop product = (area of the land per hectare x yield from 1hectare per Quintal x current market price surplus of crop
Trees or Perennial Plants	Trees or perennial plants lost	Title holder/farmer/rental	Cash compensation at full replacement cost based on type, age, and productive value of affected trees

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
Temporary land acquisition	Temporary acquisition	PAP (whether owner, renters, or squatter)	Cash compensation at full replacement cost for any affected assets for that temporal time plus compensation for loss of income during the period and it is also similar for renters
Communal land	Lost benefit and livelihood from use of communal land	Member of the community using communal land	Cash compensation based on the use of the communal land, or the lost benefits and livelihoods of displaced people as well as its benefit to the community. Members of the community using the communal land should be identified and shall be compensated the lost benefit and livelihoods which were originally obtained from the communal land. Private and communal property on the expropriated communal land shall be identified and included on the compensation package whenever appropriate.
Impacts on Fence	Fence	Owners	1. Fence compensation is calculated by calculating the price of the existing square meter or cubic meter required to build a new fence that is equivalent to the fenced fence. 2. If the construction material of the fence cannot be estimated per square meter or cubic meter, it can be calculated at a single price. 3. Based on number 1, it is possible that the reimbursement shall be made as the property to be relocated shall be payable. 4. If there are walls and fences with better technology, if the owner wants to take them, the compensation will be reimbursed based on the compensation calculation of the property. *Fence Compensation = amount of fence in square/cubic meter x single price of fence per square/cubic meter*
Impacts on breakup of social ties and moral damage	breakup of social ties and moral damage	PAP (Individual/HH/ Group)	-Compensation for termination of social ties and compensation for psychological damage will be paid only once. -Compensation for termination of social networking and compensation for psychological damage may be paid from a sum of 25,000 to 60 thousand birr. -Discontinuation of social ties and compensation for psychological damage is paid to displaced PAPs who are settling 5 km or more away from their original place of residence. -If the survivors of a neighborhood are excluded from their possession, they may be compensated for by the disruption of social ties and psychological compensation if approved by concerned government bodies. -The Directives of the psychology shall determine the time and place for the formation of social networks.
Graveyards	Relocation of graveyard	PAPs (families) of the deceased family members	•Compensate fully for the relocation of the graveyard that covers all the expenses of removal of the gravestones, preparing another burial ground, relocation/reburial and all the religious or cultural ceremonial expenses.

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			•The owner of the burial ground shall be clearly notified of the prescribed time to vacate the burial ground. •If the cemetery owner does not raise the cemetery within the timeframe provided, the body that cleared from the ground and properly lifted and placed in an alternate location. •There shall be no compensation for psychological damage in respect of the cemetery but need process of agreement to move through and respectful process with family, witness participation. *Cemetery compensation= cost of corpse pick up+ burial ground preparation cost+ cost of corpse transfer and relocation+ cost of religious and cultural ceremonies.*
Assistance for vulnerable Groups	Disproportion impact due to age, sex, disability, etc.	Vulnerable people to be screened from the PAPs	•Special measures for effective participation, compensation, assistance, and livelihood restoration will be defined in the RP. This is to ensure food security during this transitional period. Additional assistance will also be offered to particularly vulnerable individuals and households during and after relocation. •Additional support (in addition to the entitled compensation and relocation allowance) to support during relocation and restoration of livelihood). Such support could be in terms of labour during the reconstruction of affected houses, or in terms of money to cover expenses associated with failure of using his/her labour to rehabilitate or adjust at the relocated area. Furthermore, they should be linked to assistance programs and networks.
Utilities	Relocation of utilities	Those accessing the services of the utilities (schools, health centers, water, electric, etc.)	Utilities to be reestablished in the affected area; provision of similar temporary services until full resumption (especially water service) under the new arrangement.
Relocation and Shifting	Forced to relocate or shift.	All Affected Households	Relocation allowance includes cost associated with re –establishing residential houses, mobility costs and other ancillary costs (labour, transport, land clearing and labeling and other relevant costs etc.)
Livelihood	Loss of livelihood or source of income	Households for LR support	•Livelihood restoration measures will be planned and provided supplementary to the compensation paid for lost assets. To restore or improve their income level and livelihood; and ensure an improved standard of living or foster development benefits. •Depending on the severity of impact on the livelihoods of the affected households, livelihood restoration interventions will be designed to ensure that affected persons are not worse off in the end, and if possible have improved livelihoods and standards of living. Measures will be designed in close consultation with PAPs and stakeholders at different levels (Woreda to Federal). The RP document will provide further details on the planned livelihood restoration measures once the impacts on household's livelihoods are assessed and appropriate support measures identified. MoA will assist in the provision of

Land and Assets	Types of Impact	Person(s) Affected	Compensation/Entitlement/Benefits
			materials, training for alternative livelihood options, provision of crop seeds and seedlings for economic trees, etc as per the requirement of WB ESS5, and this RF framework. The LRP will be fully integrated in and implemented as part of the RP. •The alleviation of economic displacement will be considered complete when affected persons or communities have received compensation and other assistance as per the requirements of the World Bank ESS5 and are believed to have been provided with adequate opportunity to reestablish their livelihoods. Thus, for better management and positive comprehensive outcome, LRP will be integrated with RP during its preparation and implementation.
Impact on Grass	Loss of grasses	Owners or users of pasture affected by the Project	-If the grass on the land being cleared is ready to be harvested, it may be collected at the time specified by the developer. The cost of picking up the grass should be covered. -If the site is urgently needed and there is not enough time to harvest the grass, the estimate of the grass is calculated at the current local market price and compensation ***Compensation of Grass = area coverage of the grass with meter square x the yield of grass with current local price per meter square.***
Impact on Pastoralists [this also includes members of Historically Underserved Communities (HUCs)]	Disproportion impact due to poor development, discrimination and disaster vulnerability, etc.	Vulnerable pastoral and agro-pastoral individuals and groups	• Special measures for effective participation, compensation, assistance and livelihood restoration will be defined in the RP. This is to ensure food security during this transitional period. Additional assistance will also be offered to particularly vulnerable individuals and households during and after relocation. • Additional support (in addition to the entitled compensation and relocation allowance) to support during relocation and restoration of livelihood). Such support could be in terms of labour during the reconstruction of affected houses, or in terms of money to cover expenses associated to failure of using his/her labour to rehabilitate or adjust at the relocated area. Furthermore, they should be linked to assistance programs and networks. • Assistance in the compensation payment procedure (e.g., specifically explain the process and procedures, make sure that documents are well understood); • Assistance in the post payment period to secure the compensation money and reduce risks of misuse/robbery; • Assistance in moving: providing vehicle, LLRP II and assistance at the moving stage, assist the person in identifying his/her resettlement plot; • Assistance in building: providing materials, workforce, or building houses. • Assistance during the post-resettlement period, particularly if the solidarity networks that the vulnerable person was relying on have been affected: food support, health monitoring, etc.; and • Health care if required at critical periods, particularly the moving and transition periods

7.2.4. Project entitlement exclusion criteria

The entitlement exclusion criteria for the RP of the LLRP II will be determined as per the WB ESS5 (Paragraphs 5 through 9). Accordingly, these are described as follows.

A. Claim after cut-off date

The scope of the entitlement in the LLRP II's RF will not apply to settlements and fixed structures built after the cut-off date. The cut-off date for determining eligibility for compensation or other assistance is intended to help prevent encroachment by opportunistic settlers. It is most effective when it is well communicated, documented, and disseminated, including by providing clear demarcation of areas designated for resettlement. Individuals taking up residence in, or use of, the project area after the cut-off date are not eligible for compensation or resettlement assistance. Similarly, the loss of fixed assets (such as built structures, fruit trees, and woodlots) built or planted after the cut-off date is not compensated, except where it can be demonstrated that such post-cut-off date improvements were needed to maintain the livelihoods of the affected person during the period between the cut-off date and displacement.

B. Incomes or livelihoods with no direct relation to the project

The eligibility criteria for the RP in the LLRP II excludes impacts on incomes or livelihoods that are not a direct result of land acquisition or land use restrictions imposed by the project. Rather, such impacts will be addressed in accordance with ESS1.

C. Legally recorded transactions

The entitlement criteria in the RF exclude voluntary, legally recorded market transactions in which the seller is given a genuine opportunity to retain the land and to refuse to sell it and is fully informed about available choices and their implications. However, where such voluntary land transactions may result in the displacement of persons other than the seller, who occupy, use or claim rights to the land in question, the entitlement eligibility stated in the preceding section will apply.

CHAPTER EIGHT -GRIEVANCE REDRESS MECHANISM

Grievance redress mechanisms must be designed in view of the fact that project activities may lead to complaints. The affected people will be given many opportunities to review the Census Survey

results and compensation policies during the process of resettlement planning and implementation. However, during implementation, various issues might be encountered if there are adverse social impacts induced by the project. Resettlement and compensation related issues of grievances and disputes during implementation of the project might be as follows (Box 2).

Box 2: Resettlement and compensation-related issues of grievances and disputes during implementation of the project

- Disagreement on plot boundaries, either between the affected person and the expropriation agency or between two neighbors;
- Disputed ownership of a given asset (two or more affected people claim that the affected asset is theirs) and asset valuation.
- Successions, divorces, and other family issues resulting in disputed ownership or disputed shares between inheritors or family members,
- Where affected people opt for a resettlement-based option, disagreement on the resettlement package (the location of the resettlement site does not suit them, proposed housing or resettlement plot characteristics/agricultural potential are not adequate in their view),
- Disputed ownership of businesses and businesses related assets (quite usually, the owner and the operator of a business may be distinct individuals, which gives rise to disputes in the event of compensation).

A grievance redress mechanism will be established in order to resolve concerns effectively and timely. To this end, the GRM should be established as early as possible. This mechanism will be notified for the affected people before the resettlement implementation and thus grievances will be actively managed and tracked to ensure that appropriate resolutions and actions are taken. The grievance procedure does not replace existing legal processes. Based on consensus, the procedures will seek to resolve issues quickly in order to expedite the receipt of entitlements, without resorting to expensive and time-consuming legal actions. If the grievance procedure fails to provide resolution, complainants can still seek legal redress.

8.1. Grievance Redress Mechanism

The Grievance Redress Mechanism (GRM) addresses grievances in an efficient, timely, and cost-effective manner, that arise in the Project, either due to actions by MILLs, or the contractor/subcontractors employed, from affected communities and external stakeholders. A separate grievance redress mechanism is developed to address worker grievances as specified in ESS2. MILLs will be responsible for managing the GRM and cascade the responsibilities to contractors and subcontractors engaged with the respective implementing entity. MILLs environmental and social experts shall monitor the grievance resolution process at different levels and respective implementing entities. Project Affected Persons (PAPs) and other potential complainants should be

fully informed of the GRM, its functions, procedures, timelines, and contact persons both verbally and through written materials (often used Kebele Center notice boards for posting) and information brochures during consultations meetings and other stakeholder engagement activities. MILLs will keep a log of the complaints at hand. MILLs will implement an effective GRM, to help third parties to avoid resorting to the judicial system as far as possible. Complainants can seek redress from the judicial system at any time. The step-by-step process does not deter them from approaching the courts. All grievances related correspondence shall be documented, and the grievance resolution process will be systematically tracked.

8.2 Basic Grievance Management Process

The project GRM offers a special consideration for disadvantaged and vulnerable groups (DVGs). To this effect, the institutional setup of the project GRM considers the voice of the DVGs and Historically Underserved Communities (HUCs) by including their representative in the Project Site Grievance Management Committee (PSGMC) and Kebele Grievance Management Committee (KGMC). To make the project GRM accessible to the project-affected communities, including HUCs and VDGs, the PSGMC serve as the grassroots level of entry point.

The members of PSGMC include clan leaders, community elders, religious leaders, and representatives of women, youth and other DVGs. The PSGMC will handle grievance in a culturally appropriate manner and provide opportunities to utilize the customary conflict resolution system before referring to the next level of appeal. Also, this venue will help to resolve issues and complaints of affected person at the earliest point to make the project GRM process faster and cost-effective. In case, agreement is not reached through the mediation of the PSGMC, the person with the complaints presented his/her case to the KGMC. The members of the KRMC shall include the Kebele administration or council member, the project area focal person, representatives of project-affected communities (clan leader and elected community elder), and representatives of DVGs and HUCs. With similar manner of grievance appeal and management through the PSGMC, the process of resolving grievance through KGMC will look all the possible opportunities to solve grievance based on the customary system. The project GRM process maintaining special consideration for DVGs and HUCs will extend to Woreda and Regional Grievance Management Committee structures (see details in the SEP). Yet, the project GRM will not impede the rights of the project-affected party with complaints, for taking the case to the regular court system. The mode of grievance redress response will be through toll, free number, verbal and focused group meeting.

The GRM will be a distinct mechanism that will allow stakeholders, at the community level in particular, to provide feedback on project impacts and mitigation programs. The project will establish and operationalize a project GRM for affected parties and a separate grievance mechanism for all direct and contracted workers to raise workplace concerns, as provided under ESS5 and ESS2 respectively. Environment and social risk management experts will be assigned at MILLs to follow up on complaints related to affected parties by the project. The complaint to be filed should be related to the project components and/or to its implementation

and management. Any complaint not directly related to the project will be referred to the appropriate responsible government body. The LLRP II project grievance resolution process will involve the following main steps:

- ✓ *Receipt of grievances*: anyone from the affected communities or believing they are affected by the Project can submit a grievance (written, verbal, text message, telephone, etc. as appropriate for the complainant).
- ✓ *Registering the complaint*: the focal person who received the complaint will use the GRM logbook for registering.
- ✓ *Referral and examination of complaints*: a GRM Committee shall be established at each project implementation site/ Kebele (comprising of members from representatives of implementing agencies, PAPs, elders, a representative from Woreda Women and Children Affairs office, etc.) who will examine the complaint, resolve, or refer to the appropriate body.
- ✓ *Notifying the complainant*: the decision/solution/action by the grievance committee shall be communicated to the complainant as per the stipulated timeline for feedback.
- ✓ *Closing the complaint*: where the decision/solution of the complaint is accepted by the complainant, or complaint that is not related to the project or any of its components, or a Complaint that is being heard by the judiciary will be closed following the appropriate procedure.

The complaints recorded, resolved and referred to will be reported quarterly with the environmental and social implementation performance report to the World Bank and other relevant stakeholders.

8.3. Proposed Grievance Redress Mechanism for the LLRP II Project

The Grievance Redress committee will be established at Woreda and *Kebele* levels. The committee will be established by woreda administration at the initial stage of the project implementation. The committee will be constituted of three to five members varying at *Kebele* and woreda levels. The Woreda Committee will be drawn from the different Offices such as woreda chief administrator or representative, agriculture/pastoral, Woreda E&S focal person, EPA representative, Women and Social Affairs and the *Kebele* GRM committee members will be drawn kebele administrator, women(1) and youth (1)association representatives, elders or respected citizens (1), kebele development agent (DA) , disability (1) and representative of PAPs.

The functions of each GRM Committee are as follows:

A. Kebele GRM

Complaints of PAPs provided on any aspect shall first be lodged either in writing or orally to the committee, which will be resolved by using customary rules and existing grievance resolution mechanisms. The lower level GRM units must have reporting mechanisms for issues related to non-title holders which are not even recognized by the national laws. The Grievance Resolution Committee will try as much as possible to arrive at a compromise for the complaints raised. This will be obtained through a series of consultations, mediations and negotiations exercises conducted with

the PAPs. If the grievance is not resolved, the case will be forwarded to Woreda GRM. The seat of the *Kebele* GRM committee will be at the *Kebele* administration.

Both, Woreda and *Kebele* GRM committee will follow the following procedures:

1. Registration of grievance: an aggrieved party registers a grievance at the *Kebele* office or with project liaison officer using "Grievance Registration Form" and within seven days the committee meeting is convened by the chair. The secretary of the committee will login the Grievance into the Grievance Register and the aggrieved person is informed of the scheduled hearing. A maximum of 7 days shall be given between the date the case is recorded and the date when the hearing is held.
2. The committee will be meeting on a weekly basis to deal with emerging cases. At these meetings, hearings with the affected persons and related witnesses will be held.
3. The committee will communicate its judgment to the affected persons within 7 days.
4. If the PAPs are dissatisfied with the *Kebele* GRM committee judgment, the committee chairperson delivers the decision to Woreda (Appeal Hearing Council) within 7 days.
5. If the PAP is still not satisfied with the judgment of Woreda GRM committee, he or she will be allowed to move his/her case to the formal court.

B. Woreda GRM

1. Receive responses of complaints from Kebele GRM.
2. Accept/receive grievances, complaints and discontents from PAPs.
3. The GRM committee will look at the scene/spot or investigate any available data to give a fair decision; and
4. Give a response within one week.

8.4. Grievance Resolution Process

The grievance procedure will be simple and administered as far as possible at the local levels to facilitate access, flexibility and ensure transparency. All the grievances will be managed through the Grievance Resolution Committees. Complaints will be received in writing or orally and will be filled in a Grievance Registration Form by the committee (see annex 7).

The Steps for grievance redress are as follows:

First step: Registration of the grievances with the Grievance Resolution Committee at *Kebele* level as discussed above. The committee will seek to eliminate nuisance claims and engage with legitimate claimants endeavoring to reconcile the aggrieved PAP(s) concern or depending upon the issue to negotiate for a resolution. Where the complaint and grievance cannot be resolved by the committee, the complaint is referred to the Woreda GRM Committee.

Second step: The Woreda GR committee receives grievance forwarded by the *Kebele* GRM committee concerning the aggrieved PAP(s) to negotiate and forward possible resolution. The Woreda GRM Committee having heard the concern, the meeting will respond to the aggrieved PAP(s) within one week of the date of the meeting.

Third step: In instances where the project is unable to resolve the matter, the same will be referred to the Courts for settlement. The aggrieved PAP(s) have the right to pursue the matter up to the Supreme Court if necessary. The Woreda GRM committee will give all the necessary documents and information to the aggrieved PAPs, who are dissatisfied with the committee decision.

Fourth step: Expropriation of land will be used as a last resort when either all the above procedures have failed or caused extensive delays to the project are foreseen with the deposition of the compensation amount in the closed account opened on his/her behalf. The decisions of the action to be taken will be communicated to all involved parties mainly in Grievance resolution form (see annex 5).

*A written record of all complaints will be maintained, having all the necessary information required for its management (*see SEP for details*).*

The project will provide contact details for responsible personnel assigned for the GRM, during consultation and awareness raising sessions, MILLs websites as well as posted in places with full view of the public, as required, any written form exists or the steps of the GRM procedure will be translated in to local language understandable to the HUCs. In the case of a complaint where anonymity is requested, the grievance management committees at all levels, PCU and any resulting grievance process must respect this condition.

Awareness on grievance redress procedures will be created through a public awareness campaign, with the help of print and electronic media and radio. The implementing PCU will ensure that the HUCs are made aware of the GRM and their entitlements and assured that their grievances will be redressed adequately and in a timely manner. However, where HUCs or the community are not literate in languages other than their own, special assistance will be sought from community leaders, CBOs, and NGOs having knowledge of their language, culture, or social norms, or having working experience among the HUC, who will help the HUCs express their concerns, consult about mitigating measures, and explain to them the project and its potential impact on the HUCs.

All measures will be undertaken to ensure that the grievance is solved amicably between the concerned parties and the courts will be the last resort. Efficiency in solving grievances will be of paramount importance. The above steps are summarized in Figure 1 below.

Figure 1: PAPs grievance resolution channels

Appeal to Court: Whenever misunderstandings and disputes arise between the principal parties (e.g. Local government bodies and affected parties) involved in the resettlement and compensation process, the preferred means of settling disputes is through arbitration (*Proclamation No.1161/2019*). The number and composition of the arbitration tribunal may be determined by the concerned parties. Though *Proclamation No. 1161/2019* provides for appeals from valuation decision, such action will not delay the transfer of possession of land to the proponent. Courts of law shall be considered as a "last resort", which in principle should only be triggered where first instance amicable mechanisms (which has similar role with the GR committee but formally established by government) have failed to settle the grievance/dispute. However, the Constitution allows any aggrieved person the right of access to court of law as well as access to compensation while appeal continues.

Table 3: Tentative timeline for GRM activities

Grievance mechanism	Length of Time	Remarks
Assigning local elder/traditional grievance redress institution/kebele/woreda	During the public meeting through the first phase of the project.	The flow of the project grievance redress mechanism will be introduced to the assigned party
Accepting grievances submitted through a channel of: in person in oral /written form, phone, text message, mail, e-mail	1 day	
grievances are registered in writing and maintained as a database	2 days	
Acknowledgement of grievances	2 days	
Presenting Grievance to appropriate body	3-5 days	
Development of verified response	2 days	
Redress action implemented and update of progress on resolution communicated to complainant	1 Week	

8.5. Dispute Resolution

In case disputes arise during the implementation of the RF, the preferred options of the project affected persons for settlement through amicable means should be taken as an option. This will save time and resources as opposed to taking the matter into serious litigation procedures. To ensure that the PAP have avenues for redressing grievances related to any aspect of land acquisition and resettlement, procedures for the redress of grievances are aimed to be solved based on Proclamation No. 1161/2019, Article 18,19, and 20 on Expropriation of Landholdings for Public Purpose, Payments of Compensation and Resettlement. Detailed dispute resolution issues of land expropriation are also indicated on the Council of Ministers Regulation No 472/2020. ESS5 also indicates that grievance redress mechanism that could be raised related to disputes arising from displacement or resettlement should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

The project will have a functional grievance redress mechanism. In fact the LLRP I have already functional GRM. Project complaints committees will be strengthened at the woreda and city levels, comprised of staffs from respective institutions and representatives of women and youth groups and community representatives. The GRM/GRC has a mandate to receive and register complaints, convene meetings to resolve the complaints, and respond to the appeals resulting from committees' decisions. The effectiveness of resolution of complaints and appeals will be monitored during implementation. The grievance form will be made available in the Woreda and Kebele offices and on the construction sites, alongside of the description of the grievance mechanisms.

8.6. Addressing GBV/SEA Complaints

Information on the complaints and appeals will be collected at the kebele/woreda levels, must report to Project Coordination Unit level, and then to the MILLs. The MILLs in turn will be required to report information on the cases management as well. Information requirements will include registered cases, cases resolved in a timely manner and cases referred to the next level of the complaints and

appeals structure. In case dispute arises between the RP Committees and PAPs the preferred option to settle the dispute will be through amicable means using traditional and cultural methods as well. To ensure that the PAPs have avenues for redressing grievances related to land acquisition and resettlement, procedures for the redress of grievances have been established for the project. One of the key issues that the GRM considers is GBV/SEA. Hence, besides the SEA/SH code of conduct, the GRM will be established in a way that it raises awareness of all stakeholders and provides a timely appropriate response to any SEA/SH cases (for detail kindly see on GBV action plan). To this end, the GRM shall be established from the PAPs consisting of the more than 30% of the committee to be women. As part of the procedure, the GRM committee will establish separate GBV sensitive reporting channels. The activities of the GRM should go hand with the initiatives identified in the SEA/SH action plan.

For the GRM to effectively address the issues/incidents related to sexual exploitation and other forms of gender-based violence, the project in general and the Woreda level GRC must set proactive mechanism functional throughout the project cycle. In this regard, the Woreda Women and Children Affairs Office head will be the focal person on issues related to sexual exploitation and other forms of gender-based violence. The following are the working procedures of the Woreda Women and Children Affairs Office to handle GBV in the project area.

- The respective Woreda Women and Children Affairs Office should get the capacity building/Training on key principles of GBV/SEA case management including confidentiality, non-judgmental, best interest of the survivor, services, and referrals,
- Establish a proper channel to receive reports or project-related risks of sexual harassment and GBV, i.e., the risk factors that exacerbate or expose people to GBV.
- Conduct awareness raising campaign regarding the risks of GBV to both men and women in the project area; and key principles of GBV/SEA case management including confidentiality, non-judgmental, best interest of the survivor, services, and referrals,
- The respective Woreda Women and Children Office representative in the Woreda GRC will be the focal point who can confidentially receive complaints or reports from the survivors through various forms of uptake channels including telephone call (hot line if any), text message, email, face-to-face, and others.
- The Woreda Women and Children Affairs will immediately (maximum 24 hours) communicate the complaint to MILLs. MILLs will report the case to the WB.
- The Woreda Women and Children Office will not investigate the GBV/SEA case. Rather, maintaining the key principles of GBV/SEA case management including confidentiality, non-judgmental, best interest of the survivor will report the case to MILLs, facilitate survivors to services and referrals,
- The GBV/SEA case will be investigated, and further information will be collected by GBV/SEA specialists based on the scope of risk involved,
- Record all the reported incidents based on the level of risks and follow-up or track the response process of the referred agency or court until the achievement of satisfactory resolution.

8.7. World Bank Group (WBG) Grievance Redress Service

According to World Bank Grievance Redress, communities and individuals who believe they are adversely affected by a Bank-supported project may submit complaints to existing project-level grievance redress mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns and impacts. Project affected communities and individuals may submit their complaint to the Bank's Independent Inspection Panel, which determines whether harm occurred, or could occur, because of the Bank's noncompliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the Bank's attention and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's corporate GRS, see http://www.worldbank.org/GRS, and Bank's Inspection Panel, see www.inspectionpanel.org

CHAPTER NINE-IMPLEMENTATION SCHEDULE, BUDGET AND ARRANGEMENTS FOR FUNDING

9.1. Implementation Schedule

It is essential that the timeframes and action plans associated with the RPs are linked to the sub-component implementation schedule and the schedule must be agreed with the PAPs. The RP implementation schedule should pay due attention to the following key issues:

- The implementation of project activities with potential physical and/or economic displacement will not commence until the specific resettlement plan as described above has been finalized and approved by the World Bank.
- The resettlement plan should provide an implementation schedule indicating how the resettlement activities are linked to the implementation of the sub-component activities.
- Target dates for start and completion of the resettlement.
- Timetables for transfer of completed civil works of the PAPs;
- Adequate and reasonable notice for all affected persons prior to the scheduled date of eviction.
- information on the proposed evictions, and, where applicable, on the alternative purpose for which the land or housing is to be used, to be made available in a reasonable time to all those affected.
- Evictions are not to take place in inclement weather or at night, or during festivals or holidays unless the affected persons consent otherwise; and
- Dates of possession of land that PAPs are using must be after transfer date for completed civil works to PAPs and for payments of all compensation.

9.2. Proposed RF Implementation Budget

As already explained, all the project components except component 4 require land acquisition and, hence, with potential resettlement impacts. However, it is not possible to provide an estimated budget for the total cost of resettlement that may be associated with the implementation of these project components at this stage. Thus, costs related to the required mitigation measures for the activities with potential adverse resettlement are not set out in the RF budget proposed here. These will be assessed and internalized by beneficiary institutions as part of the overall subproject cost. It is extremely difficult to estimate the proportion of project costs that can be expected to be devoted to mitigation measures. However, a rough rule of thumb is that they should be expected to cost between 2% and 5% of the total project cost. ***Annex 9*** provides an indicated outline of a RP budget.

9.3. Arrangements for Funding

RP preparation and implementation costs, including cost of compensation, will be considered an integral part of the Project cost and will be contributed as a counterpart fund by the Government of Ethiopia, in particular participating regions with technical support of the PCU at the MILLs. Mitigation costs and compensation for physical and economic displacement can be significant; therefore,

potential costs will estimate early in the project design phase and integrated into project design and development. Early assessment of these costs is important to determine the relative costs and viability of alternative project designs, technologies, or sites.

The assessment of resettlement costs at an early stage of project development takes into account the level of uncertainty involved, and should build in contingencies, as appropriate. This is particularly the case for the resettlement impacts of the project in urban areas where resettlement costs are likely to increase significantly over time. Resettlement cost estimates and contingencies can then be adjusted during project design and implementation. Resettlement plans and budgets should be prepared in tandem with other project design aspects, while a range of designs is still being assessed and considered.

The World Bank loan under the LLRP II sub-components will not be used to finance compensation or for resettlement purposes. Therefore, compensation and land acquisition for resettlement sites (all relevant project activities identified under components 1,2 and 3) will be fully funded by the GoE and the LLRP II target regions. An indicative RP budget outline can be found in ***Annex 9***.

CHAPTER TEN-STAKEHOLDER AND COMMUNITY CONSULTATION

10.1. General Introduction

For the purpose of this RF, project-affected parties are economically and/or physically displaced persons or communities and host communities. Other stakeholders may include governmental agencies or other parties responsible for approving and/or delivering resettlement-related plans and assistance. Early initiation of meaningful engagement enables project-affected parties and other stakeholders to fully understand the implications of resettlement for their lives and to actively participate in the associated planning processes.

The stakeholder consultation and participation process is an ongoing, organized, and iterative process. That is, the project-affected households and communities (including host communities) will be involved throughout the process of resettlement planning, implementation, and monitoring. Also, it is important that affected disadvantaged or vulnerable individuals or groups and Historically Underserved Communities (HUCs) have a voice in consultation and planning processes. Details of how to engage stakeholders are set out in the SEP developed for the project. Thus, the discussion which focus on the summary findings extracted from the stakeholder and community consultation conducted during the course of preparation of this RF for LLRP II, is presented below.

10.2. Summary of Key Findings from Community Consultation Regarding RF

For the preparation of this RF, consultations have been conducted with relevant stakeholders from federal to community levels.

The concerns raised by federal, regional, and woreda level stakeholders and potential beneficiaries including vulnerable groups and historically underserved communities are presented as follows.

The concerns raised by the federal to woreda includes;

- there is no sufficient capacity for implementing E & S risk management instruments (including the SA, RF, SRAMP, SEP, LMP, GBV SEA/SH Action Plan and ESMF) from the partner agencies,
- the project may have a risk of promoting soil acidity, pollution of the environment,
- previous projects gave more emphasis towards Environmental aspect than the social aspect of the ESMF in general,
- water contamination from construction activities (from drilling fluids, lubricants etc),
- possible displacement of people, and land acquisition,
- noise pollution from machineries and dust pollution from heavy duty machineries and movement of vehicles,
- possible health, OHS, security, and GBV issues from temporary workers (labour influx),
- loss of biodiversity by clearing forests for rangeland, road, bridge etc.,
- introduction of new or exotic species (crop, plant and animal breed) and forage grass into the ecosystem may interfere with the existing(indigenous) species reproduction,
- when rangeland is protected from the external environment it may restrict the movement of people and cattle,

- lack of inclusiveness and limitations in implementing full package service provisions in social services, social conflict arising from mismanagement of the cash flow and improper selection of CIG members and so on, and
- during construction there may be an incidence of bringing of invasive weeds ("Anbessa Qontre") to the area with sand.

On the other hand, the concerns pinpointed by the community and the vulnerable groups and historically underserved communities are; 1) the project may have impact on community health, labor influx, GBV, STIs and child labor, 2) the project may lead to conflict over land boundaries, water and pasture, putting cattle in human fields, 3) if the project is not managed well it may lead to soil erosion, land acquisition, loss of agricultural land, loss of perennial crops and loss of livelihood, 4) the accumulation of water at sub-project site may lead to the spread of diseases like malaria among the workers, and the community, 5) cemeteries and burial places might be affected, 6) during project activities there might be right of way issue, 6) people (women, disabilities, children, elders, and people who are sick) and cattle may be hurt because of open trenches and borrow pits, 7) legally protected areas, habitats, cultural heritage, wild animals (bushbuck, lionand leopard) and indigenous plant like 'zisifast' may get affected, and 8) limited supply of PPE like gloves, first aid kits, helmet, safety shoes, glove, eye glass, for laborers of sub projects.

The project has suggested the following mitigation mechanisms: 1) introducing and implementing appropriate project level E&S indicators for a successful performance measure, 2) putting a functional institutional arrangement in place with focus on institutional coordination and communication. Assign appropriate focal person/expert by the implementing agencies (IAs) and partner agencies (PAs) to follow up the project and creating strong communication platform and data sharing, 3) training on water resource management, best practice site visit and sharing experiences from other regions, 4) using traditional conflict resolution mechanism of the area is mediation by clan and religious leaders to resolve any conflict such as related to conflict over rangeland for cattle, murder etc., and formal law enforcement will be used when needed, 5) laborers working in dusty areas should be provided with requisite protective equipment, 6) provision of STDs, HIV and AIDS prevention measures such as distribution of condoms to workers/local people both male and female and disseminate traffic management plans in the project area, and 7) before implementing the infrastructure consult the public on the land acquisition process and provide adequate compensation for the property loses and damages. This is usually done when the appropriate PAPs are identified during the screening and prior the construction activities start.

Despite welcoming the project for the aforesaid potential positive social and economic impacts, community consultation participants raised a serious concern about the risks and adverse impacts of involuntary displacement (physical and economic) due to project-related land acquisition for Components 1. In particularly, the concerns of the participants focus on: what procedures of project-related land acquisition will be followed; how the eligibility criteria will be set; what kind of compensation will be provided for the affected persons; what kind of procedures of compensation will be followed; and how the disputes involving assessment of asset loss and compensation will be addressed. Accordingly, responses were given that:

- The procedures of project-related land acquisition strictly adhere to the national legal framework and World Bank's Environmental and Social Framework: project-related land acquisition shall not use forced eviction; land expropriation is allowed after the appropriate federal and regional administration assess whether the expropriated land is directly related to the proposed project activities and whether the expropriation of land brings better development for the public at large; and land expropriation takes place after disclosure of relevant project-related information to the affected individuals or communities.
- Depending on the nature and scale of the impacts of the involuntary resettlement, project's compensation payment will follow different forms including land replacement strategies, cash compensation, in-kind compensation, resettlement assistance or a combination of these.
- Compensation procedures follow the provision of information about compensation standards, formulas, and rates in a transparent manner to the affected persons or communities, displacement will not take place before payments of compensation, compensation for lost assets is calculated at replacement cost.
- Resettlement planning will provide displaced persons with opportunities to participate in development and implementation of the resettlement plan.
- The project will establish strong and accessible (structure from community to regional level) Grievance Redress Mechanism to manage disputes and disagreement on resettlement procedures and compensation. Participants were given the awareness that if grievance is unresolved through project's GRM, the affected persons have the right to appeal to the formal court system.

Likewise, disadvantaged or vulnerable individuals and groups (including women, the elderly, people with disability, and pastoral communities) have raised their concern on how the project will address their special social and economic barriers with differential adverse impacts of the project-induced involuntary resettlement. Response was given that the RF of the project will incorporate the differential mitigation measures for the disadvantaged and vulnerable individuals and groups such as differential measures for active engagement in the planning and implementation of the RP and differential resettlement compensation measures for the advantaged and vulnerable individuals and groups. Furthermore, HUCs or pastoral communities were explained that the project requires obtaining Free, Prior and Informed Consent (FPIC) of the affected pastoral communities in circumstances in which project-related land acquisition or restriction on land use have adverse impacts on land and natural resources subject to their traditional ownership or under customary use or occupation.

Finally, consensus was made with the participants that: (a) awareness is created on the potential risks and adverse impacts due to project-induced involuntary resettlement; (b) any project activity with the risk of physical or economic displacement shall not be commenced without the preparation of appropriate resettlement plans and active engagement of the displaced persons in the planning, implementation and monitoring of resettlement mitigation measures; and (c) the need to incorporate the above mentioned concerns of the project-affected individuals and groups in the preparation of the RF. Accordingly, the views and concerns of the consultation participants are incorporated in the preparation of this RF. More specifically, the views and concerns of the consultation participants are

used as inputs for the sections on implementation arrangement for RF; RP preparation, review and approval; affected assets and valuation procedures; eligibility criteria of the affected persons; and grievance redress mechanism.

CHAPTER ELEVEN-INFORMATION DISCLOSURE PLAN

In line with the requirements in ESS10, the project will continue to engage with, and provide enough information to, stakeholders throughout the life cycle of the project in a manner appropriate to the nature of their interests and the potential environmental and social risks and impacts of the project.

Public disclosure of the RF and RPs will be made to PAPs and other stakeholders for review and comments on entitlement measures and other issues in the implementation of the RF. The purpose of the disclosure is to receive comments and suggestions from PAPs and incorporate appropriate suggestions accordingly.

This Resettlement Framework will be disclosed in a form, manner and language comprehensible to PAPs and at a place accessible to the potential PAPs and other stakeholders for review and comments on entitlement measures. The PCU in the MILLs will disclose and post this RF in the websites of the MILLs. The RF will also be disclosed at World Bank's external website. Comments and critiques made on the RF by affected-communities and other stakeholders will be taken for consideration. A half day workshop using local language as a medium of instruction will be held in the project area for potential PAPs, stakeholders, representatives of civil societies, local leaders with the objective of disclosing the RF.

The project Stakeholder Engagement Plan (SEP) can be referred to for details of the strategies and timeline for the disclosure of the RF.

CHAPTER TWELVE -MONITORING AND EVALUATION OF RP

Monitoring and Evaluation (M&E) is a process overseeing the implementation of RP from its initial stage to its final stage of completion. M&E needs to look into the extent to which all the details indicated in the RP document are implemented. Challenges encountered in the implementation of RP

and processes passed through are recorded to provide immediate responses, and to be used to enhance the implementation of the RP.

12.1. Internal Monitoring and Evaluation

To ensure the effective implementation of RP or track the progress for timely corrective measures, the major issues of focus for internal monitoring are the following ones:

- ***Timely formation of Compensation and Valuation Committees21 for Inventories of Properties/Asset affected:*** Inventory of properties/assets affected need to be undertaken by the Compensation and Valuation Committee. The PCU, CAPP and PAFP will monitor the qualification, experience and gender mix of the members of the committee in line with the provisions in Proclamation No. 1161 /2019 and Council of Ministers Regulation 472/2020. Also, PCU, CAPP and PAFP will monitor the duties of the committee to suit to the principles and procedures of RF for the Project.
- ***Provision of training to Compensation and Valuation Committees:*** Prior to undertaking inventories of properties/assets affected, PCU in cooperation with CAPP and PAFP will provide members of the committee adequate training on the purpose of taking the inventories of properties/assets affected and how to undertake inventories of all assets/properties affected in consultation with and full participation of the PAPs should be given. Preparations to take the required inventories have to be made, trainings have to be given to those who would be engaged in taking inventories etc. All these will be properly monitored by the PCU in cooperation with CAPP and PAFP and immediate action will be taken to minimize the gap this could create on the implementation of the RP.
- ***Taking inventories of properties/assets would be affected:*** As indicated above, taking inventories of properties/assets that would be affected must be done properly to avoid grievances that could be raised due to missing of properties/assets recording, lack of taking considerations in qualities and quantities, size of properties/assets in terms trees and tree fruits, age, farmland management, etc., and monitoring if all would be affected are properly recorded and presented for valuation professionals/institution or committee.
- ***Valuation of properties/assets would be affected:*** When valuation is carried out, it will be properly monitored and checked by PCU in cooperation with CAPP and PAFP if it is in compliance with the provisions in Proclamation No.1161/2019 and Council of Ministers Regulation No 472/2020. Valuation for buildings, fences, annual crops, perennial crops, trees, protected grass, permanent improvement of rural land, relocated property and others will be checked if properly done based on the format given as per the Proclamation No. 1161/2019 and Regulation No. 472/2020 (for details see ***Table 3, Annexes 3 and 4***). The time frame set for the valuation process will also be monitored.
- ***Approval of Aggregated amount of Compensation to be paid and Solicitation of the budget:*** After appropriate valuation is made, it is expected that an aggregated amount of compensation to pay to PAPs would be determined. Approval of the estimated amount of compensation to be paid and solicitation of the budget must be made within the timeframe set, so process monitoring will also be undertaken. Once, all the process of inventory taking of the properties/assets would be affected, valuation, approval of the estimated budget for

compensation payment and its solicitation is made on time, compensation payment to PAPs would be effective on time. Monitoring of all the processes indicated above must be made and after that compensation payment becomes effective. In the process of compensation payment, the PCU in coordination with CAPP and PAFP will monitor:

- ✓ Eligibility certificate for ownership of farmland, presence of both spouses that would be affected, and others who have legal rights for compensation.
- ✓ Adequate arrangements and orientation of payment process of compensations for the PAP.
- ✓ Payment of compensation and settlement of any grievances/disputes raised by the PAPs.

- ***Valuation of Compensation for Non-title Holders:*** World Bank ESS5 entitles compensation for assets to all affected individuals regardless of landholding rights to land titles (including squatter settlements). Thus, compensation payment will be monitored for compliance with this provision.
- ***Land preparation and construction of new houses of PAPs with adequate support:*** Right after compensation payment for PAPs become effective, land preparation for construction of residence houses outside of the influence of the project area would be started and need to be completed within the time framework set as indicated in this RF. New houses and associated facilities should be complete prior to the start of physical works. Total of four months are estimated for construction of new residence houses to be established in each rural Kebele from which residence houses would be removed due to project-related land acquisition.
- ***Livelihood Restoration and Improvement Programme Implementation:*** Livelihood restoration and improvement programme interventions that would contribute to a development of better living standard for PAPs are identified above. Furthermore, livelihood restoration activities will be developed following an extensive consultation with the affected PAPs. For the implementation of such development interventions, regular monitoring is required, and this has to be made on time. The above issues and others related to checking the achievement of the acquisition of land and resettlement process against the planned time schedule, ensuring channels of communication and consultations at all levels including all the Woreda Administrations, target regions, PAPs and other concerned stakeholders in the implementation of RP will be monitored all the way through; and these need to be overseen by the PCU in coordination with CUPP and PAFP.
- ***Reporting:*** The Project Contractor will prepare all required reports and submits to the Monitoring Consultant. The Monitoring Consultant in connection with the performance of the project works will prepare monthly, quarterly and annual progress reports and finally the completion report and submit to the PCU. In turn, the PCU will submit the progress reports on a regular basis and the completion report to the funding organization as per the agreement to be made. The progress reports will outline any problems encountered (administrative, technical or financial) and give recommendations on how these problems may be overcome. The reports (quarterly, annual and completion) will be prepared in hard and soft copies to the Employer on the format prepared by the Monitoring consultants and as approved by the PCU. This will be ensured through implementation of continuous monitoring, and periodic performance audits and evaluations in line with the ESMF and overall project M&E program.

12.2. External Monitoring and Evaluation

An independent consultant with appropriate social expertise will be hired to conduct an independent monitoring and evaluation of RP, SA or TSA and ESMP on a continuous base till the sub-components are completed or to make follow-up on the process of implementation of the RP and ESMP. The same procedure will be employed in relation to the implementation of the LRP

External M&E will also be carried out to measure outputs and impacts of the RP. An independent consultant is required who will be hired to carry out M&E of the RP and audit the implementation of the RP and environmental and social impact mitigation (ESIM) measures/ Management Plan. The consultant (to be hired) will start conduct monitoring and evaluation of the implementation of the RP prior to the start-up of the construction works and then could continue to monitor the progress of implementation of the RP and mitigation measures Plan.

Part of the monitoring process of RP will be an integral part of RP implementation process, that include overseeing of the restoration and livelihood promotion process of PAPs. It will be taken as part of a compliance monitoring of the different activities outlined to be implemented in the RP and to check to the extent the recommendations are implemented.

An independent consultant with appropriate social expertise will be hired to conduct an independent monitoring and evaluation of RP and ESMP implementations on a continuous base till the sub-components are completed or to make follow-up on the process of implementation of the RP and ESMP . The same procedure will be employed in relation to the implementation of the LRP. To this end, ***Table 5*** presents the tentative implementation time framework.

Table 4: Tentative implementation time framework taking into account appropriate months depending on crop seasons (ploughing, slack period and preparing for farming)

Step by step schedule	Timeframe to be implemented
Formation of Committees in all the project-affected Woredas to be engaged in taking inventories of properties/assets would be affected	Formation of committees who would be engaged in taking inventories of properties/assets would be affect in the case of farmland areas need to be done by December 2024.
Provision of training to Committees that would be engaged in taking inventories of properties/assets	It is appropriate time to provide trainings to those who be engaged in taking inventories of properties/assets that would be affected

Step by step schedule	Timeframe to be implemented
that would be affected and for the Valuation Committees	and for those who would be engaged in valuation of the properties. The duration of the training taken will be two month and it could be handled within two months in all the project affected Woredas.
Taking inventories of properties/assets would be affected due to the project construction works.	The appropriate time for pastoralists, agro-pastoralists, and farmers to participate and get to know about the inventories of the properties/assets taken for compensation payment. (Open time). Crops are usually on the farmland and it right time to take inventories of the properties would be affected.
Valuation of properties/assets would be affected due to the undertaking of the Component 1.	Valuation of the properties/assets affected would be made. (Open time). Three months may be enough for estimation of valuation and making the final estimate.
Approval of aggregated amount of Birr to be paid as Compensation for PAPs	(Three months) are estimated to be appropriate (Open time)
Solicitation of budget for Compensation payment	Open time when to pay compensation (three months for solicitation) budget to paid as compensation for PAPs
Provision of capacity building training for RF implementers and payment of Compensation for PAPs	(Two months but as to when it is open both for training RF Implementers and paying compensation for PAPs are estimated.
Land preparation and construction of new residence houses of PAPs with adequate support	Four months are estimated for the implementation of construction of new residence houses.
Preparation of PAPs to move into the new residence houses and provision of support	(Open time when to move) PAPs are expected to move to their new residence houses.
Livelihood restoration and improvement programme implementation	Throughout the life cycle of the project, Livelihood Restoration and Improvement Programme Implementation will be carried out along the life span of LLRP II
Monitoring and Evaluation of RP.	Throughout RP implementation

12.3. Indicators of the LLRP II RP

Several objectively verifiable indicators (OVIs) shall be used to monitor the impacts of the compensation and resettlement operations. These indicators will be targeted by quantitatively measuring the physical and socio-economic status of the PAPs, to determine and guide improvement in their social wellbeing. Therefore, monitoring indicators to be used for the RP will have to be developed to respond to specific site conditions. As a general guide, ***Table 6*** provides a set of indicators which can be used.

Table 5: Types of verifiable indicators

Item	*Auditable Criteria*
Number of PAPs whose compensation (and valuation) is not completed	Changes (+/-) in PAPs conditions during transition process
Number of sub-components unable to settle compensation after two years	Changes (+/-) in PAPs income and livelihood conditions

Item	*Auditable Criteria*
Number of grievances filed	Quality of grievances or disputes resolved (qualitative)
Number of grievances resolved	Number of grievances resolved within the shortest possible time framework.
Number of PAPs receiving a LRP	Changes (+/-) in affected households income levels
Pre-project production versus present production levels (crops for crops, land for land)	Equal or improved production per affected household/homestead

12.3.1. Indictors to determine status of affected people

A number of indicators would be used in order to determine the status of affected people (land being used compared to before, standard of house compared to before, level of participation in project activities compared to before, how many people have access to road and market compared to before, transportation standards and others). Therefore, the resettlement plans will set two major socio-economic goals by which to evaluate its success:

- Affected individuals, households, and communities are able to maintain their pre-project standard of living, and even improve on it; and
- The local communities remain supportive of the project.

12.3.2. Indicators to measure RP performance

In order to access whether the resettlement goals are met or not, the resettlement plans will indicate parameters to be monitored, institute monitoring milestones and provide resources necessary to carry out the monitoring activities. For example, the following parameters and verifiable indicators will be used to measure the resettlement and compensation plans performance:

- Consultation on compensation options, process and procedures.
- Adequacy of compensation through reestablishment of PAPs.
- Adequacy of specific measures targeting vulnerable people.
- Amount of money disbursed over planned.
- Activities implemented versus planned in the implementation schedule.
- Effectiveness of the grievance mechanisms.
- Transparency of the entire process.
- Consultation and participation with stakeholders, especially HUCs and other vulnerable PAPs.
- Employment opportunities created and availed.
- Percentage of individuals selecting cash or a combination of cash and in-kind compensation
- The number of grievances and time and quality of resolution.
- Ability of individuals and families to re-establish their pre-displacement activities, land and crops or other alternative income.

- Number of impacted locals (project workers recruited from the local area) employed by the civil works contractors.

12.4. Completion Audits

The monitoring requirement includes a completion audit. The key objectives of a completion audit are to:

a) Evaluate whether the implementation of the RPs complies with the requirements of the national legislation and ESS5 as specified in the RF as well as RP;
b) Evaluate whether MILL's efforts to restore the livelihoods and living standards of the affected individuals and groups have been successful. The completion audit measures whether the livelihoods and living standards of the affected individuals and groups meet or exceed those enjoyed prior to displacement, and if that is not the case, what additional measures, if any, are needed to help improve, or at least restore, livelihoods and living standards; and
c) Verify that all physical inputs committed to in the resettlement plans have been delivered, and all agreed services have been provided.

For all sub-components with significant involuntary resettlement impacts, MILLs will commission an external completion audit of the RPs when all mitigation measures have been substantially completed. The completion audit will be undertaken by competent professionals.

ANNEX

ANNEX I: GLOSSARY OF RESETTLEMENT RELATED TERMS

Affected Population: Defined as those who stand to lose, as a result of the project, all or part of their physical and non-physical assets, such as homes, communities, productive lands, resources such as forests, range lands, fishing areas, important cultural

sites, commercial properties, tenancy, income earning opportunities, and social and cultural networks and activities.

Allowance: Cash paid in respect of losses or resettlement-related expenses other than losses of immoveable assets. PAPs often provided with a cash allowance for house rent to support their effort to secure alternative housing. In addition, a moving allowance can be paid to people who have to relocate because of land taken by a project.

Appeal body: means a body that reviews the decision given by a compliant hearing body and pass its decision.

Assets: Comprises land, houses and structures, crops, trees, unless otherwise more contextually defined

Compensation: Money or payment in kind to which the people affected by the project are entitled to, as decreed by government regulations or laws in order to replace the lost asset, resource or income. Complaint Hearing Body: means the body that deals with and resolves complaints about the implementation of LLRP II.

Communal holding: means land which is neither state owned nor individually held; and which is held and used by communities for grazing, forestry, and other social services, etc.

Cut-Off-Date: In this context, cut-off-date refers to the first date of commencing the census and assets inventory for persons affected and displaced by the expansion of the project.

Development of National or Regional Significance: means a development that is intended to bring great change on the bases of development projects or create better relations with other countries through development projects or activities to promote change in Ethiopia.

Disadvantaged Groups: Distinct groups of people that may suffer dis-proportionally from project related activities (e.g. female-headed households, children, elderly, ethnic, religious and linguistic minorities, handicaps, etc.).

Displacement Assistance: means payment to be made, in addition to property and displacement compensations, for a landholder who permanently or temporarily displaced in order to help him adjust to the new place.

Displacement Compensation: means payment to be made to a landholder for the loss of his use right on the land as a result of expropriation.

Displaced People: means a person, households, firms, or public or private institutions who has been living in occupied land, including tenants, employed and self-employed persons on the land for public benefit.

Economic Displacement: Loss of assets (including land) or access to assets that leads to loss of income sources or means of livelihood because of project-related land acquisition or restriction of access to natural resources. People or organizations may be economically displaced with or without experiencing physical displacement.

Economic Loss Compensation: means payment to be made to those who are not displaced but who suffer loss of employment, trade; or rentals, or similar activities as a consequence of expropriation of land for public purposes.

Entitlement: Range of measures comprising compensation, income restoration, transfer assistance, income substitution, and relocation which are due to affected people, depending on the nature of their losses, to restore and improve their economic and social base.

Expropriation: The action of a government in taking or modifying property rights of an individual in the exercise of its sovereignty.

Full Cost of Resettlement: Compensation based on the present value of replacement of the lost asset, resource or income without taking into account depreciation.

Host Community: Community residing in or near the area to which affected people are to be relocated.

Historically Underserved Communities (HUCs): Refer to groups meeting the requirements of ESS7

Involuntary Resettlement Development project results in unavoidable resettlement losses, that people affected have no option but to rebuild their lives, incomes, and asset bases elsewhere. Involuntary resettlers are thus people of all ages, outlooks, and capabilities, many of whom have no option but to give up their assets. Bank policy designates involuntary resettlers as requiring assistance.

Land Expropriation: It is a process whereby a public authority requires a person, household, or community to relinquish rights to land that it occupies.

Landowner/Holder: means an individual/household/institution recognized owning land by customary tenure, freehold tenure, or leasehold including customary occupants of farmer public land to be expropriated.

Livelihood Improvement Support: means support provided to people who are not physically displaced but lost their economic benefit due to expropriation of land for public purposes and so as to enable them to generate sustainable income.

Physical Displacement: involves loss of dwelling or shelter because of project-related land acquisition that requires the affected person(s) to move to another location. Physical displacement typically entails economic displacement, too, as physically, displaced people usually lose access to land, employment, or business opportunities associated to their former location.

Project Area: Refers to areas in and adjacent to the construction areas and other areas to be modified by the project (e.g., impoundment of reservoirs, rights of way for infrastructure projects, irrigation command areas).

Property Compensation: means, payment to be made in cash or in kind or in both to a person for his property or permanent improvements situated on his expropriated landholding. Public Purpose: means decision that is made by the cabinet of a Regional State, Addis Ababa, Diredawa or the appropriate Federal Authority on basis of approved land use plan or; development plan or; structural plan under the belief that the land use will directly or indirectly bring better economic and social development to the public.

Recognized Evaluator: means an evaluator that has been accredited by the appropriate body for the estimation of fixed assets.

Relocation: Rebuilding housing, assets, including production land, and public infrastructure in another location.

Rehabilitation: Re-establishing incomes, livelihoods, living, and social systems.

Replacement Cost: Full cost of replacing or reinstating an asset with another of similar functionality, quality and quantity with an amount sufficient to cover the loss and related costs such as labour and contractor fees, transporting building materials and related transaction costs and taxes but without depreciation.

Resettlement: The entire process of relocation and rehabilitation caused by project related activities.

Resettlement Impacts: The direct physical and socio-economic impacts of resettlement activities in the project and host areas.

Resettlement package: means work program to people whose landholding is expropriated for public purpose to enable them generate sustainable income; Resettlement Action Plan: A time-bound action plan with budget setting out resettlement strategy, objectives, entitlement, actions, responsibilities, monitoring and evaluation.

Stakeholders: Refers to individuals, groups, organizations, and institutions interested in and potentially affected by a project or having the ability to influence a project.

Valuation: means a common compensation valuation method used to calculate the value of property on expropriated land.

Vulnerable Groups: Include landless youth, women-headed households, households headed by elderly, terminally ill heads of household, households with relatively larger family size, and destitute households having large number of dependents.

ANNEX 2-PUBLIC PURPOSES, PAYMENTS OF COMPENSATION AND RESETTLEMENT OF DISPLACED PEOPLE PROCLAMATION

Dimension	Description
Scope of Application	Article 3 states that this Proclamation shall apply throughout the country in rural and urban centers in matters relating to land expropriation; payment of compensation; and resettlement of landholders whose land is expropriated for public purpose.
Resettlement Principles	Article 4 of the Proclamation stipulates on the resettlement principles as follows: • Expropriation of land for public purposes shall be made only based on approved land use plan; urban structural plan; or development master plan (sub-article 1). • Compensation and resettlement Assistance Compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people (sub-article 2). • The amount of compensation to be paid at Federal, or Regional or Addis Ababa or Diredawa level for similar properties and economic losses in the same areas shall be similar (sub-article 3). • Where land is expropriated for public purpose, the procedure shall be transparent, participatory, fair, and accountable (sub-article 4).
Procedure to Expropriate Land	Article 5 (sub-articles 1-5) incorporates the provisions on ***decision of expropriation for public purposes:*** • The appropriate Federal Authority, or a Regional, Addis Ababa, Diredawa cabinet shall decide on the basis of an approved land use plan; or master plan; or structural plan whether the expropriated land directly or indirectly brings better development and is beneficial to the public (sub-article 1). • The Master Plan: referred under sub article 1 of this Article shall have detailed action plan (sub-article 2). • The budget necessary to cover the costs of compensation and resettlement and the responsible body that shall cover these costs shall be made clear at the time when expropriation for public purpose is decided (sub-article 3). • Land holders may file objections on the public purpose decision where their land is expropriated in the absence of the fulfillment of the requirements provided under sub articles (1) and (2) of this Article (sub-article 4). • Notwithstanding to sub-article 1 of the Article 5, a Regional፣ Addis Ababa, Diredawa cabinet may delegate a Woreda or City Administration to decide on land expropriation for public purpose (sub-article 5)
Powers to Clear Landholdings	Article 6 stipulates that the City or Woreda administration has the power to order evacuation and takeover land decided to be expropriated for public purpose under Article 5 of this proclamation.
	Article 8 of the Proclamation incorporated the provisions on procedure of the landholdings handover as follows: • As per sub-article 1, the City or Woreda Administration shall follow the following orders when landholders handover their lands: a) Shall consult land holders who are to be displaced at least one year before they handover their holdings on the type; benefits and general process of the project. b) notwithstanding to paragraph (a) of this Article, land holders who are to be displaced may be consulted on the type; benefits and general process of the project in less than one year if the concerned Federal or Regional State decides that the land is required urgently for investment. c) Collect landholding rights and conduct inventory, amount and size of all compensable properties from displaced people or their legal representatives whose landholdings are determined to be expropriated. Properties added after the expropriation notification is given to the land holder are not compensated.

Procedure of the Landholdings Handover	d) Decide the legal rights of the holders by checking the authority of the documents collected as sub-article 1 (c) of this article, calculate, determine, and pay the amount of the compensation and other related rights. e) Notify the land holder or his agent in writing to hand over the land expropriated for public purpose with the description of the amount of compensation the landholder shall be paid; and/or the size and location of the land or house in kind compensation. f) Where the building is state owned the order for handing over shall be given to the Housing Administration Authority. g) Pay compensation or provide substitute land before the displacement of people from their landholding. • Sub-article 2 set out that landholders or their agents whose landholdings are to be expropriated shall submit landholding certificates or other proofs that show their landholding rights over the lands that is decided to be expropriated to the urban or rural land administration office on the time schedule of the office. • Land holder who is served with notice to hand-over his landholding shall take the compensation and replacement plot or house within 30 days of notice (sub-article 4). • Where the land holder who is served with notice fails to comply with the order within the time prescribed under sub article 4 of this Article, the compensation payment shall be deposited in the closed bank account of the city or Woreda Administration (sub-article 5). • The land holder may be forced to handover the land within 120 (one hundred and twenty) days of the payment in cash or in-kind compensation; or after the cash is deposited. • in the bank (sub-article 6). • Where there is no permanent property or crop on the expropriated land, the land holder shall hand over his landholding within 30 (thirty) days of the payment of compensation to the City or Woreda Administration (sub-article 7). • Where the land expropriated is under illegal occupation, the occupant shall evacuate without claim for compensation within 30 (thirty) days of notice (sub-article 8) • Where the landholder fails without justifiable reason ,to hand over his landholding within the time prescribed under sub articles 6 and 7 of this article, the City; or Woreda Administration can take over the expropriated land directly, and as may be necessary,may ask cooperation of the police force (sub-article 9).
Responsibilities of the Land Requiring Body	As set out in Article 9 of the Proclamation: 1. Land Requiring Body shall submit to the City or Woreda Administration the decision that shows the size and exact location of the land to be expropriated at least one year before the commencement of the project. 2. Pay the money required for compensation and resettlement to the City or Woreda Administration when it is decided that compensation and resettlement payment shall be made to the displaced people. 3. City or Woreda Administration shall not require handing over of the land until payments are made to landholders who may be displaced as per sub-article 2 this Article.

ANNEX 3: SUMMARY THE REGULATION ON EXPROPRIATION AND VALUATION AND COMPENSATION AND. RESETTLEMENT-REGULATION NO. 472/2020:

Dimension	Description
Compensation Assessment	**Compensation for Building (Article16):** The amount of compensation for a building shall be determined based on the current cost price of construction materials of the demolished building and current labour cost, Article 16 [sub article 1 (a)]. It shall include also current cost for constructing floor tiles of the compound, septic tank and other structures attached to the building and the estimated cost of demolishing, lifting, reconstructing, installing, and connecting utility lines of the building, Article 16 [sub article 1 (b)]. The amount of compensation for a building shall be determined based on the current market price per square meter for a similar building or current cost of constructing a comparable building, Article 16 [sub article 1 (c)].
	Compensation for fences: The amount of compensation for a fence shall be determined by calculating the cost of existing square meter or meter cube needed to rebuild a similar fence with the demolished fence or by producing a single value if the construction material of the fence cannot be estimated per square meter (Article 17).
	Compensation for property to be Relocated (Article 18): The amount of compensation for a relocated property shall be determined by computing the estimated costs of labour, material, and transport to be incurred at market value for removing, transferring and installing the property.
	Compensation for Crops (Article 19): If the crop or vegetable is not harvested, the amount of compensation payable will be based on the amount of produce available and the market value that the produce could produce if the crop or vegetable were harvested (sub-article 3). Compensation for crop surplus will be determined based on the current market price of the leftover produce (sub-article 5). If one crop is produced more than once in one year, the amount of the crop produced during the year will be the sum of the produce produced during the year (sub-article 6).
	Compensation for perennial crops (Article 20): Where the perennial crop is ripe when the land is expropriated, the owner may collect the fruit within a prescribed time and where the owner fails to collect the production within the specified time, he shall be compensated for the production .Where the land is urgently required and the owner is not given adequate time to collect the production, he shall be compensated the market price of one year production based on the average yield of similar perennial crop production in the area. The cost incurred to grow the perennial crop shall be calculated on the basis of the local market and shall be paid. Input costs incurred along a given year's production costs like; costs for fertilizer, seed, chemicals, labor, and technologies will be included.
	Compensation for fruitless trees (Article 21): The amount of compensation for trees shall be determined based on the level of growth of the tree, and the current local price per cubic meter or per unit. The owner of trees may, instead of compensation, cut and collect the trees within the period fixed. Input costs incurred along a given year's production costs like; costs for fertilizer, seed, chemicals, labor, and technologies will be included.
	Compensation for protected grass (Article 22): The amount of compensation for protected grass shall be determined based on the productivity of the land and the current local market price of the grass per square meter.
	Compensation for licensed miner (Article 23): The compensation shall be paid for the landholder by a licensed miner shall be determined based on mining law (sub-article 1) and compensation shall not be paid for a miner who holds land without a license (sub-article 2).
	Compensation for Burial-ground (Article 24*):* The amount of compensation for a burial-ground shall be determined by the estimating costs to be incurred for removing the gravestones, preparing another burial-ground, transferring, and relocating the corpse and for conducting religious and cultural ceremonies in relation to the process.
	Compensation for rural land (Article 25): The amount of annual production of the three years of production shall be calculated at the present rate before the rural owner is removed.

Dimension	Description
	Compensation for permanently displace rural land holder (Article 26): Where substitute land to be given to the expropriated land holder and where the residential or commercial building of the holder is to demolish, he shall be given freely a comparable house for two years or a two year estimated rental value for his demolished houses a resettlement compensation. Where a substitute house is to be given to the displaced house owner, he shall be paid a one-year rent as resettlement compensation.
	Compensation for permanently displaced urban landholder (Article 28): Where substitute land to be given to the displaced urban landholder, and where the property is residential or commercial building, a comparable building shall be given for two years free of charge, or he shall be entitled to a two years rental based on the demolished building and current price.
	Compensation for severed social relationship and moral damage (Article 30): The amount of compensation for severed social relationship and moral damage shall be 25,000- 60,000. The amount of money is a lump sum one. All PAPs are not entitled, but those who are severely affected and who needs to reestablish their livelihood through social and moral support. An objective assessment will be carried out to identify the actual beneficiaries of this support scheme.
Valuation Formula [Article 13(1-6)]	***Compensation for building***= Current building cost + permanent improvement cost
	Compensation for Fence = unit price of fence in meter square /meter cube X total size of the fence in meter square /meter cube
	Compensation for relocated property= cost of removal + cost of loading/offloading + cost of transport +cost of installation or and connection
	Compensation for crops= area per hectare x current market value of crop per quintal production per hectare in quintal +cost of permanent improvement on land
	Compensation for ripe perennial crops=yield of perennial crop from a single plant /legs in kilogram x the number of plats legs + cost incurred to grow perennial crops with the current +cost of permanent improvement on land
	Compensation for unripe perennial crops= number of plant legs X cost incurred to grow
	Compensation for fruitless trees= (large trees in number X Local current price of one tree + (medium tree in number X local current price of one tree) + (small tree in number x local current price of one tree) + (number of seedling/unripe tree x local current price of one seedling unripe tree)+cost of permanent improvement on land
	Compensation for protected grass= area covered by the grass with square meter x yield of grass with current local per meter square +cost of permanent improvement on land
	Burial Ground compensation=cost of corpse pickup burial ground preparation cost +cost of corpse transport and relocation +cost of religious and cultural ceremonies
	For rural land holder who does not receive replacement farmland displacement compensation= annual income x15
	For rural land holder who is not granted a replacement farmland and is temporarily removed developmental compensation= Temporary land lease rate per hectare x Annual income per year
Support for Displaced People	Support for displaced rural landholders shall be determined by directive that shall be issued by regional slates. Two years house rent shall be paid to displaced urban land holders and support unit they build new house where they are given substitute land
Providing Substitute Land or Housing- Article 33 (1-2)	Where the displaced are elderly and people with disabilities, they shall be given substitute lands in accessible and convenience areas as much as practical. Substitute housing shall be provided where substitute land is not given and the displaced pays the full price at once
Resettlement Package- Article 35	Resettlement package: This package shall contain residential housing, livelihood option, social services like road, health clinic, schools religious site, training counseling and credit access etc.

ANNEX 4: RESETTLEMENT PLAN

The scope of requirements and level of detail of the resettlement plan vary with the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed project and its potential impacts on the displaced persons and other adversely affected groups, (b) appropriate and feasible mitigation measures, and (c) the legal and institutional arrangements required for effective implementation of resettlement measures.

Minimum Elements of a Resettlement Plan

1. Description of the project. General description of the project and identification of the project area.
2. Potential impacts. Identification of:
   a) The project components or activities that give rise to displacement, explaining why the selected land must be acquired for use within the time frame of the project.
   b) The zone of impact of such components or activities.
   c) The scope and scale of land acquisition and impacts on structures and other fixed assets.
   d) Any project-imposed restrictions on use of, or access to, land or natural resources.
   e) Alternatives considered to avoid or minimize displacement and why those were rejected; and
   f) The mechanisms established to minimize displacement, to the extent possible, during project implementation.
3. *Objectives.* The main objectives of the resettlement program.
4. *Census survey and baseline socioeconomic studies.* The findings of a household-level census identifying and enumerating affected persons and with the involvement of affected persons, surveying land, structures, and other fixed assets to be affected by the project. The census survey also serves other essential functions:
   a) Identifying characteristics of displaced households, including a description of production systems,
   b) labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population.
   c) Information on vulnerable groups or persons for whom special provisions may have to be made.
   d) Identifying public or community infrastructure, property or services that may be affected.
   e) Providing a basis for the design of, and budgeting for, the resettlement program.
   f) In conjunction with establishment of a cut-off date, providing a basis for excluding ineligible people from compensation and resettlement assistance; and
   g) Establishing baseline conditions for monitoring and evaluation purposes. As the Bank may deem relevant, additional studies on the following subjects may be required to supplement or inform the census survey:
   h) Land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, nontitle-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the project area;

i) The patterns of social interaction in the affected communities, including social networks and social support systems, and how they will be affected by the project; and
j) Social and cultural characteristics of displaced communities, including a description of formal and informal institutions (e.g., community organizations, ritual groups, nongovernmental organizations (NGOs)) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

5. *Legal framework.* The findings of an analysis of the legal framework, covering:
   a) The scope of the power of compulsory acquisition and imposition of land use restriction and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment.
   b) The applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal time frame for such procedures, and any available grievance redress mechanisms that may be relevant to the project.
   c) Laws and regulations relating to the agencies responsible for implementing resettlement activities; and
   d) Gaps, if any, between local laws and practices covering compulsory acquisition, imposition of land use restrictions and provision of resettlement measures and ESS5, and the mechanisms to bridge such gaps.
6. *Institutional framework.* The findings of an analysis of the institutional framework covering:
   a) The identification of agencies responsible for resettlement activities and NGOs/CSOs that may have a role in project implementation, including providing support for displaced persons.
   b) An assessment of the institutional capacity of such agencies and NGOs/CSOs; and
   c) Any steps that are proposed to enhance the institutional capacity of agencies and NGOs/CSOs responsible for resettlement implementation.
7. *Eligibility.* Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.
8. *Valuation of and compensation for losses.* The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation for land, natural resources, and other assets under local law and such supplementary measures as are necessary to achieve replacement cost for them.
9. *Community participation.* Involvement of displaced persons (including host communities, where relevant):
   a) A description of the strategy for consultation with, and participation of, displaced persons in the design and implementation of the resettlement activities.
   b) A summary of the views expressed and how these views were taken into account in preparing the resettlement plan.
   c) A review of the resettlement alternatives presented, and the choices made by displaced persons regarding options available to them; and
   d) Institutionalized arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that

such vulnerable groups as historically underserved communities, ethnic minorities, the landless, and women are adequately represented.

10. *Implementation schedule.* An implementation schedule providing anticipated dates for displacement, and estimated initiation and completion dates for all resettlement plan activities. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.
11. *Costs and budget.* Tables showing categorized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; timetables for expenditures; sources of funds; and arrangements for timely flow of funds, and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.
12. *Grievance redress mechanism.* The plan describes affordable and accessible procedures for third party settlement of disputes arising from displacement or resettlement; such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

13. *Monitoring and evaluation.* Arrangements for monitoring of displacement and resettlement activities by the implementing agency, supplemented by third-party monitors as considered appropriate by the Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of results for a reasonable period after all resettlement activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.

14. *Arrangements for adaptive management.* The plan should include provisions for adapting resettlement implementation in response to unanticipated changes in project conditions, or unanticipated obstacles to achieving satisfactory resettlement outcomes.

Additional Planning Requirements Where Resettlement Involves Physical Displacement

When project circumstances require the physical relocation of residents (or businesses), resettlement plans require additional information and planning elements. Additional requirements include:

15. *Transitional assistance.* The plan describes assistance to be provided for relocation of household members and their possessions (or business equipment and inventory). The plan describes any additional assistance to be provided for households choosing cash compensation and securing their own replacement housing, including construction of new housing. If planned relocation sites (for residences or businesses) are not ready for occupancy at the time of physical displacement, the plan establishes a transitional allowance sufficient to meet temporary rental expenses and other costs until occupancy is available.

16. *Site selection, site preparation, and relocation.* When planned relocation sites are to be prepared, the resettlement plan describes the alternative relocation sites considered and explains sites selected, covering:

a) Institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, locational advantages, and other factors is better or at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;
b) Identification and consideration of opportunities to improve local living standards by supplemental investment (or through establishment of project benefit-sharing arrangements) in infrastructure, facilities, or services;
c) Any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;
d) Procedures for physical relocation under the project, including timetables for site preparation and transfer; and
e) Legal arrangements for regularizing tenure and transferring titles to those resettled, including provision of security of tenure for those previously lacking full legal rights to land or structures.

17. *Housing, infrastructure, and social services.* Plans to provide (or to finance local community provision of) housing, infrastructure (e.g., water supply, feeder roads), and social services (e.g., schools, health services); plans to maintain or provide a comparable level of services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

18. *Environmental protection and management.* A description of the boundaries of the planned relocation sites; and an assessment of the environmental impacts of the proposed resettlement and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

19. *Consultation on relocation arrangements.* The plan describes methods of consultation with physically displaced persons on their preferences regarding relocation alternatives available to them, including, as relevant, choices related to forms of compensation and transitional assistance, to relocating as individual households, families, or with preexisting communities or kinship groups, to sustaining existing patterns of group organization, and for relocation of, or retaining access to, cultural property (e.g., places of worship, pilgrimage centers, cemeteries).

20. *Integration with host populations.* Measures to mitigate the impact of planned relocation sites on any host communities, including:
    a) Consultations with host communities and local governments;
    b) Arrangements for prompt tendering of any payment due the hosts for land or other assets provided in support of planned relocation sites;
    c) Arrangements for identifying and addressing any conflict that may arise between those resettled and host communities; and

d) Any measures necessary to augment services (e.g., education, water, health, and production services) in host communities to meet increased demands upon them, or to make them at least comparable to services available within planned relocation sites.

Additional Planning Requirements Where Resettlement Involves Economic Displacement

If land acquisition or restrictions on use of, or access to, land or natural resources may cause significant economic displacement, arrangements to provide displaced persons with sufficient opportunity to improve, or at least restore, their livelihoods are also incorporated into the resettlement plan, or into a separate livelihoods improvement plan. These include:

21. *Direct land replacement.* For those with agricultural livelihoods, the resettlement plan provides for an option to receive replacement land of equivalent productive value, or demonstrates that sufficient land of equivalent value is unavailable. Where replacement land is available, the plan describes methods and timing for its allocation to displaced persons.

22. *Loss of access to land or resources.* For those whose livelihood is affected by loss of land or resource use or access, including common property resources, the resettlement plan describes means to obtain substitutes or alternative resources, or otherwise provides support for alternative livelihoods.

23. *Support for alternative livelihoods.* For all other categories of economically displaced persons, the resettlement plan describes feasible arrangements for obtaining employment or for establishing a business, including provision of relevant supplemental assistance including skills training, credit, licenses or permits, or specialized equipment. As warranted, livelihood planning provides special assistance to women, minorities, or vulnerable groups who may be disadvantaged in securing alternative livelihoods.

24. *Consideration of economic development opportunities.* The resettlement plan identifies and assesses any feasible opportunities to promote improved livelihoods as a result of resettlement processes. This may include, for example, preferential project employment arrangements, support for development of specialized products or markets, preferential commercial zoning and trading arrangements, or other measures. Where relevant, the plan should also assess the feasibility of prospects for financial distributions to communities, or directly to displaced persons, through establishment of project-based benefit-sharing arrangements.

25. *Transitional support.* The resettlement plan provides transitional support to those whose livelihoods will be disrupted. This may include payment for lost crops and lost natural resources, payment of lost profits for businesses, or payment of lost wages for employees affected by business relocation. The plan provides that the transitional support continues for the duration of the transition period.

ANNEX 5: SOCIAL Risk SCREENING FORM TEMPLATE

General Direction: This checklist is used by executing agency to review the potential social safeguard impacts of subprojects and determine whether the subprojects will trigger relevant safeguard policies of World Bank. It is a tool to screen, classify and evaluate the project activities during project preparation.

The form helps to determine the characteristics of the prevailing local social environment with the aim of assessing the potential impacts of the construction and rehabilitation activities on the environment by the sub-project. The SS will also assist in identifying potential socio-economic impacts that will require mitigation measures and/or resettlement and compensation.

GUIDELINES FOR SCREENING

The evaluator should undertake the assignment after:

1. Gaining adequate knowledge of baseline information of the area.
2. Gaining knowledge of proposed project activities for the area.
3. Having been briefed/ trained in environmental and social screening.

The form is to be completed by consensus of at least two people, knowledgeable of the screening process.

Contents:

Type of Sub-project:

Location (include map/sketch): (*e.g. region, district)*

Type of Activity: *(e.g. new construction, rehabilitation, periodic maintenance)*

Estimated Cost: (Birr):

Proposed Date of Works Commencement:

Technical Drawing and Specifications Reviewed: Yes/No

This report is to be kept short and concise.

1. Site Selection

Physical data:	***Yes/No answers and bullet lists preferred except where descriptive detail is essential.***
Site area in ha	
Extension of or changes to existing alignment	
Any existing property to transfer to project	
Any existing property to transfer to project	
Any existing property to transfer to project	

2. **Impact identification and Classification**

When considering the location of a subproject, rate the sensitivity of the proposed site in the following table according to the given criteria. Higher ratings do not necessarily mean that a site is unsuitable – it indicates a real risk of causing adverse impacts involving resettlement and compensation. The following table should be used as a reference.

Issues	Site sensitivity		
	Low	Medium	High

Involuntary Resettlement	Low population density; dispersed population; legal tenure is well-defined; well-defined water rights	Medium population density; mixed ownership and land tenure; well-defined water rights	High population density; major towns and villages; low- income families and/or illegal ownership of land; communal properties; unclear water rights

3. Checklist of Impacts

LLRP II sub-projects	Potential for Adverse Impacts				
	None	Low	Medium	High	Unknown
Economic or physical resettlement					
New settlement pressures created					
Other (specify)					

Potential Adverse Impacts on PAPs **Potential Adverse Social Impacts:**	***Yes/No answers and bullet lists preferred except where descriptive detail is essential.***
Will activity entail restriction of access to pastoral and agro-pastoral communities to lands and related natural resources	☐YES ☐NO If yes exclude from Project
Will activity entail commercial development of natural and cultural resources critical to Pastoral and agro-pastoral communities	☐YES ☐NO If yes state clearly how benefits will be maximized for IPs?
Will activity entail physical relocation of to Pastoral and agro-pastoral communities? ☐YES ☐NO If yes exclude from project	☐YES ☐NO If yes exclude from Project

4. Gender, Vulnerable and Disadvantaged Group Screening

Potential Adverse Social Impacts:	***Yes/No answers and bullet lists preferred except where descriptive detail is essential.***
Does the subproject present risks to and impacts on individuals or groups who, because of their circumstances, may be disadvantaged or vulnerable due to their: - Age, gender, ethnicity, or race - Religion and belief systems - Socio-cultural grouping or nationality - Sexual orientation and identity - Climate change and seasonal factors	☐YES ☐NO If yes exclude from Project
Is the subproject likely to affect disadvantaged or vulnerable individuals or groups who would require specialized approaches to participation or consultation for the project?	☐YES ☐NO If yes state clearly how benefits will be maximized for IPs?
Does the subproject require FPIC (for HUCs)?	☐YES ☐NO

	If yes exclude from Project
Is the project likely to face any barriers to information disclosure, transparent sharing of project information among stakeholders, or other aspects that could affect meaningful consultations?	☐YES ☐NO If yes exclude from Project

4. Detailed Questions

Public participation/information requirements: ***Yes/No answers and bullet lists preferred except where descriptive detail is essential.***	
Does the proposal require, under national or local laws, the public to be informed, consulted or involved?	
Has consultation been completed?	
Indicate the time frame of any outstanding consultation process.	
Refer to relevant legislative acts in Ethiopia.	
Land and resettlement: *Yes/No answers and bullet lists preferred except where descriptive detail is essential*	
What is the likelihood of land purchase for the woreda/town/city investment project?	
How will the woreda/town/city go about land purchase?	
Will people's livelihoods be affected in any way, therefore requiring some form of compensation?	
Will people need to be displaced, and therefore require compensation and resettlement assistance?	
Are the relevant authorities aware of the need for a Resettlement Process, involving a census, valuation, consultation, compensation, evaluation and monitoring?	
What level or type of compensation is planned?	
Who will monitor actual payments?	

Refer to the Resettlement Framework

5. Actions

Actions:	**Remark**
List outstanding actions to be cleared before woreda/town/city investment project appraisal.	
Approval/rejection-If the proposal is rejected for environmental reasons, should the subproject be reconsidered, and what additional data would be required for reconsideration?	

Recommendations:

Requires RP is to be submitted on date……..

Requires Census & Land Inventory to be submitted on date……..

Does not require further environmental or social studies……..

Reviewer: Name…….. Signature …….

ANNEX 6: CENSUS SURVEY AND LAND ASSET INVENTORY

1. Socio-economic Household Datasheet of LLRP II Project PAPs

Name of Interviewer	Signature	Date
1.		
Name of Supervisor		
1.		
Name of Head of Extended Family:		
Number of Nuclear Families in Extended Residential Group (including household of head of extended family)		
Region: _____; Zone: _____; Woreda: _____; Kebele: _____; Sub-Kebele:_____; Site/Village:_____		
Level of education	a. No formal education b. Non-formal education (read & write, traditional education) c. Elementary School (Grades 1 to 6) d. Junior Secondary (Grade 7 & 8) e. Senior Secondary (Grades 9 to 10) f. Preparatory (10+1 and 10+ 2) g. Certificate or Diploma (Grade 10 + 1 or 2 Years h. First Degree or equivalent i. Second Degree and Above	(_____)
What is your household's livelihood?	1. Pastoralist[9] 2. Agro pastoralist[10] 3. Other (specify)	(_____)

[9]**Pastoralists:** people who derive at least 50% of their living from animals that graze mainly naturally occurring vegetation and who follow a transhumance way of life.

[10]**Agro-pastoralists**: people whose livestock contribute less than 50% to household income, who have a substantial interest in cropping or agricultural related source of income such as trading in livestock, and who maintain a partial transhumance.

What are the main sources of income of your household?	a. Salary/Wage Employment (Civil Service, NGO, …etc) b. Self-employed (Merchant, Mason, Carpenter, … etc) c. Petty Trade (Market stall, grain, food stuff, local liquor) Remittance d. Casual Labour e. Unemployed f. Farmer (Smallholder), Indicate size of landholding (ha) g. Livestock production (meat, milk, poultry etc h. Support from family i. Renting house j. Other (Specify)	(_____)
Number of rooms (excluding kitchen, toilet and bathroom)	Construction type a. earth, b. tin, c. bamboo, d. cement, e. mixed, f. bricks, g. other, specify	(_____)
Household assets	a. Sewing machine b. Radio/TV c. Phone (mobile or land line) d. Motorcycle or scooter e. Bicycle f. Three wheeler/rickshaw/van (non-motorized/ cart) g. Car/van (motorized) h. Other specify	(_____)
Farm assets	a. 2-Wheel tractor and accessories b. 4-wheel tractor and accessories c. Insecticide/pesticide sprayers d. Water pump e. Tube well/Agro well f. Poultry (other animals) shed g. Other specify	(_____)

6. Land Asset Inventory for LLRP II project Investment Sub-component Affected People

A. General Information about Project Component:	
Type/brief description of component	
Site location	

Total amount of land (community assets expropriated) required for subproject (m^2)	
When was site selected?	
Why was this site selected, and why is this amount of land necessary?	
Attach land plan or map	
Type/brief description of component	
Type of cultural/historical/archaeological heritage	

B. Information on Each Land Acquisition/Expropriation:	
Identification number	
Ownership (private, Municipal or Treasury)	
Name and address of registered owners	
Gender (Male/Female)	
Type of Ethnic/racial	
Ethnical Minority (if yes, describe)	
Educational Level	
Primary occupation	
Monthly Income	
Location of job/business (within or outside the acquired land)	
Total size of plot (m^2)	
Amount of plot required (m^2)/% taken	
Expropriation status (if complete, give date of completion)	
Compensation amount (estimated or actual)	
If municipal or state land, are private individuals living on it?	
If municipal or state land, are private individuals using it for economic gain (cropping, grazing, fruit trees)?	
Will structures (houses, shops, utility buildings) or fixed assets (fences, wells, etc.) be affected? If so, list all structures and assets by purpose, name of owner or user, size (m^2), and compensation amounts (actual or estimated).	

C. Information about Affected People:

If houses (legally owned or occupied by squatters) are to be demolished, how many families reside there, and how many people are in each family?	
Are residents owners or tenants or squatters?	
If shops are to be demolished, how many people are paid employees?	
Do any of the affected people (owners, tenants, family members) need special assistance? If so, how many (by category: elderly living alone, blind, physically disabled, mentally impaired, or other such as??)? What special assistance will be provided?	

D. Temporary Impacts:	
Identify all plots of land that must be used temporarily during the construction phase, but which will not be permanently expropriated.	
Describe compensation or other assistance negotiated with the owner for temporary use.	
Describe measures taken to ensure that land is returned to original or improved condition after temporary use is complete.	

E. Consultation:	
Description of Consultation undertaken with Project Affected People –PAPs (land and asset owners, people using the premises for businesses, squatters etc. ?	
Public notification (means of notification ex. Workshops, radio announcement, public notices in the site, etc.)	
Who was invited?	
Who attended it?	
What kind of Contact information was provided?	
Issues raised during consultations	
What procedures agreed were agreed on as next steps?	
What Information was collected about the PAPs (affected households, business etc.	
How and when were the PAPs notified?	

Who met with the PAPs?	
How many meetings were held and which phase?? did they reach?	

F. Grievance Procedures:	
Place and address to register grievance/complaints (e.g. , which office number or address was given or was there a phone line established, etc)	
Advertised—public awareness of the process	
Which Project level person (s) were designated to follow-up on the resolution of the grievances?	
Consultative Grievances group/committee including community /municipality members, local authorities to review the negotiation process	
Court/payment for court process	

Total number of people affected by the land acquisition plan (sum of all categories above) and use attachment, if needed	

Reviewed By (Name and Title) _____
Signature_____

ANNEX 7: SAMPLE GRIEVANCE RESOLUTION FORM

7.1. Grievance Submission Form

Complaint Form		
Complaint Number		Copies to forward to:
Name of the Recorder		(Original)Receiver Party
Region/Kebele		(Copy)Responsible Party
Date		
Information about the Complainant		
Name:		
Telephone Number		
Address		
Kebele/Community		
Region/Woreda		
Signature of		

Complainant	
Description of the Complaint:	
---------- ---------- ---------- ---------- ----------	
Agreement on the resolution:	

7.2. Grievance Registry

No	Date incoming letter/ form received	Grievance Reference Number	Name / Surname of grievance originator (if not anonymous)	Gender	Type of grievance	Details of grievance	Medium of communication	Name of staff responsible for managing the grievance	Date of grievance acknowledge-ment	Date of feedback provision/ reference number	Present status	Remark s
1												
2												
3												
4												
5												

7. **3: Grievance Resolution Form**

Grievance Closed Out **Resolution**
Describe the steps taken to resolve the grievance and the outcome.
Department: Mode of communication for reply (meeting/ written/ verbal/ display): Date closed:
Signatures
Complainant: Project representative: Date:

ANNEX 8: SAMPLE TABLE OF CONTENTS FOR CONSULTATION REPORT

1. Introduction
1.1 Project Description
1.2 Applicable Laws, Regulations, and Policies to Public Engagement
1.3 Project Lenders
2. Stakeholder Analysis
2.1 Areas of Influence/Stakeholders
2.2 Description of Stakeholders
3. Stakeholder Engagement
3.1 Previous Consultation Activities
3.2 Implemented Community Engagement Activities
3.3 Project Sponsor's Community Engagement Plan
3.3.1 Phase 1 – Initial Stakeholder Consultation
3.3.2 Phase 2 – Release of the RP Terms of Reference
3.3.3 Phase 3 – Release of RP Consultation Report
4. Summary of Key Issues
5. Future Consultation Events
5.1 Phase 4 – Release of the RP
5.2 Phase 5 – Ongoing Project Communications
6. Disclosure

Plan Tables

Table 2.1: Consultation Activity Summary
Table 3.1: Initial Government Agency Consultations
Table 3.2: Summary of NGO Meetings
Table 3.3: Sub-County Committee Composition
Table 3.4: Summary of Community Discussions
Table 3.5: Local Community Comments
Table 4.1: Summary of Key Issues and Responses
Table 5.1: Summary of Future Consultation Activities per Stakeholder Group
Table: others (if any)

Template for Table on Consultation Activity Summary

Location and communities Represented	**Meeting Dates**	**Attendees**	**Discussion Summary**
Example:			

ANNEX 9: INDICATIVE OUTLINE OF A RP BUDGET

Description	Unit	Quantity	Estimated Cost		Responsible Agency
			Unit Cost	Total	
Asset acquisition					
Land					
Structure					
Crops and economic trees					
Community infrastructure					
Land Acquisition and Preparation					
Land					
Structures					
Crops areas and others					
Community infrastructure					
Relocation					
Transfer of possessions					
Installation costs					
Economic Rehabilitation					
Training					
Capital Investments					
Technical Assistance					
Monitoring					
Special assistance budget for vulnerable PAPs					
Budget for consultation and disclosure of RP/LRP					
Contingency Budget (10%)					

Number	Item	Costs	Assumptions
1	Compensation for loss of Land	/hectare	For land acquisition purposes, based on Ethiopian average market cost, or from similar projects
2	Compensation for loss of Crops	/hectare of farm lost	Includes costs of labor invested and average of highest price of staple food crops and Ethiopian market prices
3	Compensation for loss of access to pastoralists	If applicable	Those affected would be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)

4	Compensation for loss of access to fishing resources.	If applicable	Data provided from the revised socioeconomic study will determine market values of catch, fish products etc.
5	Compensation for Buildings and Structures	If applicable	This compensation may be in-kind or cash. Costs for basic housing needs should include ventilated pit latrines, outside kitchen, and storage.
6	Compensation for Trees	/year/tree	Includes costs of labor invested and average of highest price of trees (and tree products) and Ethiopian market Prices
7	Cost of Relocation Assistance/Expenses	/household	This cost reflects the moving and transportation allowance
8	Cost of Restoration of Individual Income		Assumed to be higher than the GDP/capita in Ethiopia
9	Cost of Restoration of Household Income		These costs reflect the livelihood restoration program of the RP
10	Cost of Training Farmers, pastoralists and other PAPs		This is a mitigation measure involving capacity building and involves PAPs and affected communities
11	Cost of establishing/operating GRMs.		These costs reflect the GRMs established and operated

ANNEX 10: COMPENSATION AGREEMENT TEMPLATE

Compensation Agreement Form	
Project name	
Project component	
Type of sub-component	
Agreement Number	
Name of the Recorder	
Regional/Woreda/Kebele	
Date	
Information about the Compensation	
Name (PAP)	
Telephone number	
Address	
Kebele/community	
Region/Woreda	
Signature of the PAP	
Signature of the authorized person	
Date	
Description of the Compensation:	
_____ _____ _____ _____ _____ _____ _____	

ANNEX 11: COMMUNITY LAND DONATION AGREEMENT AND CONCENT FORM

ITEM	DESCRIPTION
Project name:	
Project location:	
Name of subproject:	
GPS coordinates of land area:	
Date:	

TEMPLATE OF THE AGREEMENT

1. As discussed in our community minute on ……..to which all residents and regular users of the project site (specify) **……** were invited. We, the nominated representatives at that meeting, confirm that the following issues were discussed and the residents and regular users of this land are in unanimous agreement.
2. That **……** shall be site of the proposed **……** and that:
3. We all are aware that the land set aside for the subproject is community land and no one is claiming individual ownership because it belongs to all of us, and no alternative claims will be made later on the land.
4. We have all agreed unanimously that the project implementation should continue.
5. We will all allow other neighbouring and cross-border communities access to the project site as agreed between elders of represented communities.
6. We all shall strive to peacefully resolve any conflicts with other communities concerning the project.
7. We will all strive to peacefully co-exist and resolve any conflict arising out of the subproject facility following due process provided by local laws.
8. The land to be donated was identified in consultation with all residents and users of the land.
9. We all understand the likely impacts of proposed activities on donated land.
10. We all understand that the community could have refused this subproject.
11. We all agreed to this subproject and donation of the land without coercion, manipulation, or any form of pressure on the part of public or traditional authorities.
12. We all agreed that we do not require any monetary or nonmonetary benefits or incentives as a condition for the donation.
13. Donation of land will not adversely affect the livelihoods of occupiers and users of the land.
14. If any structure will be moved or any access to land be limited as a result of the subproject, support will be provided to the individual so their livelihoods are not adversely affected.
15. The land is free of encumbrances or encroachment and is not claimed by any individual and its ownership is not contested.

We have been designated by the community of and represent all groups using this land (include elders, women, youth, other users, minority groups):

Confirm the above information to be true and that we have resolved to abide by ALL terms of this agreement. (Please attach minutes of the community meeting including the signed attendance sheet and photos of the meeting).

No.	Name	Village/location	ID/no.	Phone number	Date	Signature

Agreed/Witnessed on this …….. Day of …….. in the Year…….. by:

1. **Area Elder**

Name	ID/no.	Phone number	Date	Signature

2. **Women's group leader/representative**

Name	ID/no.	Phone number	Date	Signature

3. **District Administrator**

Name	ID/no.	Phone number	Date	Signature

4. **Mayor/Woreda Administrator**

Name	ID/no.	Phone number	Date	Signature

5. **Project representative**

Name	ID/no.	Phone number	Date	Signature

6. **Project Manager**

Name	ID/no.	Phone number	Date	Signature and R/Stamp

ANNEX 11: MINUTES AND ATTENDANCES

Annex 12-1. Me'anit shasha District-Stakeholder Consultation-List of Participants-10-11-2023

WORLD BANK GROUP

NBS INVEST

gef GLOBAL ENVIRONMENT FACILITY

Attendance sheet for participant registration and signature for woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating Ermias Gebremichael
ii. Name of the zone: West-Omo
iii. Name of Woreda: Meinit Shasha
iv. Name of Office: LLRP-WPDO
v. Date of consultation conducted: 10 Nov. 2023 (30/02/2006)
vi. Consultation Start Time: 2:30
vii. Consultation End Time: 6:00
viii. Venue: Woreda Admin. Bureau
ix. Name of Consultation Moderator: Solomon Ali
x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	Anteneh Sodoma	WWIEO	[illegible]	M	0926096870	
2	Adisu Gelamini	WAO	Urban Land use	M	0931157200	
3	Solomon Enbida	WEPAO	biodiversity	M	0917331846	
4	Testa Zemudinen	WAO	Soil & Water	M	0916331231	
5	wro Tibist Imnito	WEO	Imerte	F	0917268049	
6	Walelign Birara	WEPAO	Safeguard Social	M	0937792291	
7	Belay Mulu	U/D/ Conittee	Urban Land use	M	0919695298	
8	Fikiralem Tarekegn	U/D/Conittee	urban debt	M	0918951489	
9	Meraikow Deijen	WPO	[illegible]	M	0937381991	
10	Silenat Kibeital	WPO	Pastoralist	F	0918942141	
11	Nuredin Nasir	WHO	WHO	M	0936305366	
12	Zemudiale Denis	WWSAO	Women & Child	M	0910265131	
13	Abraham Lambebo	WFO	Finance	M	0923312874	
14	Alana Deta	WEO	Education	M	0917330197	
15	Tsegaw Yoset	WWIEO	Water	M	0923393876	
16	Yohannis Zekiyos	WWSAO	Agriculture	M	0917191322	
17	Temale Muliye	WFO	Finance	M	0929268622	
18	Tsehaynesh Sihum	WHO	Woreda MCH	F	0919193739	
19	Yasin Serid	WJO	peacebuilding	M	0917193136	
20	Menelika Ahmed	WJO	Security	M	0935819080	
21	~~Nuredin Nasir~~	~~WHO~~		~~M~~	~~0936305366~~	
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19

SWEPRS West Omo Zone Meanit Shasha Woreda Pastoralists Affairs Office

Annex 12-2. Woreda Level Stakeholders-Me'anit shasha District-Photo/Picture of Participants-10-11-2023

Annex 12-3. Me'anit goldia District-Stakeholder Consultation-List of Participants-10-10-2023

WORLD BANK GROUP

NBS INVEST

gef GLOBAL ENVIRONMENT FACILITY

Attendance sheet for participant registration and signature for woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating _____

ii. Name of the zone: West omo

iii. Name of Woreda: Benit Goldia

iv. Name of Office: pastoral community devt. office

v. Date of consultation conducted: 2/02/2016

vi. Consultation Start Time: 3:30 CT

vii. Consultation End Time: 6:00 CT

viii. Venue: Woreda Administrative Bureau

ix. Name of Consultation Moderator: Solomon Ali

x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	[illegible]	[illegible]	[illegible]	M	0917331684	
2	[illegible]	[illegible]	[illegible]	M	0917337[illegible]	
3	[illegible]	[illegible]	[illegible]	M	0919126861	
4	[illegible]	[illegible]	[illegible]	M	0917377980	
5	[illegible]	[illegible]	[illegible]	M	0910050982	
6	[illegible]	[illegible]	[illegible]	M	0911554188	
7	[illegible]	[illegible]	[illegible]	M	0934354069	
8	[illegible]	[illegible]	[illegible]	M	0916514136	
9	[illegible]	[illegible]	[illegible]	M	0917361872	
10	[illegible]	[illegible]	[illegible]	M	0917668969	
11	[illegible]	[illegible]	[illegible]	M	0920287444	
12	[illegible]	[illegible]	[illegible]	M	0951528407	
13	[illegible]	[illegible]	[illegible]	M	0963426592	
14	[illegible]	[illegible]	[illegible]	M	0987337[illegible]	
15	[illegible]	[illegible]	[illegible]	M	0916658826	
16	[illegible]	[illegible]	[illegible]	M	0976011155	
17	[illegible]	[illegible]	[illegible]	M	0996323871	
18	[illegible]	[illegible]	[illegible]	M	0940714867	
19	[illegible]	[illegible]	[illegible]	M	0912257363	
20	[illegible]	[illegible]	[illegible]	M	0945275191	
21	[illegible]	[illegible]	[illegible]	M	0921325282	
22	[illegible]	[illegible]	[illegible]	M	0913601360	
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Annex 12-4. Woreda Level Stakeholders-Me'anit goldia District-Photo/Picture of Participants-10-10-2023

Annex 12-5. Goljano District-Stakeholder Consultation-List of Participants-11-16-2023

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Attendance sheet for participant registration and signature for woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating Ahmed
ii. Name of the zone: Fafan
iii. Name of Woreda: Goljano
iv. Name of Office:
v. Date of consultation conducted: 06/03/2016
vi. Consultation Start Time: 8:30 LT
vii. Consultation End Time: 12:30 LT
viii. Venue: Woreda Administration Bureaue
ix. Name of Consultation Moderator: Solomon Ali
x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	Abdi Mustafe Jefa/		K/S Guidance	M	0974109882	
2	Mohamed Rabe	education	Head office	M	0905609688	
3	Ahmed Hi Ahd	Security	Head office	M	0915650049	
4	Cabdi Nurxan	expert	Expert	M	0912235898	
5	Nasiye Mohamud	Expert	Expert	M	0948957140	
6	Saad Fagar	Head Agricul	Head Agricu	M	0915235176	
7	Mohamed Ebshir	finance Expert	K/S/ Malupada	M	0915433019	
8	Abdi rady mohamud	Expert	Expert	M	0974416204	
9	Ahmed abdi YUSUF	H/Office Head	HEAHL O Head	M	0915100218	
10	Rashid Mahdi Sayid	livestock	for livestock	M	0913225225	
11	Abdiwasa	Expert	for Expert	M	0915112152	
12	Hassen omar	Cooperative	Cooperative	M.	0915886[illegible]	
13	Amira ahmed	Expert	woman affair	F.	0914776104	
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Annex 12-6. Woreda Level Stakeholders-Goljano District-Photo/Picture of Participants-11-16-2023

Annex 12-7. Bilimbur District-Stakeholder Consultation-List of Participants-11-17-2023

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Attendance sheet for participant registration and signature for woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating Khadar
ii. Name of the zone: Jarar
iii. Name of Woreda: Bilibur Woreda
iv. Name of Office: LLRP office
v. Date of consultation conducted: 07/03/2016
vi. Consultation Start Time: 8:00LT
vii. Consultation End Time: 11:00LT
viii. Venue: LLRP office
ix. Name of Consultation Moderator: Gessesse and Ahmed
x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	Endal Ahmed Noah	Government	Chairman	m	[illegible]	
2	Ibrahim Sofi	Government	health office	M	09157735[illegible]	
3	Asad Sheikh Huse	Government	pastoral	M	09150[illegible]91	
4	Ahmed bare	Government	Finance	M.	09234[illegible]02	
5	IBRAHIM amor	Government	pastral	M	0715[illegible]18	
6	Muktar Kayd Huse	Government	Head office	M	09152[illegible]30	
7	Yahye ibrahim Mayo	Government	Finance	M.	0909000[illegible]30	
8	Mohamed osman	Party	Political	M		
9	Mohamed Abdinur	Government	Revenue	M	0911[illegible]	
10	Ali Sh/Abdi	Government	Revenue	M	03328[illegible]	
11	Yasin Ahmed Jama	Government	Finance office	M	0914[illegible]	
12	Mung mohamed Sarey	Government	Health office	F	09150[illegible]15	
13	Khadar muhumed	Government	Cooperative	M	0915[illegible]36	
14	Ahmed mahamud	Government	Health office	M	[illegible]	
15	Khadar aar					
16	Dayanus Cumar	government	sport	M	0940[illegible]	
17	Mohamed Mahad	Government	party head	M.	0958116[illegible]	
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Annex 12-8. Woreda Level Stakeholders-Bilimbur District-Photo/Picture of Participants-11-17-2023

Annex 12-9. Jeldesa Cluster-Stakeholder Consultation-List of Participants-11-22-2023

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gef GLOBAL ENVIRONMENT FACILITY — INVESTING IN OUR PLANET

Attendance sheet for participant registration and signature for woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating _____

ii. Name of the zone: Dire Dawa

iii. Name of Woreda: Dalead (Jeldessa)

iv. Name of Office: _____

v. Date of consultation conducted: 12/07/2016 E.C

vi. Consultation Start Time: 3:00LT

vii. Consultation End Time: 9:30LT

viii. Venue: Woreda office

ix. Name of Consultation Moderator: Solomon Ali

x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	Nimale mohamed	Jal-Jal	Woreda leader	M	0928172960	
2	Ahmed Musa	Dalead Woreda	Agri. worker	M	0919737782	
3	Nasir Ahmed	"	Education sup.	M	0987358809	
4	Tamirat Messele	"	Education sup	M	0913286192	
5	Abdulahi Aden	"	Cooprative	M	0915739497	
6	Shine Mumin	"	Agricultural	M	0938166153	
7	Ilyas Hassan	"	W/Drafter	M	0946081[illegible]	
8	Ramodan mohamed	"	W/Land office	M	0927915710	
9	Meftuan Awa Ibro	"	W/Adolescent	M	0948594969	
10	Mohammed Ali Hanpa	"	Finance Head	M	0915402132	
11	Abdi Jusefi	"	Agri. Head	M	0926028731	
12	Abdulahi muse	"	Polatica Head	M	0939586597	
13	Umelkheir Atele	"	J.H.C Head	F	0921936021	
14	Asegnehu Teotenos	"	Q.H.C	M	0915049900	
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Total						

Annex 12-10. Cluster Level Stakeholders-Jeldesa Cluster-Photo/Picture of Participants-11-22-2023

Annex 12-11. Abramo District-Stakeholder Consultation-List of Participants-11-30-2023

Attendance sheet for participant registration and signature for Woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating: Solomon Ali
ii. Name of the zone: Assosa Zone
iii. Name of Woreda: Abramo Woreda
iv. Name of Office:
v. Date of consultation conducted: 20/03/2013
vi. Consultation Start Time: 3:00 LT
vii. Consultation End Time: 6:30 LT
viii. Venue: FTC Hall
ix. Name of Consultation Moderator: Solomon Ali
x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	Yunus Abdulahi	health office	head	M	0913678848	
2	Abdulmenan Muhedin	Finance office	head	M	0915921733	
3	Eshaic Mustefa	Trade & Tr	head office	M	0917431562	
4	Ateyib Ahadi	lands office	head	M	0975091414	
5	Abdulkrim Ahmed	water office	head	M	0910857310	
6	Alemin Ahmed	water tecnic	tecinic	M	0917173900	
7	Bedur Mohammed	Health office	Technic	M	0917173970	
8	Fatuma Alkeris	WICIA office	head office	F	0977317518	
9	Gemechu Dugume	〃	Technical	M	0932288643	
10	Yohannes Solomon	TVT/R/off.	Technical leader	M	0910508511	
11	Keneni Debela	Awash	[illegible]	M	0917426960	
12	Kindu Amen	Agriculture	Agri. Expert	M	0912444188	
13	Gatinet Bezabih	Alwis	Al Expert	M	0911037676	
14	Belayneh wondemagegn	Alwis	Planer	M	0918253034	
15	Anur Atom	Offices	head	M	0922243758	
16	Bantayew Bahiru	Justice office	Public Prosecutor	M	0910232295	
17	Nizisie Alemu	Security	Responsibility	F	0937994445	
18	Beteihem Gashaw	Security	Responsibility	F	0938538821	
19	Said Hassen	Agri.	Teamle	M	0919474204	
20	Nigatu Bayisa	Alino	Procalement	M	0910113707	
21	Alene Setaye	FLRP	Finance officer	M	0911739030	
22	Endrie Sitotaw	Agriculture	Driver	M		
23	Abeba Belay	Finace office	Finance office	M	0911240474	
24						
25						
26						
Total						

Annex 12-12. Woreda Level Stakeholders-Abramo District-Photo/Picture of Participants-11-30-2023

Annex 12-13. Sherkole District-Stakeholder Consultation-List of Participants-11-29-2023

Attendance sheet for participant registration and signature for woreda level participants

Basic Information Participants:

i. Name of the Official/Expert facilitating
ii. Name of the zone: Assosa
iii. Name of Woreda: Sherkole
iv. Name of Office:
v. Date of consultation conducted: 19/03/2016
vi. Consultation Start Time: 3:00 LT
vii. Consultation End Time: 6:30 LT
viii. Venue: Hall
ix. Name of Consultation Moderator: Solomon Ali
x. List of participants

S.no	Name	Organization	Position/ Responsibility	Gender	Phone number	Signature
1	Teklay Berihu	Agriculture	Focal person	M	0913592331	
2	Alemayehu Berene	Agri	focal person	M	0913063282	
3	Getnet Regi	Cooperative	team Leader	M	0910962666	
4	Agumasie Nesha	LLRP	coordinator	M	0911839444	
5	Tariku Menberu	WYC office	focal person	M	0967333660	
6	Bezawchu Mohammed	Agri	team conductor	F	0961327700	
7	Degareg Ares	Agriculture	team leader	M	0913718044	
8	Seid Nurye	Finance	team Leader	M	0935403220	
9	Mengistu Arsen	Peace Bldg	focal person	M	0917537117	
10	Yimer Sitotaw	Youth expert	Youth expert	M	0923530082	
11	Musiken Adunis	prosecutor	Lawer pro	M	0913975670	
12						
13	Wokneshe Aboke	Construction	Foreman	Construction	0928410 3248	
14	Negzu Makonnen	Envt office	Land Adm. expert	F	0920318924	
15	Shebabaw Adeba	"	Envtal expert	M	0923408860	
16	Damit Mohammed	prosecutor	prosecutor	M	0922666600	
17	SEID ALI	WHO	PLAN	M	0993771481	
18	Ashenafi Abate	"	HPDP	M	0911369190	
19	Muhammed Seid	Pade	focal	M	0912728620	
20	Endeshaw Tesfe	water	focal	M	0918648676	
21	Fantahun Birhane	Justice	focal	M	0902468160	
22	Sisay Abera	Education	focale	M	0931783759	
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Total						

Sherkole Woreda Agriculture Office

Annex 12-14. Woreda Level Stakeholders-Sherkole District-Photo/Picture of Participants-11-29-2023

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: Annex 5 Goe Request For Ifad Financing

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

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የገንዘብ ሚኒስቴር
FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA
MINISTRY OF FINANCE

ቁጥር I.F.R.E.4/4/22
Ref. No
ቀን 18 APR 2023
Date

Mr. Mawira Chitima
IFAD Representative and Country Director for Ethiopia
International Fund for Agricultural Development
Gurd Shola Area-Bole Sub City
P.O. Box 5689
Addis Ababa

Subject:- Financing Request for the Second Phase of Lowland Livelihoods Resilience Project

Dear Mr. Mawira,

As we all know, the first phase of the Lowlands Livelihood Resilience Project (LLRP) has been under implementation since November 2019 with an objective to improve livelihood resilience of pastoral and agro-pastoral communities in targeted areas with support from your good office and International Finance for Agriculture Development (IFAD).

The implementation of LLRP is progressing well towards the planned development objectives. However, since the approval of the project, in November 2019, the climate change induced recurrent and severe drought has become a critical challenge in the lowlands. The frequency and severity of droughts and their devastating impacts on livelihoods and the environment in the lowlands has become very serious and beyond expectations. Moreover, COVID-19, flood, desert locust infestation, inflation and instabilities in the lowlands have exacerbated the climate change impacts, making the problem beyond LLRP and the other government and partner's initiatives in the area.

To this effect, the Government of Ethiopia is considering to expand the LLRP interventions to more geographic areas with more focus on enhancing drought resilience and climate change mitigation and adaptation capacities at households, communities and institutional levels. Building climate change adaptation and mitigation capacities along with livelihood resilience is now government's top priority and well aligned with the 10 Year Perspective Plan.

In line with this, the government has started the design of the Second Phase of LLRP with more emphasis on addressing the impacts of climate change in the lowlands, focusing on the pastoral and agro-pastoral communities, including women and youth. The second phase of the project will particularly address poverty and vulnerability through mitigating the impacts of climate change and enhancing adaptation capacities in the lowland areas of the country. It will continue to support efforts to address the Pastoral and Agro-Pastoral Food System challenges towards addressing food insecurity and rural poverty among the poor, women and youth in the pastoral and agro-pastoral lowlands.

Thus, we would like to request your good office to co-financing with the World Bank this priority investment project address some of the above mentioned critical challenges.

Sincerely,

Semereta Sewasew
State Minister

The Federal Democratic Republic of Ethiopia
Ministry of Finance 5

CC: - Ministry of Irrigation and Lowlands
Addis Ababa

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: Annex 6 Financial Management Issues Summary

Mission Dates:	15/04/2024 - 26/04/2024
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FINANCIAL MANAGEMENT ISSUES SUMMARY - Concept Note[1]

COUNTRY	Ethiopia	CONCEPT NOTE	*LLRLP II*
PROJECT TYPE	Agricultural		

A. COUNTRY PORTFOLIO PERFORMANCE

Country – FM KPIs:

FM Inherent Risk:	*Substantial*
Outstanding Ineligible Expenditure	*None*
Unjustified Obligations: (Projects in Closed Status)	*6,808,613 EUR* *Attributed to EU grant under RUFIP III whose closing date was 31/12/2023.*
Applicable PBAS cycle:	*IFAD12*
PBAS Available allocation:	*USD 3,748*
BRAM access	*No*
Country income category	LIC

Governance[1]

Ethiopia's inherent risk is deemed substantial. According to the 2022 World Bank CPIA, Ethiopia is a medium policy performer, with an overall score of 3.3 (a slight decrease compared to previous year although above IDA average of 3.1 in all dimensions). Policies for inclusion and equitey was the highest performing cluster with a score of 3.5 while economic management had the lowest performance with socre of 3.0 (IDA Borrowers average is 3.2).

2022 TI Corruption Perception Index[2] ranked Ethiopia 94th out of 180 countries with a score of 38, a slight decrease from 37 compared to previous year.

Economic Outlook[3]

Real GDP growth fell to 5.3% in 2022 from 5.6% in 2021 but remained above East Africa's average (4.7% in 2021 and 4.4% in 2022). GDP is projected to grow 5.8% in 2023 and 6.2% in 2024, driven by industry, private consumption, and investment. The peace dividend, rebounding tourism, and prospect of liberalizing more sectors are expected to boost the growth outlook. Inflation is projected to decline to 28.1% in 2023 and 20.1% in 2024, following the peace dividend. The fiscal deficit is projected to grow to 3.1% in 2023 and 2.5% in 2024 due to the expected increase in government revenue driven by domestic resource mobilization improvements, implementation of the fiscal consolidation strategy, and resumption of donor inflows. The current account deficit is expected to narrow to 3.7% of GDP during 2023–24 as merchandise and service exports and foreign direct investment rise and imports of capital inputs continue to decline. Headwinds include interethnic conflicts in different parts of the country, drought, debt vulnerabilities, and the impact of Russia's invasion of Ukraine.

Debt sustainability[4]

IMF's Debt Sustainability Assessment (DSA) in 2020 concludes that Ethiopia continues to remain at high risk of external and overall debt distress. Recent efforts to contain SOE borrowing and reprofiling of some bilateral loans have helped improve the debt dynamics somewhat. However, near- to medium-term debt servicing needs remain elevated relative to exports, thereby leading to staff assessment of Ethiopia's "high" risk of external and overall debt distress. Concerted reforms, as set out in the Fund-supported program, should result in an improved medium-term outlook. The authorities recognize the risks and intend to undertake further debt operations to bring down near- to medium-term debt servicing needs on bilateral loans with an aim of achieving a debt distress rating of "moderate" with some space over the course of the program. Such debt operations will strengthen Ethiopia's debt sustainability, provide financing necessary for the program, and help safeguard Fund resources.

[1] https://www.worldbank.org/en/data/datatopics/cpia
[2] https://www.transparency.org/en/cpi/2022/index/eth
[3] https://www.afdb.org/en/countries/east-africa/ethiopia/ethiopia-economic-outlook
[4] https://www.imf.org/en/Publications/CR/Issues/2020/01/28/The-Federal-Democratic-Republic-of-Ethiopia-2019-Article-IV-Consultation-and-Requests-for-48987

According to World Bank's 2022 Country Policy and Institutional Assessment (CPIA), the risk of external debt distress remains high. However, the management of domestic debt of state-owned enterprises is improving. Macroeconomic management weakened. Inconsistent monetary and exchange rate policies failed to achieve price and external stability.

Public Financial Management (PFM)[5] - PEFA assessment (2019):

The most recent PEFA at Federal level (November 2019) indicated that the Federal Financial Administration Proclamation No. 648/2009 empowers the MoF with the responsibility for the federal government budgeting, accounting, internal audit of public bodies, and harmonization of fiscal relations between the federal government and the regions. The public bodies are responsible for managing the budgets allocated to their sectors. Receipts and payments flow through a Single Treasury Account which is yet to be fully operational, and is not systematically used for donor projects. Payroll and procurement are decentralized to the budget institutions (BIs). Procurement is regulated and supervised by the FPPA. Internal audit units are established in all BIs and report to the heads of the institutions and are supervised by an Inspection Directorate in the MoF. Independent external audit is provided by OFAG, which reports to Parliament.

PEFA scored in-year budget reports as ''D'' and annual financial reports as''C+''. Two financial management systems, Integrated Financial Management Information System (IFMIS) and Integrated Budget and Expenditure System (IBEX), are used in parallel. Currently 67 BIs are using IFMIS while the remaining 145 are using IBEX. Financial reports are submitted to the MoF for consolidation into national accounts. The IFMIS rollout, though seen as an improvement over IBEX, poses some serious challenges, key among them huge training/capacity burden at lower levels, poor Internet connectivity, and compatibility issues between the two systems (that is, IBEX and IFMIS) in terms of data accuracy.

Assessment confirmed that no specific internationally accepted accounting standard is applied in the preparation of the public accounts of the federal government. The annual financial statements are prepared on a historical cost basis, under a modified double-entry accounting system, a combination of cash and accrual bases of accounting. With respect to adopting international financial reporting standards, the PEFA recommended adopting the cash basis IPSAS as a first step to facilitate the eventual move to accrual accounting as the most appropriate approach. All receipts and payments flow through a Single Treasury Account (yet to be fully operational), with few exceptions, mainly for donor projects.

The PEFA scored Internal audit poorly (D+ overall). IA coverage is good, but progress was recommended in the nature of IA, standards applied, reporting and response to internal audit findings. External audit overal rating is C+. External audit performs quite well for coverage and standards but there are weaknesses in systematic follow up on audit recommendations. The SAI is deemed independent in practice, although AG's budget is determined by MoF within a financial ceiling in the same way as other Government entities.

A PEFA focused on climate-related PFM published in 2022[6] reported a steady improvement in overall performance of PFM in Ethiopia. As per the assessment the legal framework and processes associated with budget preparation and management, treasury management, debt management, accounting and reporting, procurement and asset management, internal audit, external audit, financial information systems, and transparency and accountability in PFM are generally in line with good practice. Ethiopia's overall performance in climate-related public financial management is still basic and not yet aligned with international standards, in part due to the government's inability to produce reports that clearly identify and track climate-related expenditures.

Major achievements in terms of ongoing PFM reforms include the implementation and the extension of the Integrated Financial Management Information System (IFMIS- tracks the budget code, budget sources, as well as the amount of budget allocated for each activity and sector), the implementation of the e-Government Procurement (e-GP) system, the recruitment of technical assistance to support and improve Office of the Federal Auditor General (OFAG)'s operations and the development of the Accounting and Auditing Board of Ethiopia (AABE). The supreme audit institution (OFAG), is an INTOSAI member and has 610 staff, including 325 regularity auditors, 75 performance auditors, and 3 IT auditors[7].

CURRENT LENDING TERMS	*DSF Grant*

[1]Completed where the Concept is submitted alone and not with a COSOP

B. PORTFOLIO, strengths and weaknesses

[5] PEFA Assessment of Climate Responsive Public Financial Management Ethiopia, Apr: ET-Apr22-CRPFM-Public with PEFA Check_0.pdf

[6] https://www.pefa.org/node/5208#:~:text=In%20the%20area%20of%20climate,for%20each%20activity%20and%20sector.

[7] *INTOSAI-Donor Cooperation*:https://intosaidonor.org/the-sai-in-the-world/?location=241/#link

Existing Portfolio:

Project	Financing instrument	FLX Status (2)	Lending Terms	Currency	Amount (million)	%Disbursed	Completion date
PASIDP II	2000001636	DSBL	ASAP GRANTS	XDR	7.87	87.83	30/03/2024
	2000001637	DSBL	LOAN COMPONENT GRANTS	XDR	1.08	84.56	30/03/2024
	2000001638	DSBL	HIGHLY CONCESSIONAL TERMS 0.75 pc	XDR	72.95	93.03	30/03/2024
	2000004539	DSBL	SUPPLEMENTARY FUNDS GRANTS	USD	3.3	100	30/03/2024
LLRP	2000003103	DSBL	HIGHLY CONCESSIONAL BY CURRENCY	XDR	65.33	70.22	09/10/2025
RUFIP-III	2000003210	DSBL	DSF HC GRANTS	XDR	25.65	74.57	30/03/2026
	2000003211	DSBL	HIGHLY CONCESSIONAL BY CURRENCY	XDR	3.6	99.43	30/03/2026
	2000003984	EXPD	SUPPLEMENTARY FUNDS GRANTS	EUR	11.8	70	29/06/2023
PACT	2000004457	DSBL	DSF HC GRANTS	USD	78.2	0.51	29/06/2030
	2000004562	ENTF	SUPPLEMENTARY FUNDS GRANTS	USD	7	0	29/06/2030
	2000004563	ENTF	SUPPLEMENTARY FUNDS GRANTS	USD	3.5	0	29/06/2030
	2000004600	ENTF	SUPPLEMENTARY FUNDS GRANTS	USD	17.84	0	30/07/2026

Project	Project FM risk rating	Performance Score: Quality of Financial Management	Performance Score: Quality & Timeliness of Audit	Performance Score: Disbursement Rate	Performance Score: Counterpart funds
PASIDP II	Substantial	Moderately Satisfactory	Mod. unsatisfactory	Moderately Satisfactory	Moderately Satisfactory
LLRP	Substantial	Satisfactory	Satisfactory	Moderately Satisfactory	Satisfactory
RUFIP-III	Substantial	Moderately Unsatisfactory	Mod. satisfactory	Moderately Satisfactory	Satisfactory
PACT	Substantial	Not Specified	Not Specified	Not Specified	Not Specified

Existing Portfolio

Overall FM profile of Ethiopia is ranging from moderately unsatisfactory to satisfactory inherent FM risk. There are 4 ongoing projects; RUFIP III, PASIDP II, PACT and LLRP all which are rated substantial on both inherent and residual FM risk. RUFIP III, seven-year programme, is in its 4th year of implementation and implemented by Development Bank of Ethiopia (DBE). PASIDP II and PACT are implemented by the Ministry of Agriculture and Natural Resources. PASIDP-II is completing in March 2024 and PACT has entered into force in May 2023, but yet to start implementation due to slow start-up phase. LLRP is a project administered by the World Bank with completion date of October 2025 and implemented by the Ministry of Peace.

Main FM risks identified across IFAD portfolio are: (i) Slow start-ups; (ii) late submission of IFRs with notable shortcomings and discrepancies to IFAD records; (iii) delays in submission of external annual audit reports; (iv) slow implementation of project activities due to high staff turnover in implementing entities; (v) non-compliance with AWPB submission timelines for IFAD no objection leading to late disbursements; (vi) low capacities in Directorate of the Development Bank of Ethiopia responsible for internal audit; (vii) lack of proper accounting software (RUFIP III), which is prone to manipulation and errors; (viii) Low and late counterpart funds contribution; (ix) lack of effective internal controls, including monitoring of advances provided to staff, RPCUs and implementing partners; (x) weak internal audit units at some woredas due to high staff turnover and low salaries. These woredas are higher-risk areas in terms of Financial Management; and (xii) lack of effective back-up system at all levels.

Lessons learned:

IFADs' experience in Ethiopia has shown that decentralised Government structures with large numbers of implementing entities add significant complexity to fiduciary oversight in Ethiopia. Financial management arrangements operate through the country's decentralized systems. Funds flow to multiple cost centers under federal, regional and district staff systems requires projects to be completed with strong monitoring, control and coordination arrangements. Limited FM capacities and high staff turnover at woreda level create additional constraints including, slow start-up, delays in recruitment of FM staff, delays in preparation and approval of implementation manuals and annual workplans, and weaknesses in monitoring of budget performance. The introduction of new regions and woredas requires capacity strengthening.

Use of Country Systems: Adoption of country systems is strong, as follows:

ON-organization: PMUs are generally staffed by civil servants, with recruitment conducted by the line ministry's Personnel Directorate.

ON-budget: The project budget is integrated within national budget processes. It is allocated annually and approved by the Ministry of Finance and Economic Development.

ON-Treasury: the designated account is at National Bank of Ethiopia, the country's central bank, from where funds are transferred, at federal and regional level, to operational accounts held at Commercial Bank of Ethiopia.

OFF-Accounting/Reporting: projects are using off-the shelf accounting software, with project specific Chart of Accounts by category, component and financier. The Government's Integrated Financial Management System (IFMIS) is in the process of being improved and is gradually being rolled out with full implementation expected in the next 3-4 years. The project's financial information is regularly reported to government.

ON-Audit: Internal audit (IA) of the project is under the scrutiny of executing agency IA departments. The supreme audit institution of Ethiopia audits IFAD-funded projects, in line with its institutional mandate. The supreme audit institution, OFAG, outsources project audits to the Audit Services Corporation (ASC). All projects administered by IFAD are audited by the ASC. External audit for the WB administered project LLRP-I is performed by private auditors.

C. PROJECT CONCEPT NOTE:

Project Concept Note – FM KPIs:

Project FM risk	Sunstantial	
Duration:	5 Years	
Financing Sources: • *IFAD – PBAS (IFAD 13- Financing Gap)* • *World Bank* • *MSMEs*	Percentage % 19% 80% 1%	Monetary Value US$80.0 Million US$340.0 Million US$4.0 Million
Proposed size:	US$424 Million	
Lending Terms:	DSF Grant	
Recurrent cost: *- % total for the project:* *- % of the total financed by IFAD:*	Not available	

Project Concept Note – FM Observations:

The Ministry of Irrigation and Lowlands (MILLs), which is implementing the ongoing LLRP- I will continue to implement LLRP II. The Project Coordination Units (PCUs) for LLRP-I will also continue to support LLRP II. The ministry and the PCUs at all levels have acquired adequate experience in the implementation of Bank-financed project. A financial management assessment will be conducted at design by World Bank for the main implementing entity, the Ministry of Irrigation and Lowlands, regions, woredas and other institutions that may participate in the implementation of the project once defined at the preparation stage. The objective of the assessment is to ensure that the arrangements and systems in place provide reasonable assurance that resources are used for intended purposes. The assessment will examine the key FM arrangements of budgeting, accounting, internal control, fund flow, financial reporting, and external audit. Lessons learned from the ongoing LLRP-I will be considered while designing the FM arrangements. The Federal PCU will retain the overall fiduciary responsibility for the implementation of the project. The budget will be proclaimed under MILLs. The project fund flow follows the government's channel 2 mechanism whereby the funds will be transferred to FPCU through a segregated Designated Account (DA) to be opened at the National bank of Ethiopia (NBE)

At the concept stage, based on the available information, the fiduciary risk of the project is assessed as substantial by the World Bank given that the project will be implemented in multiple regions and woredas, some with limitations to accessibility. Furthermore, the project will introduce new activities such as the innovation grant which will require its own clear arrangements.

The lead implementing entity and most regions have acquired adequate experience on financial management and procurement. However, the introduction of new regions and woredas may require capacity strengthening. Detailed arrangements will be clarified during project preparation and measures will be put in place to mitigate fiduciary risks. Fiduciary risks will be mitigated, among others, through (i) timely preparation of project-specific Procurement and Financial Management Manuals satisfactory to the association; (ii) assessment of the fiduciary capacity of Implementing Agencies (IAs) at all levels, devising and implement mitigation measures (action plans); (iii) engage in a continuous capacity building initiative (training), (iv) for inclusion of new project implementing woredas, engage in a carefully planned capacity building measures including on the Systematic Tracking of Exchanges in Procurement (STEP); and (v) timely preparation of the Project Procurement Strategy for Development (PPSD) and Procurement Plan (PP).

In addition, early attention will be given to mitigate other FM risks identified across in on-going portfolio and LLRP. Following mitigation measures will be taken;

(i) Recruitment of one accountant for each new entity implementing the Project (Federal, regional, and woreda level including new RSCT and CAs. An FM training will be provided to finance staff ;
(ii) FM capacity assessment will be conducted by the World Bank and FM readiness will be assured to avoid late start-ups, which will include the assignment or recruitment of an accountant; provision of basic FM training to accountants on the project FM requirements, opening bank accounts, and the setting up of sets of accounts and accounting systems;
(iii) The World Bank to provide technical support at start-up and during the project implementation on FM aspects.
(iv) For matching grants and seeds, a clear guideline will be prepared and this will include financial management aspects;
(v) The Project FM manual will be prepared based on the existing LLRP financial mangement manual which will include suitable Chart of Accounts (CoA) for LLRPII;
(vi) Annual Work Plan and budget will be submitted to World Bank by the end of May each year to ensure that following year's AWPB is approved prior to start of next financial year.
(vii) The internal audit to be conducted and reports to be shared with the World Bank. The work plan should prioritise internal audit of high risk regions/woredas. The management will take the necessary action to address the findings. Quarterly IFRs will disclose the status of the implementation of the findings;
(viii) Some project woredas and communities have been inaccessible for monitoring and evaluation under LLRP, a Third-Party Monitoring Agency (TPMA) may be considered under LLRP II. The TPMA to include fiduciary assurances and involve teams with Financial Management (FM) expertise. The monitoring service's ToR to include required FM assurance activities and deliverables.
(ix) Action to minimize the risk of expenditure comingling at all levels including Issuance of guidance notes to implementing entities to mitigate expenditure double dipping; Printing rubber stamps; separation of common costs; separation of plans, budgets, and activities; separation of accounts, record keeping, and documents; separation of bank accounts; separation financial reports and audits;
(x) External Auditors will be recruited in early stages of the project and the audit TOR will be cleared by the World Bank.. The audit will be carried out per the International Standards of Auditing issued by the International Federation of Accountants.
(xi) Annual audited financial statements will be prepared on time and submitted to the World Bank within 6 months after the financial year end, including the audit report and the management letter.
(xii) Project annual financial statements will be prepared on time and strict follow-up on timely closure of accounts will be made.
(xiii) Interim audit reports to be submitted to the World Bank semi annually.
(xiv) IFRS will be submitted on a quarterly basis within 45 days of the end of the quarter. The Borrower should also submit IFR to IFAD Finance Officer (FO) through the FE module of ICP, for information only. They can be granted access to ICP upon request.

Prepared by: SENGUL JAMES

Date: 2 February 2024

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: Ethio Llrp Ii Pim Vol Ii Annexures Csr09 Ifad 01 July 2024

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Programme Management Department

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

LOWLANDS LIVELIHOOD RESILIENCE PROJECT, PHASE TWO (LLRP II)

(P180076)

PROJECT IMPLEMENTATION MANUAL

VOLUME-II
PART V-ANNEXURES

Ministry of Irrigation and Lowlands

June 2024

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Annexure1: Details of Project Geographic Areas-Woredas and Clusters

Región	Rangeland Clúster Units	Woredas Covered		Administrativa zone (s)
		#	List	
Somali	Cluster-1 (Hadagala)	5	Gabalalu,Danbal,Hadagala,Harawa,Duunyar	Siti & Fafan
	Cluster-2 (Degahamedo)	5	Mulla,Bil'ilbur,Degahamedo,Shabeeley, Goljano	Fafan & Jarar
	Cluster-3 (Danod)	6	Danod,Dig,Daror,Galhamur,Marsin,Aware	Jarar,Qorahey,Dollo
	Cluster-4(Danan)	5	El-ogaden,Danan,Elele,Adadale,Shilabo	Qorahey & Shebeely
	Cluster-5 (Filtu)	4	Filtu,Deka-Suft,Mubarek,Guradamole	Liban & Dawa
	Cluster-6 (Gerbo)	4	Ayun,Duhun,Hararey,Garbo	Nogob & Erer
	Cluster-7 (Charrati)	5	Qohle,Charrati,Godgod,Barey,Dolobay	Afdher
	Cluster-8 (Salahad)	6	Salahad,Qubi,Meyumuluke,Lagahida,Yahob, Hamero	Erer
	Sub Total	**40**		
Afar	Cluster- 9 (Amibara)	5	Gelalo,Amibara,Dulesa,Aregoba Liyu,Abida	Gabiresu
	Cluster-10 (Yallo)	4	Megale,Teru,Yallo,Awura	Fentiresu
	Cluster-11 (Dubti)	4	Elidar,Dubti,Kori,Gerani	Hawsiresu
	Cluster-12 (Hadale-ela)	5	Telalak,Hadle-ela,Semu Robi,Ad-dar,Ada-ado	Hariresu
	Cluster-13 (Afdera)	5	Dallol,Berhale,Erebti,Afdera,Bidu	Kilbatiresu
	Sub Total	**23**		
Oromia	Cluster-14 (Bule Hora)	3	Elwaye,Gomole,Suro Barguda	Borena & West Guji
	Cluster-15 (Yabello)	4	Arero,Wacile,Dhas,Yabello	Borena & EastBorena
	Cluster-16 (Negele)	4	Goro Dola,Gumi Eldalo,Mada Walabu,Adola Rede	East Borena &Guji
	Cluster-17 (Ginnir))	4	Dawe Sarar,Rayitu,Sawena,Gura Dhamole	Bale & East Bale
	Cluster-18 (Harar)	3	Golo Oda,Kumbi,Midega Tola	East Hararge
	Cluster-19 (Chiro)	3	Fentalle,Mieso,Gumbi Bordode	East Shewa& West Hararge
	Sub Total	**21**		
Benishangul Gumuz	Cluster-20 (Sherkole)	3	Kumuruk,Sherkole,Mao-Komo	Assosa
	Cluster-21 (Menge)	5	Undulu,Menge,Wonbera,Aburamo,Bulen	Assosa
	Cluster-22(Sedal)	3	Buldiglu,Sedal,Dambe	Kamashi
	Sub Total	**11**		
Gambella	Cluster -23 (Mekoy)	4	Mekoy,Wantuwa,Jor,Akobo	Nuer & Agnuwa
	Cluster-24 (Etang)	3	Lare,Etang,Jikawo	Nuer
	Cluster-25 (Dimma)	2	Mengeshi,Dimma,	Mejeng & Agnuwa
	Sub Total	**9**		
South Ethiopia	Cluster-26 (Turmi)	3	Hammer,Dasenech,Ngangatom	South Omo
	Cluster-27 (Key Afer)	4	Bena Tsemay,Malle,Salamago, Kolango Zuriya	South Omo & Alle
	Sub Total	**7**		
SWEP	Cluster-28 (Jemu)	5	Meinit Goldiya,Meinit Shasha,Suri,Maji,Goba	West Omo & Kafa
	Sub Total	5		
Dire Dawa	Cluster-29 (Dire Dawa)	4	Jaldaysa, Aseliso, Biyo Awale, Wahil	Dire Dawa
	Sub Total	**4**		
	Total	**120**		

Annexure 2: Formulating and Updating Procedures of RMPs

1. The project will support preparation and updating of Rangeland Management Plans (RMPs) in areas where they are not available and do gap-filling or simply utilize existing plans in other areas.

2. **The main purpose** of the envisaged RMIPs is to serve as a guide for efficient, effective equitable and sustainable use of land and land resources.

3. **Resource maps** and other indicators which will be fixed by the community are expected to be simple, GIS-based visualizations, based as much as possible on existing (verified) maps. Limited text is expected to accompany the map. In the 28 clusters of project regions, analysis, participatory mapping and planning structures have already been put in place, in which case only updating of critical sections and consolidation and verification are needed. For project kebeles which will be represented from the new project area (Dire Dawa administration), the RMP will be developed as new following each and every step of PRM. While formulating the 29 RMPs, in general, there are a number of working documents that will help practitioners to make the formulation processes effective and efficient.

4. **Simple steps** for development, however, include:

   (a) Preparatory meetings to confirm the process and identify stakeholders;
   (b) Stakeholder analysis:
   (c) Sensitization of different actors;
   (d) Establish RMC comprised of:
      - Woreda land administration and use expert.
      - Various Woreda technical experts
      - Representatives from each customary group: a leader, a woman and a youth
   (e) Develop work plan and budget,
   (f) Secure funding from R-PCU
   (g) Collect and analyse existing information, including woreda land use plans, studies etc.
   (h) Map out land uses using consultations with people on ground, traditional leaders, data from existing sources, satellite imagery interpretation, collection of GPS points etc.
   (i) Develop base-map and present for consultation and verification in various ways for a
   (j) Identification of potential intervention areas
   (k) Develop updated map with market information and proposed interventions
   (l) Undertake consultative problem prioritization exercise along with strategic interventions
   (m) Finalize the RMP with its prioritized development challenges, alternative strategic interventions and objectives, and annexed 5 years and 10 years plan summaries
   (n) Disseminate and familiarize widely.

RMP Preparation Steps

5. The RMP preparation is an eight-step process which can be grouped into three phases as elaborated in Figure-1:

- Investigating PRM.
- Negotiating PRM; and
- Implementing PRM

Figure-1: Formulation Steps and Procedures of Rangeland Management Planning (RMP)

Annexure 3: Detailed Project Staff Composition and Reporting Lines

Figure 1: Organogram for composition of the Federal and Regional Project Coordination Unit (R/F-PCU), including federal and regional offices

Table 1: Staff composition of the Federal office of the Project Coordination and Implementation Unit (F-PCU)

Post Categories	#	Project Posts	Reports to…
Manager	1	National Project Manager	State Minister, MILLs
Senior Officers	2	Disaster Risk Management Senior Officer	National Project Manager
	3	Infrastructure Engineer	
	4	Rangeland & Pasture Development Senior Officer	
	5	Livestock Development Senior Officer	
	6	Livelihood Senior Officer	
	7	MEALs Senior Officer	
	8	MIS/IT Senior Officer	
	9	Capacity Building and KM Senior Officer	
	10	Social Risk Management Senior Officer	
	11	Environmental Safeguard Senior Officer	
	12	Senior Finance Officer	
	13	Internal Audit & Compliance Senior officer	
	14 – 15	Senior procurement Officer (2)	
	16	Admin and General Service Senior Officer	
Technical Advisors	17	Water and Irrigation Advisor	National Project Manager
	18	Gender and Nutrition Advisor	
	19	Communication Advisor	
Officers	20	Monitoring & Evaluation Officer	MEAL Senior officer
	21-22	Finance officers (2)	Senior Finance officer
Assistant officers	23	Executive Secretary and Cashier	National Project Manager
	24	Assistant logistic officer	Admin and General Service Senior Officer
	25	Accountant	Senior Finance officer

Support Staff	26	Secretary	
	27	Property/Store administration officer	Admin and General Service Senior Officer
	28-32	Drivers (5)	
	33-35	Office Assistants (3)	

Table 2: Staff composition at regional offices of the Regional Project Coordination Unit (R-PCU) – 6 in total

Post Categories	**#**	**Project Posts**	**Reports to…**
Manager	1	Regional Project Manager (8)	Head of pastoral/Agriculture Bureau/President office
Officers	2	Disaster Risk Management Officer (8)	Regional Project Manager
	3	Infrastructure Engineer(11), 2 each for Somali, Afar & Oromia, one each for the rest of the five regions	
	4	Rangeland & Pasture Development Officer (8)	
	5	Regional Livestock Development Officer (8)	
	6	Regional Livelihood Officer(8)	
	7	PM & E Officer (8)	
	8	MIS/IT Officer (8)	
	9	Capacity Building and KM Officer (8)	
	10	Social Risk Management Officer (8)	
	11	Environmental Safeguard Officer (8)	
	12	Finance Officer (8)	
	13	Internal Audit & Compliance officer (8)	
	14	Procurement Officer (9), 2 for Somali and one each for the rest of seven regions	
	15	Admin and General Service Officer (8)	
Assistants	16	Executive Secretary and Cashier (8)	Regional Project Manager
	17	Accountant -15 (3 for Somali Region, 2 each for Afar, Oromia, Gambella, B/Gumuz & Dire Dawa, and one each for SER & SWEP)	Finance Officer
	18	Assistant procurement officer -6 (one for each for six regions, except Somali and Dire Dawa)	Procurement officer
Support Staff	19	Secretary - 5 (one for each for five regions, except Dire Dawa, SWEP and B/Gumuz region)	
	20	Store Keeper -8 (one for each of the eight regions)	Admin and General Service Officer
	21	Driver – 34 (6 for Somali, 5 each for Afar & Oromia, 4 each for SER Gabmella and B/Gumuz, and 3 each for Dire Dawa & SWEP)	
	22	Office Assistant -16 (Two each for the eight regions)	
	23	Security Guard - 16 (Two each for the eight regions)	

Table 3: Staff composition of Rangeland Cluster Support Teams (RCSTs) – approx. 15 in total

Post Categories	**#**	**Project posts**	**Reports to…**
Officers	1	Team Leader and M&E Specialist (19)	Regional Project Manager
	2	Civil Engineer and/or Water and Irrigation Specialist (19)	Team Leader
	3	Livelihoods Officer (production; marketing; etc.) (19)	
	4	Finance/accountant Officer (19)	
Support Staff	5	Driver (19)	

	6	Secretary and Cashier (19)	

Table 4: Staff composition at Woreda level – approximately 116 Woreda's

Post Categories	**#**	**Project posts**	**Reports to…**
Assistant	1	Woreda Coordinator (116)	Regional Project Manager/woFED Head/Pastoral Bureau Head
	2	Finance/accountant Assistant (116)	

Table 5: Summary of staffing levels

Implementation Level	**Staffing level**	**Number of units**	**Number of Staff**	**New vehicle Requirement**
Federal	27	1	**35**	Land Cruiser Hard Top quantity 4
Regional	23	8	**232**	Land Cruiser Hard Top quantity 21 (4 for Somali; 3 each for Afar, Oromia & Dire Dawa; and 2 each for SER, SWEP, Gambella & B/Gumuz region
RCST	6	19	**114**	19 Land Cruiser Long Wheel Base
Woreda	2	116	**232**	116 Land cruiser pick up
Total		**144**	**613**	**163**

Table 6: procurement of new vehicles for project implementation

Implementation Level	**New vehicle requirement**	**Remark**
Federal	Land Cruiser Hard Top quantity 4	
Regional	Land Cruiser Hard Top quantity 21 (4 for Somali; 3 each for Afar, Oromia & Dire Dawa; and 2 each for SER, SWEP, Gambella & B/Gumuz region	
RCST	19 Land Cruiser Long Wheel Base	
Woreda	116 Land cruiser pick up	
Total	**163**	

Annexure 4: TORs of Core Staff

A. Federal Project Coordination Unit (FPCU)

A.1 National Project Manager

Accountable to: State Minister, Ministry of Irrigation and Lowlands (MILLs)

Job Summary: Under the supervision of Ministry of Irrigation and Lowlands (MILLs), the National Project Manager, coordinates and facilitates the overall management and the day-to-day administration of the project at Federal Project Coordination Unit (FPCU). He/She reports to the State Minister of MILLs.

Specific Duties and Responsibilities:

1. Provides overall project coordination, management, administration and guidance at federal level;
2. Facilitates and follow up capacity building activities for project staff and relevant government stakeholders.
3. Prepares and submits annual work plans and budgets to the MILLs and Donors;
4. Submits Periodic progress report to MILLs and the Donors;
5. Facilitates proper project budget disbursements, utilization and periodic and ongoing Audits;
6. Authorises project fund disbursement and transfer;
7. Lead/Facilitates timely and appropriate project procurement activities;
8. Ensures the establishment and utilisation of an independent monitoring and evaluation and MIS systems; Networking and information communication and dissemination;
9. Facilitates dialogue with relevant government, international agency and civil society organizations to identify policy implementation gaps and to find solutions to the problem;
10. Provides technical supports and managerial guidance to Regional Project Coordination Units (RPCUs);
11. Rreviews periodic progress reports submitted by the regions and provide appropriate feedbacks.
12. Manages human resource development, administrative and financial matters of the Project;
13. Approves staff recruitments; contract termination and extension at FPCU;
14. Undertakes and approves staff performance evaluation of FPCU staff.
15. Ensures appropriate project human, financial and material resources utilization;
16. Conducts periodic inter regional review meetings and facilitate project review missions;
17. Liaises the project with relevant Government, Non-Governmental and international agencies.
18. Takes corrective measures for wrong actions committed by project staff on project properties as well as activities.
19. Performs other related duties from MILLs and Donors

Job Specification:

Education: M.Sc. in Rural Development, Economics, Agricultural Economics, Anthropology, Sociology, Development Studies or other related fields of study;

Work Experience: Ten years' experience in Coordination, Planning, Monitoring and Evaluation of projects.

Experience in project management preferably in donor funded projects is an additional asset

Skills and Knowledge:

- Good Managerial, Administrative and Coordination Skills
- Good Interpersonal communication ability
- Ability to use computer software (MS – Office, internet, etc.)

- Ability to work independently as well as in team of multi- cultural backgrounds;
- Good report writing ability

A.2 Monitoring, Evaluation and Learning (MEAL) Senior Officer

Accountable to: National Project Manager

Job Summary: Under the supervision and guidance of the National Project Manager, the Monitoring, Evaluation and Learning (MEAL) Senior Officer monitors and evaluates the Project progress; He/She is responsible for day to day monitoring and periodic evaluation of project as well as preparation of project annual plans and progress reports at federal level.

Specific Duties and Responsibilities:

1. Coordinate and supervise activities to be performed under M&E,
2. Provide technical leadership, oversight and strategic directions for monitoring, evaluation and KM activities of the project;
3. Identify performance indicators, develop quality assurance strategies, train project employees and ensure all project aspects comply with institutional requirements;
4. Establish and maintain independent monitoring and evaluation system of the project at the federal, regional, woreda and community levels under single MIS;
5. Provide technical leadership to develop project results framework, plans and indicators to capture performance results and provide effective, accurate and timely monitoring, evaluation and reporting of all project activities supported by MIS;
6. Coordinate and systematically align the different monitoring systems across the project components towards the main project MIS and effectively coordinate the roll out and implementation of the project MIS;
7. Ensure complementarily and synergy between the project components and subcomponents and strategically lead the activities towards the overall project development objectives;
8. Ensure the alignment of all work plan activities to performance indicators, targets and expected results of the project;
9. Consolidate annual work plan and budget plans and periodic progress reports from the target regions and prepare the federal level consolidated AWPB and progress reports
10. Mentor and supervise project activities at all levels;
11. Perform other related duties assigned by the Project Manager

Job Specification:

Education: Second Degree in Economics, Agricultural Economics, Statistics, Sociology, Rural Development, development studies or related fields of studies.

Work Experience:

- Ten years' sound experience in project design, coordination, monitoring, evaluation, capacity building and Knowledge Management (KM), preferably in donor funded projects and adequate exposures to pastoral and agro-pastoral areas;
- Management and operational experiences in project design with specific experiences on developing a comprehensive project results framework;
- Excellent understanding and experience on results-based project management approach;
- Practical experience in establishing, tracking and reporting on result indicators;
- Demonstrated experience on designing and implementation of project baseline survey, midterm evaluation and end of project evaluation studies;
- Demonstrated experience in the rollout and management of Management Information System (MIS), including hands-on practical experiences on MIS related capacity building trainings;

- Excellent in team spirit, team leadership quality, mentoring and capacity building and ability to work independently without supervision;
- Excellent interpersonal communications and facilitation skills;
- Tack record standard technical report writings kills in development project contexts;
- Critical thinking and excellent analytical skills and ability to work under challenging circumstances with frequent travel to the field;

Skills and Knowledge:

- Ability to work in team and independently
- Good interpersonal communication
- Good report writing ability
- Computer application

A.3 Federal level Planning, Monitoring, & Evaluation Officer

Accountable to: Monitoring, Evaluation and Learning Senior Officer

Job Summary: Under the supervision and guidance of the Monitoring, Evaluation and Learning Senior Officer, the federal level Planning, Monitoring and Evaluation Officer monitors and evaluates the Project progress; He/She is responsible for day to day monitoring and periodic evaluation of project as well as preparation of project annual plans and progress reports at federal level.

Specific Duties and Responsibilities:

1. Establishes and maintains independent monitoring and evaluation system of the project at the federal, regional, woreda and community levels;
2. Periodically monitors and evaluates the project progress by visiting sites at project woredas from inception to completion of the project;
3. Identifies data requirements and performance indicators for monitoring and evaluation of the project;
4. Develops standard formats and reporting procedures for monitoring and evaluation of the project at all level based on the results framework;
5. Facilitates the development and establishment of baseline data on the present condition of project woredas on natural resources and social services for use of future assessments of project performance
6. Coordinates and facilitate the monitoring and evaluation system of the project;
7. Organizes trainings, workshops and seminars on monitoring and evaluation activities for project and relevant government stakeholder staff;
8. Provides the planning and implementation support to Regions and relevant Ministries/Bureaus in terms of establishing Participatory Monitoring and Evaluation system;
9. Assesses the progress and intermediate outcomes of the project in comparison with the project objectives;
10. Identifies problems which may arise during project implementation and bring them to the attention of project management and follow up their timely resolution;
11. Prepares and consolidate physical and financial monitoring and evaluation plans of the project;
12. Prepares consolidated annual plans and periodic progress reports of the project at federal level;
13. Involves as a counterpart in the implementation reviews and impact assessment studies;
14. Performs other related duties assigned by his supervisor;

Job Specification:

Education: Second Degree in Economics, Agricultural Economics, Statistics, Sociology, Rural Development, development studies or related fields of studies.

Work Experience: Eight years in coordination, planning and M & E of projects preferably in donor funded projects and adequate exposures to pastoral and agro-pastoral areas.
Skills and Knowledge:

- Ability to work in team and independently
- Good interpersonal communication
- Good report writing ability
- Computer application

A.4 Senior MIS/IT Officer

Reporting to: National Project Manager

Job Summary: Under the supervision and guidance of the National Project Manager, the MIS/IT Senior Officer works on project Management Information System, Information Communication activities of the project at federal level.

Specific Duties and Responsibilities:

1. Planning, Supervision & coordination of federal and regional MIS/IT tasks;
2. Ensures the proper communication and information dissemination to all relevant stakeholders;
3. Facilitates the establishment and proper functioning of project level Management Information System;
4. Undertakes Project level Hardware & software need assessment;
5. undertakes ICT equipment Maintenance & Troubleshooting; and ensures adequate Preventive & Corrective maintenance provisions to all ICT equipment at project level;
6. Undertakes ICT training needs assessment, preparation of user training manual and provide training;
7. Supports the M&E framework of the project to ensure appropriate information & communication with regions and relevant stakeholders;
8. Initiates and undertakes the design and administration of Project Database;
9. Manages and administers project web site; upload and regularly update the site with relevant information;
10. Undertakes and ensures the installation of LAN and its proper functionalization at all Project levels;
11. Undertake the Preparation of specification and evaluation for ICT Equipment;
12. Ensure Systems Security and Control Services of the project information system at all levels;
13. Assists in the identification of reliable service provisions of the maintained computers, printers, photocopiers, and other office equipment;
14. Undertake other duties assigned by the National Project Manager.

Job Specification:
Education: MA in Information Science, Information Technology, Computer Science, Software Engineering, Electrical & Computer Engineering,
Work Experience: Minimum of eight years of experience in related fields

Skills and Knowledge:
Ability to work in team and independently
Good interpersonal communication

A.5 Gender and Nutrition Advisor

Accountable to: National Project Manager

Job Summary: The Senior Advisor is accountable to the National Project Manager and would be responsible for planning and implementation of gender and nutrition aspects. She/he will be responsible to lead systematic and comprehensive Gender and Nutrition assessment and devise feasible mechanisms and approaches to fill the gap and improve quality of services being provided. She/he is responsible for the introduction and follow-up of various capacity building tools and techniques conduct comprehensive supervision and monitor the implementation of the project.

Specific Duties and Responsibilities

1. Participates in detailed implementation planning, and annual reviews, to ensure equitable social development, Gender and nutrition responsive project planning processes are implemented throughout the life of the project;
2. Facilitates the adoption and implementation of Gender and Nutrition consortium guidelines, International standards and donors' protocols into local context;
3. Conducts continuous assessment and analysis of household communities gender and nutrition situation in project operational areas to regularly feed into strategy revisions;
4. Participate in the development and facilitation of trainings for partner and staff development on gender and nutrition specific initiatives;
5. Develops and implements follow-up coaching plans to sustain staff expertise and commitment to apply new skills;
6. Participates in the selection of and support to external, temporary technical assistance on gender and nutrition issues, as required;
7. Works with all project implementers to identify gaps and facilitate gender and nutrition-related activities and monitoring in the operational areas;
8. Sensitizes all project and partners that project outcomes should be achieved with respect for the principle of gender equality and women's empowerment;
9. Participate in the designs of gender and nutrition surveys, analyse results and write reports;
10. Advises and helps promote appropriate community mobilization strategies around gender and nutrition;
11. Support implementation of on-farm, off-farm and employment livelihood path ways to address gender issues and enhance households' nutritional status;
12. leads implementation of demonstrations to enable women to participate in income-generation and marketing activities;
13. Ensures that all project implementation staff (at all levels) are sensitized to gender diversity and nutrition agriculture issues, and that systematic gender sensitization trainings and refresher courses are held for all staff at all levels;
14. Development and testing curricula and materials/tool kits and communications materials, and ensures that all are gender-sensitive in their language and image, considering the literacy level of target groups;
15. Develops and facilitates the adoption and translation of training curriculum/manuals, modules and technical assistance methodologies on gender and nutrition;
16. Support Customary institutions able to influence, practice and monitor gender equitable norms including addressing harmful traditional practices and gender based violence;
17. Coordinate with local authorities, community leaders, and relevant stakeholders to raise awareness and promote GBV prevention and response.
18. Contribute to the monitoring and evaluation of the GBV/SEA/SH risk management elements of the environmental and social safeguard documents prepared within the framework of the project.
19. Provide hands on support to regions and woreda level project staffs in implementing GBV/SEA/SH risk mitigation measurers
20. Ensure that Consultations with female beneficiaries at the community level are adequately conducted.

21. Keeps up to date with developments in gender and nutrition initiatives, including best practice in-country, regionally and globally, and ensure ongoing personal development and learning;
22. Explores and participates in networks, gender and nutrition task forces at the national, regional, and local levels;
23. Disseminates on a regular basis information regarding the projects gender and nutrition work accomplishments among stakeholders;
24. Works closely with M&E officers to ensure that the log-frame is gender and nutrition sensitive and that all relevant aspects are being captured, including gender and nutrition orientation of participating agencies and service providers;
25. To carry out other lawful assignment given by superior.

Job Specification
Education: MSC/MA in relevant disciplines i.e. Family Science, Rural Development, gender, nutrition science, gender & livelihood and other related studies.

Work Experience: Minimum Eight years of work experience in developmental related areas, conversant with adult learning and training of trainers, methodologies, practical experience in women rights/livelihoods programming reaming. Must be familiar with gender and youth policies of the various ministries and have experience implementing development projects related to gender, youth, nutrition in the rural development sector, preferably in livestock and/or pastoral/agro-pastoral settings. Must have knowledge of "nutrition sensitive agriculture" concepts.

Skills and Knowledge
- Ability to work in team and independently.
- Good command in English and must have good communication skills
- Good report writing and communication skills
- Computer application skills

A.6 Communication Advisor

Accountable to: National Project Manager

Job Summary: Under the supervision and guidance of the National Project Manager, the Communication Adviser will facilitate and manage the Communication activities of the Project. He/She will also provide the required support for the Ministry of Irrigation and Lowlands. He/She is responsible for the timely planning, implementation and reporting of Communication activities.

Specific Duties and Responsibilities:
1. Develop communication and integrated media strategies aligned with project/Ministry objectives;
2. Support the project in the development of communication strategy for the project and closely follow up and supervise for its implementation;
3. Writing speeches, announcements, news releases, annual reports, and website copy and video scripts;
4. Develop internal communications strategies, concepts and materials to execute over a range of communication channels;
5. Drive, monitor and report on stakeholder needs, interests and issues, and provide analysis and recommendations to manage identified risks and ensure communication materials are relevant, appropriate and informative;
6. Maintain strong relationship and collaborate with line departments and Senior executives to support the successful delivery of communication services;
7. Ensure communication materials are relevant, appropriate and informative;

8. Manage a range of internal clients in the delivery of communication services;
9. Assist senior management, the project, departments, peers and the Ministry as a whole in identifying communications issues, and leads them in simplifying messages that meets target audience needs;
10. Provides expertise to other positions with in the communication department;
11. Work proactively with different media to develop and maintain relationships for the benefit of the overall Ministry reputation;
12. Accurately document and share information to senior management and external audiences;
13. Performs other related duties assigned by the Minister and LLRP Project Manager

Job Specification:
Education: M.Sc/MA/BSc/BA in Communication, Journalism, Sociology, international relations, Business Management or other related fields of studies.
Work Experience: Eight years for second degree and ten years for first degree in, managing and writing communications strategies, plans and activities. Experience of working with Federal Level Ministries or donor communities is an additional asset.
Skills and Knowledge:

- Employee demonstrates ability to work in cooperation with others and communicate effectively with co-workers, supervisors, subordinates, clients and other outside contacts.
- Takes ownership of work responsibilities and holds high standards. Keeps commitments and takes appropriate actions to ensure obligations are met.
- Pursues efficiency and effectiveness and adheres to Organization policies and procedures.
- Ability to work in team and independently
- Computer application skills

A.7 Capacity Building and Knowledge Management Senior Officer

Reporting To: National Project Manager

Job Summary: Under the supervision and guidance of the National Project Manager, Capacity Building and Knowledge Management Senior Officer will facilitate to improve the service delivery capacity of public institutions, continuous learning and adaptable knowledge management. He/She is responsible for the timely planning, implementation and reporting of capacity building activities and knowledge management and policy support sub component.

Specific Duties and Responsibilities:
1. Facilitates to undertake a capacity needs assessment which followed by a capacity-building plan and Subsequent financing of the capacity-building plan;
2. Support research and capacity building in thematic priority areas of PAP systems;
3. Facilitates and manages the knowledge management and policy support sub component of the project in collaboration with key stakeholders;
4. Undertake periodical internal and external knowledge gap assessment and generate measures to address the gaps;
5. Devices ways and means to promote and transfer knowledge among the pastoral communities;
6. Facilitate the documentation and production of success stories and best practices;
7. Facilitates and manages dialogue with relevant government, international agencies and civil society organizations to identify policy implementation and Knowledge gaps that constrain poverty reduction, food security and livelihoods improvements in pastoralist areas;
8. Follow up the operationalization of the establishment and management of PAP centers for knowledge (PACKs) at the woreda level;

9. Establishes or strengthen a national-level think tank and policy platform on PAP livelihood-resilience in the lowlands;
10.Support efforts such as the formulation of a national rangeland management policy and regulatory framework that guides the sustainable management and governance of rangeland resources and legal frameworks relating to the ET-LITS;
11.Supports MILLs and regional Lowlands & Pastoral Development Bureaus/President Offices to conduct policy implementation gaps and review studies;
12.Organize peer learning exchange visits with in and across projects;
13.Identify possible shortcomings in the implementation of capacity building activities and propose remedies to overcome the problems;
14.Work closely with Communication advisor for the development & implementation of project communication strategy;
15.Coordinates training and capacity building activities of the project;
16.Evaluates the impact of capacity buildings activities supported by the project;
17.Prepares tools to evaluate the outcome of capacity building activities
18. Consolidates and prepare annual plans and periodic progress reports; and
19.Performs other related duties assigned by the National Project Manager.

Job Specification:
Education: M.Sc/MA in Economics, Management, Agricultural Economics, Sociology, communication, Educational management, Rural Development, or other related fields of studies.
Work Experience: Eight years in coordination, planning and M & E of projects preferably in donor funded projects. Experience in Capacity Building and knowledge management is an additional asset.

Skills and Knowledge:
- Ability to work in team and independently
- Good interpersonal communication skills
- Good report writing ability
- Computer application skill

A.8 Social Risk Management Senior Officer

Accountable to: National Project Manager

Job Summary: Under the supervision of the National Project Manager, the Social Risk Management Senior Officer oversees the implementation of LLRP's social safeguard instruments (ESCP, ESMF, RF, LMP, SEP, GBV Action, SRAMP, and SA) in relation to public Economic Infrastructures (PEIs), rangeland managements, and climate resilient livelihood program interventions financed by the project to ensure that social mitigation measures are in place to preclude the occurrence of any adverse effects to the pastoral and agro-pastoral community. The senior officer also ensures that subproject activities are consistent in their approaches to address social issues including inter-clan conflicts, social exclusion and marginality, vulnerability, gender issues and fully in compliance with the Credit Agreement, particularly with regard to the safeguards instruments prepared for the project including Environmental and Social Commitment Plan(ESCP), Environmental and Social Management Framework(ESMF), Resettlement Framework (RF), Labor Management Procedure (LMP), Stakeholder Engagement Plan(SEP), Social Assessment (SA), Security Risk Assessment and Management Plan (SRAMP) and other specific requirements at all stages of sub project development and implementation. Thus, the senior officer will be expected to provide coordination and technical guidance for the teams involving in social risks management at all level to ensure the implementation of LLRP sub-projects in compliance with the safeguards

environmental and social standards requirements and procedures, as well as the regular monitoring and reporting of the social risks management of the project.

Specific Duties and Responsibilities:

1. Leads the development and implementation of the safeguards instruments including ESCP, ESMF, RF, LMP, SRAMP, SEP and SA; as well as site-specific safeguards instruments such as ESIAs, ESMPs, RPs, LRPs, etc. as may be needed in the LLRP II sub projects implementation;
2. Develops training manuals and deliver capacity building trainings to project staffs and other stakeholders on Social Safeguards issues;
3. Follows up screening of social safeguard issues and ensure the preparation and implementation of appropriate mitigation measures for the identified risks and impacts.
4. Oversee community participation and engagement through continuous and meaningful consultations with project affected communities, households and individuals, particularly with the vulnerable and marginalized groups, across all phases of project activities;
5. Promotes adaptive risks management approach in response to project-related social dynamics and development through closely engaging the local communities and relevant stakeholders;
6. Conducts field visits, supervisions, and provides technical supports to Social Safeguard Officers at RPCUs, RCSTs , focal persons at woredas and key stakeholders regarding screening and implementation of social mitigation measures to address social issues such as forced displacement, social-exclusion and discrimination, social conflicts and associated insecurity, GBV/SEA, and issues related to community health and safety s per safeguard instruments prepared for LLRP II, ESS of the WB, legal frameworks of the GoE and safeguard tools of specific subprojects;
7. Assists the RPCUs in the implementation of ESCP, ESMF, RF SEP, LMP, SRAMP, and the Social Development Plan of the Social Assessment through continuous community engagement;
8. Supports and follows up the planning and management of land acquisition and involuntary resettlement related activities/issues with implementation of public Economic Infrastructures (PEI), community subprojects and climate resilient livelihood interventions;
9. Assists the implementation of the Proclamation and Directive on expropriation of land holdings and compensation (Proclamation No. 1161/2019 and its associated regulations and directives) along with subprojects of LLRP II, so that underserved community members are properly addressed.
10. Analyses the root causes of conflict contexts and design conflict prevention and mitigation interventions in coordination with the other project team members;
11. Oversees the establishment and functionality of project-specific grievance redress mechanisms (GRM) to effectively address any complaints and/or conflicting situations associated with the LLRP II sub-project activities as well as monitors and reports its implementation;
12. Prepares monthly, biannual, and annual safeguards implementation and monitoring reports and maintain documents related to social risk management with developed formats and communicate it to concerned organs including the WB;
13. Works in collaboration with other staff members; Performs other duties as assigned by the project coordinator; and
14. Execute other activities assigned and demanded by National Project Manager.

Job Specification

Minimum qualification: Master degree in Sociology, Social Work, Social Anthropology, Development economics, Economics, Development Studies or related Social Science fields of study.

Work Experience: A minimum of eight years' experiences in social risk management of development projects with special emphasis on community-driven development (CDD) projects of pastoral and agro pastoral areas.

Skills and Knowledge: The following skills and knowledge are essential as requirements for this post:

- Experience in socio economic studies, Environmental and Social Assessments related to projects.
- Knowledge in the preparation and implementation social safeguard frameworks and/or instruments of World Bank funded projects of the GoE (ESCP, ESMF, RF, LMP, SEP, SRAMP, and SA)
- Knowledge of the World Bank ESS and Environmental and social Framework (ESF) is an asset
- Ability to work in team and independently with limited supervision on a wide range of social development activities;
- Good command of English and must have good communication skills
- Good report writing skills.
- Computer application skills.

A.9 Environmental Safeguard Senior Officer

Reporting to: National Project Manager

Job Summary: Under the supervision of the National Project Manager, the Environmental Safeguard Senior Officer oversees the environmental safeguard issues in relation to strategic subprojects and rural livelihood program interventions financed by the project to ensure that the mitigation measures for the identified risks and impacts are in place to preclude the occurrence of any adverse effects to human and environment. In addition, he/she ensures that sub project activities are consistent in their approaches to addressing environmental issues and fully in compliance with the World Bank standards, particularly with regard to the safeguard instruments prepared for the project: ESF, RF, SEP, SA, ESRMP, GBV/SEA/SH, ESCP, and LMP requirements in all stages of sub project implementation.

Specific Duties and Responsibilities

1. Lead the development and implementation of the safeguards instruments as may be needed in the LLRP-II implementation;
2. Follow up screening of environmental safeguard issues in project activities;
3. Conducts field visits and provides technical supports to RPCUs and woredas regarding training, screening and implementation of mitigation measures to address environmental issues as per safeguard policies;
4. Assisting in the implementation of environmental management framework,
5. Assisting and supporting in cross checking of IPM/PMP activities planning and implementation of community subprojects and rural livelihood interventions;
6. Implementation of ESMF, Pest Management Plan (PMP) and environmental law and PMP regulatory framework;
7. Prepares reports and maintain environmental records on established formats;
8. Works in collaboration with other staff members;
9. Performs other duties as assigned by the project coordinator
10. Identify all relevant potential environmental risks that may arise as a result of the projects.
11. Ensure compliance of project interventions with the requirements set out in the safeguard documents specific to LLRP-II;
12. Prepare and submit quarterly and annual reports on environmental safeguard implementation to the FPCU in consultation with the implementing partners;
13. Provide technical advice to Project staff, participating districts, and other implementing partners on issues of environmental safeguards, natural resources management, and environmental sustainability
14. Ensure that project activities are carried out in line with World Bank safeguard instruments prepared for the Project and the local legislation;

15. Review TORs and safeguard instruments, such as EIAs, EMPs, etc., as applicable, and ensure all safeguards issues are accurately addressed vis-à-vis project design and ESMF provisions and provide expert guidance/advice to the RPCU
16. Prepare training materials and carry out technical training on environmental safeguards with project staff, government staff, and other relevant stakeholders (tailored to a specific group of trainees) such as on environmental assessment, management of natural habitats and occupational and community health and safety and integrated pest management
17. Ensure that the project activities follow the guidelines of the ESMF and to act to mainstream the provisions of ESMF into overall project operation
18. Conduct consultative meetings with relevant stakeholders to discuss site-specific environmental issues of the sub-project and get feedback from the participants to refine the EMP
19. Ability to work in difficult conditions and spending extensive time in the field
20. Provide professional input regarding environmental concerns into the planning, design and contracting of investments, including the preparation of tender documents, in close collaboration with the technical teams
21. Follow up the implementation of EIA, EMP, and PMP safeguard tools
22. Execute other activities assigned and demanded by National Project Manager

Job Specification
Education: Master's degree in environmental science, Environmental Engineering, Environmental health or another related field.
Work Experience: Minimum eight years of experience in environmental and natural resources management, and project monitoring with special emphasis on community development,
Skills and Knowledge:
Experience in Environmental and Social Assessment and Integrated Pest Management.

- Working experience in environmental safeguards of World Bank-funded projects will be an added advantage.
- Ability to work in team and independently
- Good command in English and ability to communicate effectively
- Good report writing
- Computer application skills

A.10 Disaster Risk Management Senior Officer

Accountable to: National Project Manager

Background: Funded by the World Bank, the Ministry of Irrigation and Lowlands (MILLs) is currently implementing Phase-II of the Lowland Resilience Project (LLRP-II) in collaboration with partner organizations such as the Ethiopian Disaster Risk Management Commission (EDRMC). The main objective of the project is to enhance the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia. This includes addressing climate risks such as drought, flood, and higher temperatures. The project has 4 components, one of the key components of the project, Component 1 - Pastoral Risk Management for Resilience (PRMR), aims to strengthen Early warning and Disaster Risk Management capacities and implement climate preparedness and resilience building infrastructure to enhance the absorptive and adaptive capacities of these communities and their ecosystems.
To enhance project implementation, MILLs is seeking to recruit a Senior Disaster Risk Management Officer to be stationed at its office within the LLRP-II project. In alignment with our steadfast commitment to strengthening risk management capabilities and fostering collaboration with EDRMC under this project, the selected officer will serve as a key liaison with EDRMC.

Job Summary: The objective of the Senior Disaster Risk Management Officer position at the Lowland Livelihood Resilience Project Phase II is to lead and oversee comprehensive disaster risk

management initiatives tailored to pastoral communities, ensuring effective risk reduction, early warning, and response mechanisms are in place.

Specific Duties and Responsibilities:

As a Senior Disaster Risk Management Officer, reporting directly to the LLRP Project Manager within a specialized pastoral risk management and early warning early action project, you hold a pivotal role with a broad spectrum of responsibilities. Your primary objective is to mitigate disaster risks and establish responsive mechanisms finely tuned to the needs of pastoral communities.

The senior officer will be responsible for the following:

1. Maintain detailed records of project activities, encompassing data collection, assessments, training sessions, and response efforts. Generate timely and comprehensive reports for donors, government agencies, and stakeholders to showcase project progress and outcomes;
2. Conduct regular monitoring of project interventions' effectiveness, soliciting feedback from stakeholders and conducting evaluations to assess their impact on disaster risk reduction, early warning systems, and community resilience;
3. Collaborate closely with the Ethiopian Disaster Risk Management Committee (EDRMC) to formulate Disaster Risk Reduction (DRR), Early Warning, and Early Action plans, along with response strategies specifically tailored to address the unique needs and vulnerabilities of pastoral communities;
4. Forge strong partnerships with relevant government agencies, non-governmental organizations (NGOs), international bodies, and other stakeholders to streamline efforts and optimize resource allocation for maximum effectiveness;
5. Cultivate active engagement from pastoral communities across all project phases, from risk assessment to early warning and response planning, ensuring their voices and perspectives are integrated into decision-making processes;
6. Facilitate comprehensive training sessions and workshops for local stakeholders, including community members, government officials, and partner organizations, to bolster their capacity in disaster risk management, early warning systems, and response protocols;
7. Develop, implement, and oversee early warning systems customized to suit the specific requirements and contexts of pastoral communities, ensuring they are accessible, reliable, and responsive to community needs;
8. Ensure that regional and sub-national coordinated activities are executed efficiently and effectively, addressing their intended targets and contributing to the overall success of the project;
9. Collaborating with project managers, technical experts, and other stakeholders to address cross-cutting risks and challenges;
10. Liaising with World Bank representatives and external auditors to ensure alignment with World Bank guidelines and standards; and
11. Perform other assignments given by the National Project Manager

Qualifications and Experience

The ideal candidate for this position should possess the following qualifications and experience:

- A Master's degree or higher in Disaster Risk Management, Social Work, food and livelihood security, Development Studies, Project Management, or a related field.
- At least 7 years of hands-on experience in risk management, preferably within development projects or initiatives focused on disaster risk reduction and early warning.
- Extensive expertise in disaster risk management and early warning systems within pastoral contexts.
- Proficiency and experience in multi-hazard early warning and early action systems, especially in PAP areas
- Proficiency in various risk assessment methodologies, tools, and techniques.

- Prior experience collaborating with international organizations or working on donor-funded projects, especially those associated with the World Bank, is highly advantageous.
- Exceptional analytical abilities, enabling the identification and prioritization of risks effectively.
- Excellent communication and interpersonal skills, facilitating meaningful engagement and influence with stakeholders across all levels.
- Demonstrated capability to work both independently and collaboratively within diverse, multidisciplinary teams, thriving in dynamic and fast-paced environments.

A.11 Senior Infrastructural Engineer

Accountable to: National Project Manager

Job Summary: The purpose of the Senior Infrastructure Engineer position is to guide and support the implementation of strategic investments identified in the Disaster Preparedness and Resilience-Building Strategic Investment Plans (DPRSIPs) and Climate Smart – Public Economic Infrastructure Investment Plans (CS-PEIIPs). He/she will provide technical backstopping to the regional infrastructure engineers pertaining to the implementation of various infrastructures comprising market and veterinary service facilities, gravel access roads, bridges, and other public economic infrastructures reflected in the CS-PEIIPs. He/she is supposed to guide and, as required, fully engaged in the planning and design of structures and systems, construction supervision and contract management of public economic infrastructures and provides proper direction on the development of operation and maintenance plans. Moreover, he/she is expected to assist capacity building and knowledge management efforts regarding the infrastructures developed and/or rehabilitated by the project with an emphasis on market and veterinary service facilities, gravel access roads, bridges, and others so that provision of basic social and economic services will get improved to sustainably improve the livelihoods and climate resilience capacity of the PAP households and community against climatic and other hazards.

Specific Duties and Responsibilities

1. Support and advice regional engineers in the planning and development of the aforementioned infrastructures particularly on the construction of market and veterinary service facilities, gravel access roads, bridges, and other public economic infrastructures;
2. Liaise with government entities and other development partners on all pertinent issues and best practices to ensure that planning and implementation of project interventions are in a holistic and sustainable manner;
3. Support regional Project Coordination Units (PIUs) in activities that are designed to build the capacity of relevant government institutions and project staffs to implement the aforementioned infrastructures with acceptable degree of workmanship;
4. Collaborate with all stakeholders working in the rehabilitation and/or development of the aforementioned infrastructures;
5. Provide the required technical backup to regional partners in the planning, design, construction, construction supervision, contract management, and operation and maintenance aspects to the quality of works and sustainable delivery of services in the project intervention regions;
6. Advice and assist regional government offices and other relevant partners/institutions to properly operate, maintain, and manage infrastructures developed by the project;
7. Assist regions in the identification and use of innovative, climate-smart, energy saving, and user friendly technologies in consultation with relevant actors and promote the same while undertaking project interventions;
8. Support regions in the preparation of designs, takeoff sheets, bill of quantities, technical specifications and engineering cost estimates for subprojects to be financed by the project

complying relevant codes, standard manuals and guidelines acceptable both to the government and the donors;

9. Assist regional procurement officers in the preparation of standard documents such as Standard Bid Documents (SBDs), Request for Proposals (RFPs), etc to procure goods, works and consultancy services from the market;
10. Provide support to the regional tender evaluation committee at times of technical evaluation of bid documents for the procurement of goods, works and consultancy services;
11. Support consultants hired, both at federal and regional levels, to undertake relevant consultancy services for subsequent execution by the project, as appropriate;
12. Assist regions in the review and evaluation of feasibility study and detail design documents which are produced, by the consultants, at various stages/phases of the study;
13. Assist regions in the development of proposals or Term of References (ToRs) which are required to carry out assessments or studies either through own-force account or out-sourcing modality;
14. Perform other duties as assigned by the National Project Coordinator.

Education: BSc degree in civil engineering with a MSc degree in highway and road engineering, construction management or other related fields.
Work Experience: Minimum of 8-years relevant professional experience for BSc degree and 6-years for MSc degree at least 2-years' experience with projects/programmes financed by development partners in the planning, design, construction supervision, and contract management of infrastructures especially civil works, roads, bridges, and other public economic infrastructures.
Skills and Knowledge:

- Ability to work with a team and independently;
- Good command in English;
- Good communication skills;
- Good report writing;
- Good computer and internet application skills;
- Excellent moral character and professional integrity; and
- Software application skills: AutoCAD, Civil 3D, Eagle Point, Open Roads Designer, MX Road, Revit, GIS, and others relevant software

A.12 Water and Irrigation Advisor

Accountable to: National Project Manager

Job Summary: The purpose of the Water and irrigation Advisor position is to support developing and guiding the implementation of water resource management strategy and provide technical backstopping to field offices in all activities related to water and irrigation infrastructure. She/he guides and as required fully involved the design of structures and systems, monitors their installation and provides guidance on the development of maintenance plans. Assist capacity building and knowledge management in irrigation and community water supply with an emphasis on small-scale irrigation so that water supply for irrigation agriculture improved at the watershed level to enhance sustainable livelihoods of the community.

Specific Duties and Responsibilities

1 Support and advise field staff on programming and activity development in the water and irrigation sectors
2 Liaise with government entities and other partners on water and irrigation issues and best practices
3 Support activities which strengthen capacity of relevant government institutions to implement national policies on water and irrigation

4 Build networks of stakeholders working in the water and irrigation sectors
5 Ensure timely, accurate, efficient and effective coordination of the Strategic Irrigation and water program budget and expenditure responsibilities
6 Provide technical support to Regional, Zone and Woreda partners in the design, construction, operation and maintenance of small-scale irrigation schemes, drinking water supply, water harvesting structures,
7 Support partner staff in planning and implementation of technical innovations in small-scale irrigation and access roads, through integration into small-holder land use systems in SLM assisted watersheds, with particular emphasis to promotion of small-scale irrigation through river diversions, spring development, and other water harvesting techniques.
8 Advise and assist government administration offices of Partner institutions with irrigation programming, testing, repairs and maintenance issues.
9 Facilitate partner institutions in developing multi-year irrigation and water improvement plan to maximize water conservation practices.
10 Provide support to the region in the establishment and management of irrigation and water data base system.
11 Promote new and appropriate irrigation technologies through extension services.
12 To assist in the development, monitoring and evaluation of irrigation/water rehabilitation construction works
13 Advise on priority issues related to irrigation planning, development, rehabilitation and management, water resources management, on farm irrigation water management, emergency irrigation rehabilitation and activities and irrigation research.
14 To provide technical advisory assistances on integrated water resources management and adoption of feasible irrigation technologies
15 Advise partners to apply gender disaggregated format to produce SLM achievements and ensure cross-cutting issues are noticeably included in the report.
16 Liaise with stakeholders (communities, government, input suppliers, environmental interest groups) concerned with environmental issues associated with irrigation &water dev activities.
17 Support partners to examine and interpret environmental standards, guidelines, regulations as they related to irrigation and water management.
18 To coach/mentor and provide on job trainings to related staff.
19 Participate in identification, prioritization, design, evaluation and management of a variety of irrigation, water related projects and manage formulation of activities to catalyse their implementation
20 Execute other activities assigned and demanded by National Project Manager

Job Specification:
Education: Master's degree MSc. in Hydraulics, Agricultural Engineering, irrigation, or other related fields,
Work Experience: Minimum eight years of relevant professional experience in planning and implementation of irrigation and water projects.
Skills and Knowledge:
- Ability to work in team and independently
- Good command in English and must have good communication skills
- Computer application skills; AutoCAD and Knowledge of GIS will be an advantage
- Good report writing
- Computer application skills

A.13 Rangeland & Pasture Development Senior Officer

Accountable to: National Project Manager

Summary: The Federal-level senior office will take responsibility for implementation of Component Two and report directly to the National Project Manager. Under the supervision of the National Project Manager, the Senior Officer coordinates, oversees and provides guidance and technical supports in planning, implementation, supervision and reporting regarding rangeland and pasture development, building community-based institutions and pertinent capacities both at community and local government levels. He/she will also supervise, and report activities related to resource base conflict management

Specific Duties and Responsibilities

1. Provide technical assistance and follow up in the planning and implementation processes of updating and formulating RMPs;
2. Facilitate for setting up of Rangeland Monitoring System (using geographical information systems, GIS, and satellite imagery) establishment and subsequent ground truthing processes;
3. Support and facilitate the operationalization processes of the Rangeland Monitoring System (RMS);
4. Develop norms, technical standards and specifications which will help to meet rangeland resource development and management objectives;
5. Develop methods for protecting, rehabilitating and/or restoring the biomass cover and healthy condition of key rangeland sites;
6. Maintain soil stability and vegetation for integrated ecosystem services including grazing, wildlife habitats, carbon sequestration and outdoor recreation;
7. Provide technical supports to ensure productive and climate-smart forage and pasture production engagements;
8. Assist livestock holders through introducing adaptive grazing and feeding systems in order to improve the health statuses and productivity of both rangelands and livestock on a sustainable basis;
9. Support and integrate both planning and implementation processes of rangeland and pasture development initiatives including the operational procedures of soil and water conservation measures;
10. In collaboration with research centres, identify suitable varieties of both imported and local forage cultivars;
11. Study grazing patterns to determine number and kind of livestock that can be most profitably grazed and to determine the best grazing seasons;
12. Search and adopt new and improved instruments and techniques that fit to climate smart rangeland management interventions;
13. Mediate agreements among rangeland users and conservationists so as to support appropriate land use and management practices;
14. Offer advice to rangeland users and practitioners on livestock water management, forage production methods, and control of invasive weeds and/or bushes;
15. Support customary institutions virtually established rangeland management committees to meet the objectives of conflict management for secure access to key resources;
16. Facilitate the gap identification and subsequent provision of knowledge-based and technical training workshops for regional practitioners;
17. Consolidate and develop the Federal level AWPB documents and Periodic (Quarterly, Bi-Annually, Annually, Mid-Term and End-Term) Reports; and
18. Performs other related duties assigned by the National Project Manager

Education:

Second degree in Rangeland Management, Land Use Planning and Management, Natural Resource Management, Agro-ecology and Sustainable Agriculture, and other related fields.

Work Experience:

Minimum eight years of relevant professional experience in rangeland management, land use planning, rangeland and Pasture development preferably in projects funded by international development institutions. Demonstrated experience in rangeland resources management, land

use planning/mapping exercises; preferably with knowledge of the Pastoral/agro-pastoral customary and production systems. Experience with planning/overseeing larger scale investments preferable.

Skills and knowledge:

- Ability to work in team and independently
- Good command in English and good communication skills
- Good report writing
- Good computer application skills

A.14 Livestock Development Senior Officer

Accountable to: National Project Manager

Summary: The Livestock Development Senior Officer coordinates the implementation of climate smart livestock and crop production activities in PAP areas supported by the project. He/she provides guidance on capacity building, planning and implementation of the subcomponent activities at project level. Identification and provision of "smart packs' research technologies that enhance the delivery of livestock and crop production extension services, strengthen of animal health delivery services, application of One health approach, nutrition sensitive agro pastoralism, provision of livestock's feed and herd management practices are major activities to be undertaken under the subcomponent.

Specific Duties and Responsibilities

1. Involve in planning, implantation, budget management and reporting of climate smart livestock and crop production activities of the sub component;
2. Supports the production and productivity of livestock and crop production systems focusing on feed and forage technologies, community breed improvement, good pastoral practices, improved crop and livestock husbandry practices, nutrition education and homestead gardening;
3. Coordinate the relevant stakeholders in identification of "smart packs' research technologies which are adaptable, proven, and scalable innovations along with key stakeholders in PAP areas.
4. Support livestock and fishery extension and development strategies and promote public and private extension advisory services in PAP areas;
5. Facilitate capacity gap assessment and prepare training guidelines, modules and manuals on livestock production system, herd management, feed, health and one health services and organize high level training for Regional experts.
6. Coordinate relevant stakeholders on nutrition sensitive agro pastoralism demonstrations, mainly on dry land farming, conservation agriculture and small scale irrigation, agroforestry, poultry, apiculture and fishery;
7. Promote and coordinate livestock's genetic improvement technologies through Community-Based Climate Resilient Breeding Program (CBBP) and artificial insemination;
8. Support on strengthening the public animal health delivery system and assist community-based animal health service provisions;
9. Facilitate the implementation of a ONE HEALTH approach to provide a comprehensive or holistic health service for human, livestock and the ecosystem;
10. Facilitate production of improved forage and fodder and conservation practices at household's backyard gardens, and within their crop farms;
11. Support establishment of comprehensive animal health delivery system;
12. Support public animal health regulatory system and surveillance of cross boarder animal health diseases;
13. Organize experience-sharing visits on best performed activities between regions;

14. Organize field supervisions in project regions and conduct mentoring and coaching on the performance of planned activities and provide technical backstopping;
15. Provide technical advice to the National Project Manager in the areas of climate smart livestock's and crops production activities; and
16. Performs other related duties assigned by the National Project Manager

Education: BSc / MSc/in animal Science /Animal production or other related field of studies,
Work Experience: Minimum of ten years relevant professional experience for BSc and eight years for MSc in livestock's production, participatory research, agricultural extension, planning, management, monitoring and evaluation of projects, preferably in projects funded by international development institutions.
Skills and Knowledge:

- Ability to work in team and independently
- Good command in English and must have good communication skills
- Computer application skills; AutoCAD and Knowledge of GIS will be an advantage
- Good report writing

A.15 Livelihood Senior Officer

Accountable to: National Project Manager

Summary: The Livelihood Senior Officer coordinates the sub component in providing guidance concerning capacity building, planning and implementation of activities related commercialization, livelihoods diversification, strengthening market linkages, and access to financial services.

Specific Duties and Responsibilities
1. Involve in planning, implementation, budget management and reporting of the sub components of the project;
2. Coordinates and mobilizes technical supports of the implementing partners as per MoU; ensure to play their responsibilities;
3. In collaboration with stakeholders coordinate the provision of appropriate training, mentoring, and coaching, for MSEs and PASaCCos business plan management, financial recording and reporting;
4. Coordinate the collection of data from federal sector institutes and project regions; compile analyse and ensure the alignment of data at central MIS data base management.
5. Coordinate relevant stakeholders to assess the existing PASaCCOs to allow their classification as strong, intermediate and weak. Support the newly established PASaCCos to be viable and sustainable financial source;
6. Coordinates and supervises PASaCCos and Unions, to be sustainable financial source in project regions;
7. Coordinate the implementation of Livestock Identification and Traceability (LIT) related activities in project regions and ensuring its contribution to local and international market;
8. Coordinate the relevant federal government and private sector stakeholder that support Micro and Small Enterprise (MSEs), PASACCOs and market linkage Productive alliance at Federal level.;
9. Facilitate and coordinate at federal level the study and implementation of activities related to value chain development and market system development in PAP areas;
10. Support the implementation of Livestock Market Information System (LMIS) related activities in project regions;
11. Provide technical advice to the National Project Manager in the area of commercialization and Livelihood and Diversification activities during planning and implementation;

12. Ensure gender, youth and social accountability activities are mainstreamed in Commercialization and Livelihood Diversification sub component in consultation with Gender and Nutrition Advisor;
13. Based on the annual activity and budget plan, make regular field visit to project regions to provide technical support and furnish monitoring reports to the project manager for timely decision making;
14. Coordinate communication performance including relevant case stories, success stories, pictures, photographs, and lessons learned and information Education and Communication (IEC) materials development related to the sub component performance;
15. Reviews and prepares the quarter and annual progress reports on the performance of the sub component to be submitted to MEAL Senior officer;
16. Works in collaboration with other staff members; and Performs other duties as assigned by the National Project Manager.

Education:
Minimum of Master Degree in agricultural economics, rural development, economics, cooperative management, agricultural marketing, agricultural extension or other related fields

Work Experience: Minimum eight years of relevant professional experience in rural/pastoral and agro- pastoral livelihood development, cooperative, marketing, planning, management, monitoring & evaluation of projects, preferably working in donor funded projects.

Skills and Knowledge:

- Experiences in the areas of rural finance and/or participatory research and livelihood diversification is desirable
- Ability to work in team and independently
- Good command in English and must have good communication skills
- Good report writing
- Computer application skills

A.16 Senior Finance Officer

Responsible to: National Project Manager

Job Summary: Under the supervision of the National Project Manager, the Senior Finance Officer establishes and maintains a financial management system, conducts financial investigations as needed, and facilitates the provision of audit report on time.

Specific Duties and Responsibilities:
1. Plans, installs, implements, and advises on budgets, accounts control, and other accounting system for the project;
2. Establishes and maintains an up-to-date and reliable financial management system;
3. Prepares consolidated project financial statements in accordance with International Financial Reporting Standards (IFRS);
4. Coordinates and supervises accounting and financial management related activities at federal, regional, and Woreda levels;
5. Facilitates the completion of annual audited project financial statements not later than six months after the close of the fiscal year;
6. Assists in the formulation of budget policies, and procedures and implements same when approved;
7. Guides and provide technical support to the Federal and Regional Finance officers;
8. Monitors the performance of fund flow mechanisms of the Project;
9. Sign cheques and fund transfers to implementing agencies;
10. Sign check payment vouchers;

11. Ensures compliance of budgetary and internal control procedures;
12. Ensures that timely replenishments are made to project implementing agencies and the required funds are received from financiers and the Government;
13. Prepare consolidated quarter IFR to replenish funds from the World Bank;
14. Liaises with the Government institutions and external financiers and ensure that accounting records are maintained and financial reports are prepared on schedule, delivered to the government and to financiers as per development grant agreements;
15. Makes sure that all accounting information is made available to internal and external auditors and answers queries.
16. Ensures that implementing agencies have installed the required financial management system acceptable to donors, and external audits are arranged at least once a year;
17. Ensures audited statements are sent to donors within six months after the end of the fiscal period;
18. Ensures that quarterly reports are sent to the financiers in less than forty-five days after the end of the quarter for which the report is prepared;
19. Performs other related tasks as assigned by the National Project Manager.

Job Specification:
Education: MA/BA degree in Accounting
Experience: Minimum of 8 years' experience in related work for MA and 10 years for BA
Skills & Knowledge: Software applications such as Excel, Peachtree Accounting, Windows, etc.
Others: Familiarity with Government Finance and Accounting Systems; working with Donor funded projects is desirable.

A.17 Senior Internal Audit and Compliance Officer

Accountable to: National Project Manager

Job Summary: Under the supervision and guidance of the National Project Manager, the Senior Internal Audit and Compliance Officer ensures the proper functionality of the internal control system of the project at all levels. He/ She is responsible for controlling proper utilization of project resources for the intended purpose as per the PIM and Credit agreements.

Specific Duties and Responsibilities:
1. Conducts internal auditing of the project at different levels from federal to woreda and community levels;
2. Reviews financial transactions during the period under review; account balances at the end of each closing period;
3. Verifies the operation and use of the designated account in accordance with the financing agreement;
4. Reviews the adequacy of internal controls for the type of disbursement mechanism;
5. Gives comments and observations on the accounting records, systems and controls that were examined during the course of the audit;
6. Identifies specific areas of weakness in project accounting and control system, and make recommendations for their improvement;
7. Reports on the degree of compliance of each of the financial covenants in the financing agreement and give comments, if any, on internal and external matters affecting such compliance;
8. Communicates matters that have come to his/her attention during the audit which might have a significant impact on the implementation of the project;
9. Gives comments on the extent to which outstanding issues/qualifications issues have been addressed;

10. Follows up the corrections of audit recommendations provided by external auditor.
11. Brings to the Federal Project Coordinator's attention any other matters that the auditor considers pertinent, including ineligible expenditures;
12. Gives pre-audit technical supports to RPCUs;
13. Prepares annual audit plan and periodic audit reports;
14. Performs other related duties assigned by National Project Manager.

Job Specification:

Education: B.A degree in Accounting
Work Experience: Ten years in auditing preferably in donor funded projects.
Skills and Knowledge:

- Good experience in using computer software (Accounting Software),
- Ability to work in team and independently,
- Good interpersonal communication,
- Good report writing ability.

A.18 Procurement Senior Officer

Accountable to: National Project Manager

Job Summary: The Federal Project coordination Unit is responsible to carry out pooled and strategic goods such as vehicles, IT and communication equipment, and etc to be carried out under ICP procedure. The Federal Project coordination Unit is also responsible to carry out recruitment of all consultancy service. The FPCU is required to play procurement advisory role to regions and carry out periodic monitoring and supervision activities to ensure procurements carried out under the project are in line with the agreed procurement rules and procedures. The FPCU has also the responsibility of organizing periodic trainings to RPCUs and other Implementing Agencies.
A Senior Procurement Officer (SPO) shall be recruited and assigned to undertake procurement at the federal level and consolidate procurement plans and reports at the FPCU.
Under the supervision and guidance of the National Project Manager, the Procurement Senior Officer manages the procurement activities at federal level. He/ She is responsible for planning and implementation of procurement matters at federal level.

Specific Duties and Responsibilities:
1. Prepare Project Procurement Strategy for Development (PPSD) and update regularly in response to emerging requirements and changing conditions
2. Prepare procurement plan for the procurement implemented at federal level in accordance with the agreed procurement regulation and ensure that the PP is submitted timely through STEP and updated regularly after passing through the required internal approval procedure
3. Initiate procurement activities timely and in accordance with the agreed procurement plan
4. Prepare the yearly procurement plan and its regular updates for the FPCU for review and approval by the project and the World Bank.
5. Provide technical support to participating regions. This includes, but is not limited to, providing training, preparing simplified procurement guidelines, carrying out supervisions at sub-national implementing agencies, and providing hands holding support to the procurement staff.
6. Follow-up on requisitions, provide support in the preparation of terms of reference/specifications, prepare bidding documents and requests for proposals, follow-up on advertisement of bids in national and international press, issue purchase orders and follow up on the delivery and receipt of goods and services.
7. The SPO shall, on behalf of the FPCU, process all international competitive bidding contracts.

8. For procurement under ICP method, the SPO is responsible for the timely purchase of quality goods and services, arrange for follow up inspection upon arrival, dispatch to final destinations and follow up on any delays, and take appropriate measures as required.
9. Follow up on the procurement of urgently needed goods and services, which are not available at the regional level or cannot be handled by the RPO.
10. Periodically monitor and supervise the work of the RPOs and also inspects Woredas with the objective of ensuring that they correctly implement procurement procedures and to provide them with feedback, indicating areas of achievement and challenges.
11. Ensure that all procurements are undertaken on a competitive basis as agreed in the procurement plan.
12. Record and maintain minutes of Tender Committees meetings related to LLRP procurement.
13. Prepare bid evaluation reports.
14. Prepare contracts for goods and services based on the decisions of the tender committee and the approval of the project coordinator.
15. Follow-up the issuance of performance bonds by the awarded supplier and the validity period for extension.
16. Ensure goods and services received by the FPCU match with the quantity, quality, cost and other requirements stated in the purchase order/contract agreement.
17. Maintain a database of domestic and foreign suppliers, transit agents, consultants, prices, technical specifications, catalogues, drawings and other information.
18. Make arrangement for clearance of all imported goods at ports of destinations; arrange transportation and dispatch of items to their final destinations.
19. Inspect and ensure receipt of imported goods to store and follow up claim settlements.
20. Assume responsibility for being alert to any indication of unethical behaviour and its reporting to his/her immediate supervisor.
21. Coordinates the provision of procurement training workshops for the procurement staffs and other involved in project procurement at all levels.
22. Prepare reports on the status and progress of procurement and consolidate reports.
23. Keep procurement records and files in a systematic manner;
24. Ensure that all procurement activities are carried out as per the agreed procedures with the World Bank;
25. Perform other related duties as assigned by National Project Manager.

Job Specification:
Education: MA/BA/BSC Degree in Supply Management, Economics, Management, Accounting, Engineering and related fields of studies;
Work Experience: Eight/Ten years for masters and first degree, respectably in procurement preferably in donor funded projects.
Skills and Knowledge:
- Good ability in using computer application software,
- Ability to work in team and independently,
- Good communication and interpersonal skill,
- Good report writing skill.

A.19 Senior Admin and General Service Officer

Reporting to: National Project Manager

Specific Duties and Responsibilities:
1.Staff Management
- Recruits the necessary staff as and when required;
- Plans and coordinates the proper utilization of man power;
- Handles all HR management issues;

- Motivates, evaluates, & appraises employees under him/her;
- Completes all performance management activities including: performance planning, monitoring, annual performance appraisals of staff reporting to him/her.

2.Procurement & Stores management

- Assists the procurement senior officer when advised by the federal project coordinator;
- Prepares and updates procurement schedules for materials and services requested by the various work units of the institution;
- Place procurement request, follows shipment, forwarding & clearance and ascertain availability of transport for delivery to users;
- Organizes and supervises the overall activity of the store;
- Ensures that the all supplies purchased/donated are received by Goods Receiving Note, are properly handled, and issued by store issue voucher upon requests;
- Ensures that the project's properties are protected from theft, misuse, damage, pilferage, etc.
- Ensures that comprehensive annual inventory is carried out and appropriate action is taken as per the result of the inventory taken.

3.Logistics

- Provides logistics support for workshops provided by the project;
- Ensures activities such as duplicating, printing, safeguarding of property, compound security, and gardening are efficiently conducted;
- Administers fixed assets of the project;
- Ensures that all required utilities are availed;
- Ensures that all consumables such as stationery, working clothes, cleaning materials, etc., are availed by the store to users;
- Distributes working clothes, stationery and all other requirements timely and adequately.

4.Transportation

- Plans and coordinates the utilization of vehicles in accordance with work and field visit programs;
- Ensures vehicle utilization as per LLRP policies and procedures and pursue timely vehicle repair & maintenance;
- Authorizes requests for fuel, oil and lubricants and other supplies required to facilitate and carry out the transportation operations as per discretionary limits;
- Ensures that regular reports on fuel consumption and other related expenses pertaining to the project vehicle are prepared;
- Ensures that the vehicles of the project are in good order and condition to facilitate effective transportation services;

5.Insurance, Repair & maintenance

- Establish & maintains programmes of maintenance for vehicles & other properties;
- Gets performed the annual inspection of vehicles;
- Ensures that the timely maintenance & repair of communication facilities, office furniture & equipment, water & heating system, toilets & sewerage pipes, office electrical appliances, etc.;
- Ensures that all office equipment, furniture, machine, telephone lines/apparatus, etc. are in good order and condition;
- Ensures that all buildings, properties & assets are registered and identified by type and users;
- Ensures that employee and properties of the project are insured and files and follows up claims whenever necessary.

6.Security, cleaning and office attendants Service

- Ensures that offices and the premises are maintained clean and are in order;
- Ensures that all offices, lavatories, etc. and the compound are cleaned and tidy;
- Ensures that delivery and collection of mails is done timely;
- Ensures that assigned office attendants provide adequate service to all work units.

7.Others

- Act as a liaison officer between the project & other organizations;
- Executives publicity in consultation with the project coordinator;
- Gets telephone, electric, water, postage & other utilities paid on time;
- Assists the project coordinator in executing routine activities;
- Performs other similar duties assigned by the project coordinator;
- Works with perfect harmony with other work units of the institution;
- Undertake other duties assigned by the National Project Manager.

Job Specification:
Education: MSc/BA degree in Business Administration, Business Management, management, Accounting or related fields,
Work Experience: Minimum 8/10 years of relevant experience for second and first degree, respectively as per the specified job description
Skills and Knowledge:
- Integrated knowledge and understanding of support services concepts, practices, systems, and procedures;
- Ability to interact & deal with people;
- Planning, organizational, analytical and decision making skills,
- Basic computer skills;
- Good written and oral communication skill

A.20 Finance Officer (Budget and Disbursement)

Responsible to: Senior Finance Officer

Job Summary: Under the supervision of the Senior Finance Officer, the Finance Officer (budget and disbursement) assists in the formulation of budget policies, and procedures as well as disbursement of project outlays.

Specific Duties and Responsibilities:
1. Plans, organizes, directs, coordinates and controls the overall budget and disbursement activities of the project;
2. Forecasts the monthly and quarterly budgeted expenditure and cash requirement by activities and financers;
3. Prepares and updates periodically the assumption and parameters for recurrent cost budget preparation and endorsed to each implementers after getting approved;
4. Sign cheque, check payment voucher and transfer in the absence of Senior Finance Officer;
5. Check the authorized payment request, evidenced by eligible and completeness of supporting documents, and arithmetic correction before preparing the cheque payment voucher;
6. Collects, checks, consolidates and submits annual budget for senior finance officer and defence of proposals by respective components;
7. Handle and maintain budget ledger card for each component, subcomponent, activities, by implementer and financer. and update periodically;
8. Review the petty cash replenishment requests per the budgeted expenditure and eligibility of expenditure.
9. Make detail review of the fund transfer request and utilization report or Quarter IFR utilization as per the approved AWPB and forward with recommendation to authorize body;
10. Based on the authorized fund transfer request or quarter budgeted expenditure and cash requirement, prepare bank transfer letters in adequate copies and sign on the last page;
11. Review each cheque payment request and Quarter IFR utilization for completeness and eligibility of supporting documents and forward to Accountant for the preparation of payment document;

12. Check and certify all payment requests if there are in-line with the approved budget and available budget;
13. Performs budget review monthly, quarterly and reports variances for explanation by the respective regions and components;
14. Handle and maintain cash at bank book registration record and update periodically separately by each financer, and report the available cash balance daily;
15. Updates the budget ledger card based on approved budget revision and record committed budget;
16. Prepares allocation and disbursement of cash based on policy and procedure of the project;
17. Prepares framework, terms of reference, budget formats and parameters and assumption for recurrent activities cost distributes to all regions for the submission of their budget requirements;
18. Make ensure that each payment and bank transfer has been received to the right payees by obtaining evidenced documents and receipts of acknowledgment;
19. Ensure that all payment and receipts account documents has been filed properly with all supporting documents sequentially;
20. Ensure that a cross reference has been assigned to each payment and journal vouchers;
21. Handle and maintain staff debtors and advances record and follow up it settlement timely,
22. Handle and maintain each bank transfer letter, copy of advice and implementers requesting in a separate box file for each implementer;
23. Follows up the clearance of each outstanding cheque or reversing the entry;
24. Based on the monthly attendance sheet reported from Admin and General Service Senior officer, monthly staffs' payroll is prepared after deducting any unsettled balance;
25. Prepare monthly tax related payment summary and process to be deposited to the concerned government office before the deadline;
26. Hand over the payment and receipts voucher document box file to Recording & Reporting finance officer
27. Authorize petty cash payments
28. Follow up and supervise the day to day activities of the accountant;
29. Performs other related duties as assigned.

Job Specification:
Education: BA degree in Accounting
Experience: Minimum of 8 years' experience in related work
Skills: Software applications such as Excel, Peachtree Accounting, Windows, etc.
Others: Familiarity with Government Finance and Accounting Systems; working with Donor funded projects is desirable.

A.21 Finance Officer (Recording and Reporting) at FPCU

Responsible to: Senior Finance Officer

Job Summary: Under the supervision of the Senior Finance Officer, the Finance Officer (recording and reporting) assists in the maintenance of a financial management system, conducting financial investigations as needed, and in the facilitation of the provision of audit report on time.

Specific Duties and Responsibilities:
1. Assists the Senior Finance Officer in Planning, installing, implementing of budgets, accounts control, and other accounting system for the project at the FPCU;
2. Assign account code on vouchers as per the chart of account, recording and posting to the general ledger and preparing monthly, quarterly and annual financial statement;
3. Ensures the safe custody and management of all assets of the Institution and register fixed assets;

4. Update the stock ledger card and reconcile with year-end physical inventory;
5. Collect and hand over the Bank debit and Credit Advice, and monthly Bank Statements from/ to bank;
6. Establishes and maintains an up-to-date and reliable financial management system;
7. Receive payment and receipt documents box file monthly from Finance Officer (Budget and disbursement unit);
8. Prepare Debit note and issue to each Implementing agencies;
9. Make reconciliation of inter transfer account monthly, quarterly, yearly;
10. Assists the senior finance officer in the preparation of consolidated annual project financial statements in accordance with International Financial Reporting Standard;
11. Conducts financial investigations and audits as needed;
12. Prepares journal voucher to make adjustments, closes entries, reconciles with general ledger, and consolidate accounts;
13. Follows up receipt of periodic financial reports and IFRs from regions and implementing agencies and review reports, evaluate each region IFR as per the criteria;
14. Provides technical assistance/regular supervision to RPCU/RCST as required;
15. Assists the Senior finance officer in the preparation of quarterly consolidated IFR;
16. Prepares monthly reconciliation of bank statement with book ledger immediately;
17. Makes sure that all accounting information is made available to internal and external auditors and answers queries.
18. Ensures that implementing agencies have installed the required financial management system acceptable to donors, and external audits are arranged at least once a year;
19. Prepares consolidated quarterly, semi-annual and annual financial reports;
20. Follows up the timely settlement of all advances and reports if any deviation;
21. Prepares aging analysis on advances and payables;
22. Conducts financial analysis, interprets outcomes and advises the Senior Finance Officer in view of the required;
23. Evaluates/reviews the financial performance vs budget by component/subcomponent of each region/woreda (cost centre) and advises the Senior Finance Officer on its feasibility;
24. Attending Bid endorsing committee
25. Performs other related duties assigned by Senior Finance Officer;

Job Specification:
Education: BA degree in Accounting
Experience: Minimum of 8 years' experience in related work
Skills: Software applications such as Excel, Peachtree Accounting, Windows, etc.
Others: Familiarity with Government Finance and Accounting Systems; working with Donor funded projects is desirable.

A.22 Accountant

Responsible to: Finance Officer (Budget & Disbursement)

Job Summary: Under the supervision of the Finance Officer (Budget and Disbursement), the Accountant in the formulation of budget policies, and procedures as well as disbursement of project outlays.

Specific Duties and Responsibilities:
1.Daily Activities

- Prepare the Bank payment, VAT and Withhold tax vouchers and cheque and get signed by each Authorized body, and sign on the prepared by space;
- Check the eligibility of Invoice/Receipts, evidenced by copy of Payee's Identity Card, delegation Letter before the cheque is issued/ handed over;

- Record on the memorandum book for Per diem advance paid to staff and follow up for their settlement within 7 days of their arrival;
- Properly file all Payment and receipts with supporting documents in appropriate Box file and mark paid on each supporting documents by writing the payment voucher reference # and date;
- Prepare Cash receipts voucher acknowledgment for all cash deposited into bank account as per the credit advice.

2.Monthly Activities

- Maintain manual Cash registration Book for Local Bank account;
- Prepare monthly income tax, VAT and Withhold tax payment sheet and process, and deposit cheque to the concerned Government Ethiopian Customs and Revenue Authority before the stated due date;
- Check the adequate availability of each unused Accounts document and prepare a request for publication before the end of the minimum required quantity balance;
- Withdraw one cheque book from the Finance officer after getting approval from Senior Finance Officer

3.Annual Activities

- File all Accounts document in Box file in sequential order and properly, hand over to the Budget and Disbursement officer;
- Assist the Finance Officer in related to Budget and Disbursement activities;
- Seal supporting financial/expenditure documents by ''pad stamp'';
- Performs other related duties as assigned. Perform other duties as required/ instructed by Finance Officer.

Job Specification:

Education: BA degree in Accounting/Accounting & finance

Experience: Minimum of 4 years' experience in related work

Skills: Software applications such as Excel, Peachtree Accounting, Windows, etc.

Others: Familiarity with Government Finance and Accounting Systems; working with Donor funded projects is desirable.

A.23 Assistant Logistics Officer

Reporting to: Senior Admin and General Service Officer

Job Summary: Under the supervision of the Senior Admin and General Service Officer, the General Service/Logistics A/Officer establishes and administers motor vehicle system, follows-up maintenance of vehicles and other properties, provides general services and assists the Senior Admin and General Service Officer.

Specific Duties and Responsibilities:

1. Plans and coordinates the utilization of vehicles in accordance with work and field visit programmes;
2. Establishes and maintains programmes of maintenance for vehicles and other properties;
3. Ensures that arrangement of offices and equipment are well handled;
4. Gets performed the annual inspection of vehicles;
5. Gets telephone, electric, water, postage and other utilities paid on time;
6. Assists the Senior Admin and General Service Officer in executing routine activities;
7. Follows up and executes publicity in consultation with the Senior Admin and General Service Officer;
8. Performs other similar duties as required.

Job Specification:

Education: College Diploma in Auto-mechanic or other related field of studies
Work Experience: Minimum four years of relevant experience in relation to logistical aspects
Skills and Knowledge:

- Good Interpersonal Communication
- Computer application
- Knowledge on vehicle management

A.24 Executive Secretary and Cashier

Reporting to: National Project Manager

Job Summary: Under the supervision and guidance of the National Project Manager, the Executive Secretary/Petty Cashier type reports, letters, memos, as well as opens and maintains the FPCU files for records and references; Serves as a petty cashier and operates under the revolving fund system.

Specific Duties and Responsibilities:

1. Types reports, letters and memos etc. when requested;
2. Takes minutes of meetings using shorthand and transcribes the major points raised in the discussion for a review by the participants of the meeting;
3. Receives and sorts out mails sent to the FPCU and distributes these on time to other offices concerned; register incoming and outgoing letters;
4. Passes personal and important mails/messages to her/his supervisor and deals with routine correspondence;
5. Files all letters, memos, minutes, reports, etc.;, and opens new files as required;
6. Makes appointments for the Project Coordinator and reminds him/her ahead of the schedule;
7. Makes and receives telephone calls and deals with routine inquiries and correspondence;
8. Welcomes guests and advises the Coordinator about their arrival;
9. Keeps the office neat and clean at all times;
10. Reports to office ahead of Accountable time and departs mostly after her/his supervisor has departed;
11. Provides guidance and assistance to other secretaries and office assistances;
12. Maintains a petty cash register book that operates on a revolving fund system and effects payments for Br.5,000.00 and less as approved by Senior finance officer;
13. Maintain petty cash payment documents properly and handover to finance officer (disbursement budgeting) along with petty cash replenishment request at minimum level of cash balance required;
14. Maintains project records and documentation;
15. Performs other related duties assigned by project coordinator

Job Specification:
Education: College Diploma in Secretarial Science and Office Management from a recognized institution
Work Experience: Six years of work experience of which four years was as a Secretary and two years as a Senior Secretary.
Skills and Knowledge:

- Strong computer skill in MS Office Applications (MS-Word, Excel, PowerPoint and other software)
- Knowledge of using Fax, Photocopy and Internet
- Good Interpersonal communication

B. Regional Project Coordination Unit (RPCU)

B.1 Regional Project Manager

Reporting to: Regional Pastoral Development/Agriculture Bureau/office of the president

Job Summary: Under the supervision of Regional Pastoral Development/Agriculture Bureau/office of the president in the case of Somali, Afar, Gambela & Benishangul Gumuz Regions; the Regional Project Manager coordinates and facilitates the overall management and the day-to-day administration of the project. He/She reports to Regional Pastoral Development/Agriculture Bureau/president office head.

Specific Duties and Responsibilities:

1. Provides overall project coordination, management, administration and guidance at Regional level;
2. Facilitates and follows up capacity building activities for project staff and relevant government stakeholders;
3. Prepares and submits annual work plans and budgets to the Regional Pastoral Development Bureau/Commission/president office and FPCU;
4. Submits Periodic progress report to Regional Pastoral Development Bureau/Commission/president office and FPCU;
5. Approve annual regional internal audit plan and submit to FPCU;
6. Review regional internal audit report and submit to Regional Pastoral Development Bureau/Commission/president office and FPCU;
7. Facilitates and ensures proper project budget disbursements, utilization and periodic and ongoing audits;
8. Authorizes project fund disbursement and transfer to project implementing agencies and beneficiary woredas;
9. Facilitates timely and appropriate project procurement activities in the region;
10. Ensures the establishment and utilization of an independent monitoring and evaluation and MIS systems in the region;
11. Provides technical support and managerial guidance to RCSTs and woreda staff;
12. Reviews periodic progress reports submitted by the RCSTs and project woredas and provide appropriate feedbacks;
13. Manages human resource development, administrative and financial matters of the Project;
14. Approves staff recruitments; contract termination and extension at RPCU;
15. Undertakes and approves staff performance evaluation at regional level;
16. Ensures appropriate project human, financial and material resources utilization;
17. Conducts periodic inter woreda, between and/or among woredas and zones as required review meetings;
18. Facilitates project implementation support missions at regional level;
19. Facilitates dialogue with relevant regional government and other relevant bodies for the betterment of project performance in the region;
20. Takes corrective measures for wrong actions committed by project staff;
21. Performs other related duties from Regional Pastoral Development Bureau/Commission/president office and FPCU.

Job Specification:

Education: Second degree in Economics, Agricultural Economics, Sociology, Development Studies, Rural Development or other related fields of study;

Work Experience: Eight years' experience in Coordination, Planning and Implementation of projects, preferably in donor funded projects;

Skills and Knowledge:

- Good managerial, interpersonal and communication ability;

- Ability to use computer; such as; MS – Office, Excel, internet, etc);
- Ability to work independently as well as in team of multi-cultural backgrounds;
- Good report writing ability;
- Knowledge of work language (speaking, writing and reading) of the region.

B.2 Regional Planning, Monitoring and Evaluation Officer

Accountable to: Regional Project Manager

Job Summary: Under the supervision and guidance of the Regional Project Manager, the Regional Planning, Monitoring and Evaluation Officer undertakes regular monitoring and periodic evaluation of project. He/She is also responsible for preparation of project annual plans and progress reports at regional level.

Specific Duties and Responsibilities:

1. Follow up and maintains the projects monitoring and evaluation system at the regional, woreda and community levels;
2. Periodically monitors and evaluates the project's progress by visiting sites at woredas from inception to completion of the sub projects;
3. Provides the planning and facilitation support to woredas and relevant Bureaus in terms of participatory Monitoring and Evaluation system;
4. Facilitates the development and establishment of baseline data on the present condition of project woredas on natural resources and social services for use of future assessments of project performance;
5. Participate in the development of standard formats and reporting procedures for monitoring and evaluation of the project at regional, woredas and community level based on the results framework;
6. Ensures the involvement of relevant regional and *woreda* stakeholders in the project monitoring and evaluation activities;
7. Coordinates the monitoring and evaluation system of the project at regional level;
8. Organizes trainings, workshops and seminars on monitoring and evaluation activities of the project at regional level;
9. Assesses the progress and intermediate outcomes of the project in compression with the project objectives;
10. Identifies problems which may arise during project implementation and bring them to the attention of project management and follow up their timely resolution;
11. Debriefs the monitoring and evaluation field findings to woreda and regional level stakeholders;
12. Prepares and consolidates physical and financial monitoring and evaluation plans of the project;
13. Prepares and consolidates annual plans and progress reports of the project at regional level;
14. Involves as a counterpart in the implementation reviews and impact assessment studies;
15. Performs other related duties assigned by the regional project coordinator;

Job specification:

Education: B.Sc/BA degree in Agricultural Economics, Statistics, Economics, Sociology, Rural Development, Development studies or related fields of study;

Work Experience: Eight years in coordination, planning and M & E of projects; preferably in donor funded projects.

Skills and Knowledge:

- Ability to work in team and independently;
- Good interpersonal and communication skill;
- Good report writing ability;

- Computer application skill;
- Knowledge of work language (speaking, writing and reading) of the region.

B.3 MIS / IT Officer

Accountable to: Regional Project Manager

Job Summary: Under the supervision and guidance of the Regional Project Manager, the MIS/IT Officer works on project Management Information System, Information Communication activities of the project at Regional level.

Specific Duties and Responsibilities:
1. Ensures proper communication and information dissemination to all relevant stakeholders at regional level;
2. Facilitates the establishment and proper functioning of Regional Level Management Information System;
3. Undertake Regional level Hardware & software need assessment;
4. undertake ICT equipment Maintenance & Troubleshooting; and ensures adequate Preventive & Corrective maintenance provisions to all ICT equipment at the Regions, RCST and woredas levels;
5. Undertake ICT training needs assessment, preparation of user training manuals and provide trainings;
6. Undertake and ensure the installation of LAN and its proper functionalization at the regional and woreda levels;
7. Undertake the preparation of specification and Evaluation for ICT equipment;
8. Assists in the identification of reliable service provisions of the maintained computers, printers, photocopiers, and other office equipment;
9. Undertake other duties assigned by the regional project coordinator.

Job Specification:
Education: BSc degree in Information Science, Information Technology, Computer Science, Software Engineering, Electrical & Computer Engineering,
Work experience: Eight years of experience in related fields.
Skill and Knowledge:
- Ability to work in team and independently;
- Good interpersonal and communication skills;
- Knowledge of working language (speaking, writing, and reading) of the region.

B.4 Capacity Building and Knowledge Management Officer

Reporting to: **Regional Project Manager**

***Job Summary*:** Under the supervision and guidance of the Regional Project Manager, Capacity Building and Knowledge Management Officer will facilitate to improve the service delivery capacity of public institutions, continuous learning and adaptable knowledge management. He/She is responsible for the timely planning, implementation and reporting of capacity building activities and knowledge management and policy support subcomponent.

Specific Duties and Responsibilities:
1. Facilitates and manages the knowledge management and policy support subcomponent of the project in collaboration with relevant regional stakeholders;
2. Undertake periodical internal and external knowledge gap assessment and generate measures to address the gaps at regional level;

3. Devices ways and means to promote and transfer knowledge among the pastoral communities;
4. Facilitate the documentation and production of success stories and best practices at regional level;
5. Facilitates and manages dialogue with relevant regional government and civil society organizations to identify policy implementation and Knowledge gaps that constrain poverty reduction, food security and livelihoods improvements in pastoral areas;
6. Follow up the operationalization of the establishment and management of PAP centers for knowledge (PACKs) at the woreda level.
7. Supports Regional Lowlands/Pastoral Development Bureaus/President offices to conduct policy studies;
8. Facilitate the documentation and production of success stories and best practices;
9. Coordinates training and capacity building activities of the project;
10. Facilitate and follow up the proper utilization of the resource allocated for the subcomponent;
11. Organize peer learning exchange visits within the region;
12. Coordinates training and capacity building activities at regional level;
13. Consolidates and prepares quarter and annual plans and progress reports of the subcomponent at regional level.
14. Consolidates and prepare annual plans and periodic progress reports; and
15. Performs other related duties assigned by the regional project Manager.

Job Specification:
Education: BSc/BA in Economics, Management, Agricultural Economics, Sociology, communication, educational management, Rural *Development, or other related fields of studies.*
Work Experience: Six years in coordination, planning and implementation of projects preferably in donor funded projects;
Skills and Knowledge:
- Ability to work in team and independently;
- Good interpersonal and communication skill;
- Command of at least one respective regional language;
- Good report writing ability;
- Computer application skills; knowledge of work language (speaking, writing and reading) of the region.

B.5 Social Risk Management Officer

Accountable to: Regional Project Manager

Job Summary: Under the supervision of the Regional Project Manager, the Social Risk Management officer oversees the implementation of LLRP's social safeguard instruments (ESCP, ESMF, RF, LMP, SEP, GBV Action, SRAMP, and SA) in relation to public Economic Infrastructures (PEIs), rangeland managements, and climate resilient livelihood program interventions financed by the project to ensure that social mitigation measures are in place to preclude the occurrence of any adverse effects to the pastoral and agro-pastoral community. The officer also ensures that sub-project activities are consistent in their approaches to address social issues including inter-clan conflicts, social exclusion and marginality, vulnerability, Gender-Based Violence (GBV), gender issues and fully in compliance with the Credit Agreement, particularly with regard to the safeguards instruments prepared for the project including Environmental and Social Commitment Plan(ESCP), Environmental and Social Management Framework(ESMF), Resettlement Framework (RF), Labor Management Procedure (LMP), Stakeholder Engagement Plan(SEP), Social Assessment (SA), Security Risk Assessment and Management Plan (SRAMP) and other specific requirements at all stages of sub project development and implementation.

Thus, the officer will be expected to provide coordination and technical guidance for the teams involving in social risks management at all level to ensure the implementation of LLRP sub-projects in compliance with the safeguards environmental and social standards requirements and procedures, as well as the regular monitoring and reporting of the social risks management of the project.

Specific Duties and Responsibilities:

1. Leads the implementation of the safeguards instruments including ESCP, ESMF, RF,LMP, SRAMP, SEP and SA; as well as site-specific safeguards instruments such as SIAs, ESMPs, RPs, LRPs, etc. as may be needed in the LLRP II sub projects implementation;

2. Develops training manuals and deliver capacity building trainings to project staffs and other stakeholders on Social Safeguards issues, including gender and GBV;
3. Screen LLRP II sub projects, involve and lead the preparation of safeguard instruments and implementation of appropriate mitigation measures for the identified risks and impacts.
4. Ensure the incorporation and implementation of Code of Conducts, OHS issues, social issues and social management plans in the BID agreement documents during ***implementation*** of Disaster Preparedness and Resilience Investments (Climate-Smart PEI Investment Plan)
5. Ensure community participation and engagement through continuous and meaningful consultations with project affected communities, households and individuals, particularly with the vulnerable and marginalized groups, across all phases of project activities;
6. Promotes adaptive risks management approach in response to project-related social dynamics and development through closely engaging the local communities and relevant stakeholders;
7. Conducts field visits, supervisions, and provides technical supports to Safeguard focal persons at RCSTs , focal persons at woredas and key stakeholders regarding screening and implementation of social mitigation measures to address social issues such as forced displacement, social-exclusion and discrimination, social conflicts and associated insecurity, GBV/SEA, and issues related to community health and safety s per safeguard instruments prepared for LLRP II, ESS of the WB, legal frameworks of the GoE and safeguard tools of specific subprojects;
8. Assists the RCST and Woreda in the implementation of ESCP, ESMF, RF SEP, LMP, SRAMP, and the Social Development Plan of the Social Assessment through continuous community engagement;
9. Conduct RP and manage land acquisition and involuntary resettlement related activities/issues with implementation of public Economic Infrastructures (PEI), and climate resilient livelihood interventions;
10. Ensure the implementation of the Proclamation, Regulation, and Directive on expropriation of land holdings and compensation (Proclamation No. 1161/2019, Regulation 472/2020 and its associated regulations and directives) along with subprojects of LLRP II, so that underserved community members are properly addressed.
11. Assess and analyzes the root causes of conflict contexts and design conflict prevention and mitigation interventions in coordination with the other project team members;
12. Establish and ensure functionality of project-specific grievance redress mechanisms (GRM) to effectively address any complaints and/or conflicting situations associated with the LLRP II sub-project activities as well as monitors and reports its implementation;
13. Prepares monthly, biannual, and annual Social safeguards implementation and monitoring reports and maintain documents related to social risk management with developed formats and communicate it to concerned organs;
14. Works in collaboration with other staff members;
15. Execute other activities assigned and demanded by Federal Project Coordination Unit and regional project manager for the successful implementation of the LLRP II.
16. Performs other related duties assigned by the regional project Manager.

Job Specification
Minimum qualification: Master degree in Sociology, Social Work, Social Anthropology, Development economics, Development Studies or related Social Science fields of study.
Work Experience: A minimum of six years experiences in social risk management of development projects with special emphasis on community-driven development (CDD) projects of pastoral and agro pastoral areas.
Skills and Knowledge: The following skills and knowledge are essential as requirements for this post:

- Experience in socio economic studies, resettlement plan, livelihood restoration plan, and Social Assessments related to projects.
- Knowledge in the preparation and implementation site specific social safeguard instruments and/or tools of World Bank funded projects of the GoE (SIA,SMP,SA, RP, and Security risk assessments)
- Knowledge of the World Bank ESS and Environmental and social Framework (ESF) is an asset
- Ability to work in team and independently with limited supervision on a wide range of social development activities;
- Good command of English and must have good communication skills
- Good report writing skills.
- Computer application skills.

B.6 Job Title: Environmental Safeguard Senior Officer

Reporting to: Regional Project Manager

Job Summary: Under the supervision of the Regional Project Manager, the Environmental Safeguard Senior Officer oversees the environmental safeguard issues in relation to community subprojects and rural livelihood program interventions financed by the project to ensure that the mitigation measures for the identified risks and impacts are in place to preclude the occurrence of any adverse effects to human and environment. In addition, he/she ensures that sub project activities are consistent in their approaches to addressing environmental issues and fully in compliance with the World Bank standards, particularly with regard to the safeguard instruments prepared for the project: ESF, SEP, ERMP, ESCP, and LMP requirements in all stages of sub project implementation.

Specific Duties and Responsibilities
1. Lead the development and implementation of the safeguards instruments as may be needed in the LLRP-II implementation;
2. Follow up screening of environmental issues in project activities;
3. Conducts field visits and provides technical supports to woredas regarding training, screening and implementation of mitigation measures to address environmental issues as per safeguard ESS;
4. Assisting and supporting in cross checking of IPM/PMP activities planning and implementation of community subprojects and rural livelihood interventions;
5. Assisting the implementation of ESMF, Pest Management Plan (PMP) and environmental law and PMP regulatory framework;
6. Prepares reports and maintain environmental records on established formats;
7. Works in collaboration with other staff members;
8. Performs other duties as assigned by the project coordinator
9. Identify all relevant potential environmental risks concerns that may arise as a result of the projects.
10. Ensure compliance of project interventions with the requirements set out in the safeguard documents specific to LLRP-II;

11. Prepare and submit quarterly and annual reports on environmental safeguard implementation to the RPCU and FPCU in consultation with the implementing partners;
12. Provide technical advice to Project staff, participating districts, and other implementing partners on issues of environmental safeguards, natural resources management, and environmental sustainability
13. Ensure that project activities are carried out in line with World Bank safeguard instruments prepared for the Project and the local legislation;
14. Review safeguard instruments, such as EIAs, EMPs, etc., as applicable, and ensure all safeguards issues are accurately addressed vis-à-vis project design and ESMF provisions and provide expert guidance/advice to the RPCU
15. Prepare training materials and carry out technical training on environmental safeguards with project staff, government staff, and other relevant stakeholders (tailored to a specific group of trainees) such as on environmental assessment, management of natural habitats and occupational and community health and safety and integrated pest management
16. Ensure that the project activities follow the guidelines of the ESMF and to act to mainstream the provisions of ESMF into overall project operation
17. Prepare the site-specific EMPs including Environmental Monitoring Plan based on Environmental Screening survey and field observations considering the ESMF guidelines
18. Conduct consultative meetings with relevant stakeholders to discuss site-specific environmental issues of the sub-project and get feedback from the participants to refine the EMP
19. Provide professional input regarding environmental concerns into the planning, design and contracting of investments, including the preparation of tender documents, in close collaboration with the technical teams
20. Follow up the implementation of EMP, EIA, and PMP safeguard tools
21. Perform other duties assigned by Regional Project Manager

Job Specification
Education: Masters degree in Environmental Science, or Environmental Engineering, or Environmental health, or Biological Science, or Environmental Management or other related field.
Work Experience: Minimum eight years of experience as environmental safeguard expert in WB or donor funded projects and also experience in natural resources management, and project monitoring with special emphasis on community development is an asset
Skills and Knowledge:
- Experience in Environmental Assessment and Integrated Pest Management.
- Working experience in environmental safeguards of World Bank-funded projects will be an added advantage;
- Ability to work in team and independently
- Good command in English and must have good communication skills
- Good report writing
- Computer application skills

B.7 Disaster Risk Management Officer

***Accountable to*:** Regional Project Manager

Job Summary: The Disaster Risk Management Officer position at regional level is to lead and oversee comprehensive disaster risk management initiatives tailored to pastoral communities, ensuring effective risk reduction, early warning, and response mechanisms are in place at regional level.

Specific Duties and Responsibilities:

1. Maintain detailed records of project activities, encompassing data collection, assessments, training sessions, and response efforts. Prepare timely and comprehensive reports at regional level;
2. Conduct regular monitoring of project interventions' effectiveness, soliciting feedback from stakeholders and conducting evaluations to assess their impact on disaster risk reduction, early warning systems, and community resilience at regional level;
3. Collaborate closely with Regional Disaster Risk Management Committee (EDRMC) to undertake Disaster Risk Reduction (DRR) activities, Early Warning, and Early Action plans, along with response strategies specifically tailored to address the unique needs and vulnerabilities of pastoral communities in the region;
4. Forge strong partnerships with relevant regional concerned agencies, non-governmental organizations (NGOs) and other regional stakeholders to streamline efforts and optimize resource allocation for maximum effectiveness;
5. Facilitate comprehensive training sessions and workshops for local stakeholders, including community members, government officials, and partner organizations, to bolster their capacity in disaster risk management, early warning systems, and response protocols at regional level.
6. Develop, implement, and oversee early warning systems customized to suit the specific requirements and contexts of pastoral communities, ensuring they are accessible, reliable, and responsive to community needs at regional level.
7. Collaborating with project managers, technical experts, and other stakeholders to address cross-cutting risks and challenges in the region; and
8. Undertake other assignments given by the Regional Project Manager.

Qualifications and Experience:
The ideal candidate for this position should possess the following qualifications and experience:

- A Master's degree or higher in Disaster Risk Management, Social Work, food and livelihood security, Development Studies, Project Management, or a related field.
- At least 5 years of hands-on experience in risk management, preferably within development projects or initiatives focused on disaster risk reduction and early warning.
- Extensive expertise in disaster risk management and early warning systems within pastoral contexts.
- Proficiency and experience in multi-hazard early warning and early action systems, especially in PAP areas
- Proficiency in various risk assessment methodologies, tools, and techniques.
- Prior experience collaborating with international organizations or working on donor-funded projects, especially those associated with the World Bank, is highly advantageous.
- Exceptional analytical abilities, enabling the identification and prioritization of risks effectively.
- Excellent communication and interpersonal skills, facilitating meaningful engagement and influence with stakeholders across all levels.
- Demonstrated capability to work both independently and collaboratively within diverse, multidisciplinary teams, thriving in dynamic and fast-paced environments.

B.8 Infrastructure Engineer/Specialist

Accountable to: Regional Project Manager

Job Summary: The purpose of the Infrastructure Engineer/Specialist position is to guide and support the realization of strategic investments identified through comprehensive Disaster Preparedness and Resilience Building Strategic Investment Plan (DPRSIP) and provide technical backstopping to field offices pertaining to the implementation of various infrastructures comprising livestock markets, water points, small scale irrigation schemes and others as identified in the DPRSIP. He/she is supposed to guide and, as required, fully engaged in the

planning and design of structures and systems, construction and supervision of different infrastructures and provides proper direction on the development of operation and maintenance plans. Moreover, he/she is expected to assist capacity building and knowledge management activities related with infrastructures developed and/or rehabilitated by the project with an emphasis on community water supply and small scale irrigation schemes so that water supply both for human, livestock and irrigation practices will get improved at the rangeland clusters to sustainably improve livelihoods of the community and build resilience against man-made and natural shocks.

Specific Duties and Responsibilities

1. Support and advice the field staffs on planning and development of all infrastructure related activities;
2. Liaise with government entities and other development partners on all pertinent issues and best practices to ensure planning and implementation of project interventions in a holistic and sustainable manner;
3. Support activities which are designed to build capacity of relevant government institutions and staffs to implement all infrastructures with acceptable degree of workmanship at woreda level;
4. Collaborate with all stakeholders working in the rehabilitation and/or development of various infrastructures at regional level;
5. Provide technical support to the Zones, Rangeland Cluster Support Teams and Woreda partners in the areas of infrastructures planning, design, construction, construction supervision and; operation and maintenance to ensure good quality works and sustainable delivery of services from the project interventions;
6. Advice and assist government offices and other relevant partners/institutions to properly manage infrastructures developed by the project endeavors;
7. Support efforts of government offices and other relevant partners/institutions while doing irrigation programming, testing/project commissioning, operation and maintenance aspects, etc;
8. Identify and propose the use of new, climate-smart and user friendly technologies in consultation with relevant actors and promote the same while undertaking project interventions and through existing extension services;
9. Provide relevant technical advice on water resources planning, development and management, on farm irrigation water management, emergency irrigation rehabilitation activities, irrigation researches and other activities as and when required.
10. Prepare designs, bill of quantities, technical specifications and engineering cost estimates for sub-projects to be developed by the project complying relevant codes, standard manuals and guidelines acceptable both to the government and the donor;
11. Assist the regional procurement officer during the preparation of standard documents such as Standard Bid Documents (SBDs), Request for Proposal (RFP), etc. to procure goods, works and consultancy services;
12. Provide support to the regional procurement committee (tender evaluation committee) or officially delegated parties at times of technical evaluation of bid documents for the procurement of goods, works and consultancy services;
13. Give technical support to the project during site selection, site hand-overing, construction layout preparation, supervision, provisional and final acceptance, etc;
14. Inspect the workmanship quality, and take appropriate measurement of executed quantity of works based on the already approved designs, BoQ and technical specifications to give approval for either interim or final payments;
15. Closely follow-up and confirm fulfillment of every packages, equipment and furniture ahead of provisional/final hand-over to concerned stakeholders pursuant to the terms and conditions stipulated in the main contract agreement;
16. Ensure the validity and assignment of responsible bodies, in consultation with the team leader, for sustainable operation and management of infrastructures before undertaking provisional/final hand-over;

17. Provide relevant technical support in developing standard specifications to the community procurement committee, Woreda level delegates, etc during the procurement of equipment and furniture to fully functionalize completed and handed-over sub-projects;
18. Assist and collaborate with Consultants hired to undertake relevant studies (feasibility study, groundwater investigation, etc) as appropriate;
19. Review and evaluate study documents which are produced by recruited Consultants at different stages of the study;
20. Prepare proposals or Term of References (ToRs) which are required to carry out assessments or studies being made at Regional, Zone or Woreda levels through own-force account modality;
21. Hand-over construction sites to the Contractors together with other concerned stakeholders;
22. Work in collaboration with other team members to perform team assignments such as sensitization, awareness creation, etc;
23. Provide technical support for Zone and Woreda Project Coordinator during the preparation of performance report regarding the implementation of community sub-projects; and
24. Perform other duties as assigned by the Regional Project Manager.

***Education**:* BSc/MSc in Civil Engineering, Water Resources Engineering, Hydraulic Engineering, Water Supply Engineering, Irrigation Engineering, Agricultural Engineering or other related fields.
***Work Experience**:* Minimum of 6/4years'relevant professional experience at least 2 years with development partnersin the planning, design, construction, supervision and management of various infrastructures especially water points and small scale irrigation projects.

Skills and Knowledge:
- Ability to work with a team and independently
- Good command in English
- Good communication skills
- Good report writing
- Good computer and internet application skills
- Good moral character and professional integrity
- Software application skills: AutoCAD, Water CAD, GIS and others relevant to the position will be an advantage
- Skill of local language is an added value.

B.9 Rangeland and Pasture Development Officer

Accountable to: Regional Project Manager

Job Summary: The Regional-level officer will take responsibility for implementation of Component 2 and report directly to the Project Coordinator. Under the supervision of the Federal Project Coordinator, the IRM Senior Officer coordinates, oversees and provides guidance and technical supports in planning, implementation, supervision and reporting regarding rangeland and pasture development, building community-based institutions and pertinent capacities at both the community and local government levels.

Specific Duties and Responsibilities:
1. Involve in the implementation processes of updating and formulating RMPs;
2. Provide support in setting up of rangeland Monitoring System establishment and subsequent ground truthing processes;
3. Support and facilitate the operationalization processes of the Rangeland Monitoring System (RMS);

4. Adopt norms, technical standards and specifications which will help to meet rangeland resource development and management objectives;
5. Support regional rangeland management and development initiatives using methods aimed at protecting, rehabilitating and/or restoring the biomass cover and healthy condition of key rangeland sites;
6. Coordinate regional technical staffs to closely support woreda and kebele practitioners in maintaining soil stability and vegetation cover for integrated ecosystem services including grazing, wildlife habitats, carbon sequestration and outdoor recreation;
7. In collaboration with regional technical staffs (sector staffs), provide technical supports to ensure productive and climate-smart forage and pasture production engagements;
8. Closely support livestock holders through introducing adaptive grazing and feeding systems in order to improve the health statuses and productivity of both rangelands and livestock on a sustainable basis;
9. Coordinate regional practitioners (concerned sector staffs) and integrate both planning and implementation processes of rangeland and pasture development initiatives including the operational procedures of soil and water conservation measures;
10. In collaboration with research centres, facilitate the identification and adoption processes of suitable varieties of both imported and local forage cultivars;
11. Actively participate in assessing the grazing patterns to determine number and kind of livestock that can be most profitably grazed and to determine the best grazing seasons;
12. Coordinate and facilitate the adoption processes of new and improved instruments and techniques that fit to climate smart rangeland management interventions;
13. Mediate regional agreements among rangeland users and conservationists so as to support appropriate land use and management practices;
14. Offer advice to rangeland users and practitioners on livestock water management, forage production methods, and control of invasive weeds and/or bushes;
15. Support customary institutions virtually established rangeland management committees to meet the objectives of conflict management for secure access to key resources;
16. Facilitate the gap identification and subsequent provision of knowledge-based and technical training workshops for cluster and/or woreda level practitioners;
17. Consolidate and develop the regional AWPB documents and Periodic (Quarterly, Bi-Annually, Annually, Mid-Term and End-Term) Reports;
18. Performs other related duties assigned by the regional Project Manager

Education:
First degree in Rangeland Management, Land Use Planning and Management, Natural Resource Management, Agro-ecology and Sustainable Agriculture, and other related fields.
Work Experience:
Minimum six years of relevant professional experience in rangeland management, land use planning, rangeland and Pasture development preferably in projects funded by international development institutions. Demonstrated experience in rangeland resources management, land use planning/mapping exercises; preferably with knowledge of the Pastoral/agro-pastoral customary and production systems. Experience with planning/overseeing larger scale investments preferable.

Skills and knowledge:
- Ability to work in team and independently
- Good command in English and good communication skills
- Good report writing
- Computer application skills

B.10 Regional Livestock Development Officer

Accountable to: Regional Project Manager

Summary: The Regional Livestock Development Officer coordinates the implementation of climate smart livestock and crop production activities in PAP areas of the region to be supported by the project. He/she provides guidance on capacity building, planning and implementation of the subcomponent activities at regional level. Identification and provision of "smart packs' research technologies that enhance the delivery of livestock and crop production extension services, strengthen of animal health delivery services, application of One health approach, nutrition sensitive agro pastoralism, provision of livestock's feed and herd management practices are major activities to be undertaken under the subcomponent.

Specific Duties and Responsibilities

1. Coordinate the sub component activities at regional level;
2. Prepare/consolidate regional sub component plans;
3. Prepare sub component quarter and annual progress reports;
4. Supports the production and productivity of livestock and crop production systems, focusing on feed and forage technologies, community breed improvement, improved crop and livestock husbandry practices, nutrition education and homestead gardening;
5. Support Pastoral and agro pastoral communities in securing appropriate Livestock production management and health technologies;
6. Facilitate training for Woreda experts on improved livestock technologies and Crops and forage production, livestock's diseases control and delivery system and herd management;
7. Coordinate and support assessment of the status of PTC/ FTC for proper planning to rehabilitate, maintain and equip using project resources;
8. Coordinate and support assessment of the status Animal Health Clinics, health post and mobile clinics for proper planning to rehabilitate, maintain and equip using project resources;
9. Facilitate in establishing comprehensive animal health delivery system of the Region;
10. Facilitate assessment of animal health risk management initiatives and improving the delivery of risk based surveillance for TBDs, endemic diseases and food safety;
11. Facilitate relevant regional stakeholders on nutrition sensitive agro pastoralism demonstration mainly dry land farming, conservation agriculture, small scale irrigation, agroforestry, poultry, apiculture and fishery;
12. Facilitate and support extension system through the provision of improved technologies, supply of inputs for demonstration and training purpose;
13. Promote and facilitate livestock's genetic improvement technologies through Community-Based Climate Resilient Breeding Program (CBBP) and artificial insemination at regional level;
14. Support in strengthening of the public animal health delivery system and assist community-based animal health services;
15. Facilitate and promote implementation of a ONE HEALTH approach to provide a comprehensive or holistic health service for human, livestock and the ecosystem;
16. Facilitate production of improved forage, fodder and conservation practices at household's backyard gardens, and within their crop farms;
17. Coordinate and facilitate sub component related capacity building activities at regional level;
18. Organize experience-sharing visits on best performed activities between project woredas;
19. Organize field supervisions in project woredas and conduct mentoring and coaching on the performance of planned activities and provide technical backstopping;
20. Provide technical advice to the Regional Project manager in the areas of climate smart livestock's and crops production planning, implementation and performance;
21. Perform other duties as assigned by Regional Project Manager.\

Education: BSc / MSc/in animal Science /Animal production or other related field of studies Work ***Experience:*** Minimum of eight years relevant professional experience for BSc and six years for MSc in livestock's production, participatory research, agricultural extension, planning,

management, monitoring and evaluation of projects, preferably in projects funded by international development institutions.

Skills and Knowledge:

- Ability to work in team and independently
- Good command in English and must have good communication skills
- Computer application skills; AutoCAD and Knowledge of GIS will be an advantage
- Good report writing

B.11 Regional Livelihood Officer

Accountable to: Regional Project Manager

Summary: The Regional Livelihood Officer coordinates the subcomponent in providing guidance concerning capacity building, planning and implementation of activities related commercialization, livelihoods diversification, strengthening market linkages, and access to financial services at regional levels.

Specific Duties and Responsibilities

1. Coordinates and mobilizes technical supports of the implementing partners as per MoU; ensure to play their responsibilities;
2. Coordinate the collection of data from regional sector bureaus and Weredas, compile analyse and ensure the alignment of data at regional MIS data base management;
3. In collaboration with stakeholders coordinate the provision of appropriate training, mentoring, and coaching, for MSEs and PASaCCos business plan management, financial recording and reporting;
4. Coordinate the collection of data from the region and project woredas, compile, analyse and ensure the alignment of data at central MIS data base management;
5. Coordinate relevant regional stakeholders to assess the existing PASaCCos to allow their classification as strong, intermediate and weak. Support the newly established PASACCos to be viable and sustainable financial source;
6. Coordinates and supervises PASaCCos and Unions, to be sustainable financial source in the region;
7. Coordinate the implementation of Livestock Identification and Traceability (LIT) related activities in project region and ensuring its contribution to local and international market;
8. Coordinate the relevant regional government and private sector stakeholders that support Micro and Small Enterprise (MSEs), PASACCos and market linkage Productive alliance at regional level;
9. Facilitate and coordinate at regional level the study and implementation of activities related to value chain development and market system;
10. Support the implementation of Livestock Market Information System (LMIS) related activities in the regional level;
11. Provide technical advice to the regional project manager in the area of commercialization and Livelihood Diversification activities during planning, and implementation;
12. Ensure gender, youth and social accountability activities are mainstreamed in Commercialization and Livelihood Diversification sub component;
13. Based on the annual activity and budget plan, make regular field visit to project Weredas provide technical support and furnish monitoring reports to the project manager and federal sub component leader for timely decision making;
14. Coordinate communication performance including relevant case stories, success stories, pictures, photographs, and lessons learned related to the component performance;
15. Prepare the quarter and annual progress reports on the performance of the sub component on annual and quarterly basis;

16. Works in collaboration with other staff members; and Performs other duties as assigned by regional project manager.

Education: Bachelor of Art/Science or Master Degree in agricultural economics, rural development, economics, cooperative management, agricultural marketing, agricultural extension and related fields

Work Experience: Minimum eight years for BA/BSc and six years for MA/ MSc relevant professional experience in rural/pastoral and agro-pastoral livelihood development, cooperative, market planning, planning, management, monitoring and evaluation of projects, preferably in projects funded by international development Institutions,

Skills and Knowledge:

Experiences in the areas of rural finance and/or participatory research and livelihood diversification is desirable

- Ability to work in team and independently
- Good command in English and must have good
- Communication skills
- Good report writing
- Computer application skills

B.12 Procurement Officer (Regions)

Accountable to: Regional Project Coordinator

Job Summary: Under the supervision and guidance of the Regional Project Manager, the Procurement Officer manages the procurement activities at Regional level. He/ She is responsible for planning and implementation of procurement activities at Regional level.

Specific Duties and Responsibilities:

1. Prepares consolidated annual procurement plans and performance reports of the project at Regional level;
2. Prepares procurement action plan with related budget for RPCU;
3. Follow up to ensure that the consolidated procurement plan is submitted through STEP and cleared;
4. Provides technical support to targeted woredas;
5. Collects request for quotations and terms of reference, prepares bid documents and request for proposals, follows-up the advertisement of bids on newspapers, issue orders and follows up delivery and receipts;
6. Procures urgently needed goods and services, which are not available at the woreda level or cannot be handled by the woredas and communities;
7. Supervises and provide technical support to MSTs, project woredas and communities;
8. Ensures that all procurements are undertaken on a competitive bidding basis at woreda and community level;
9. Prepares and maintain minutes of Bid Endorsing Committee;
10. Prepares bid evaluation sheets or quotations;
11. Prepares contract of goods and services to be purchased based on the recommendation of the bidding committee and the decisions of the Regional Project Manager;
12. Follows-up the issuance of performance bond by the awarded supplier and the validity period for extension;
13. Ensures goods and services received by RPCU matches with the cost and specifications in the Performa invoices;
14. Maintains database of domestic suppliers, consultants, prices, technical specifications, catalogues, drawings and other information;
15. Arranges trucks and dispatch the items to their final destinations;

16. Facilitates the provision of procurement training /workshops at regional and woreda levels;
17. Prepares reports on the status and progress of procurement effected and consolidates reports;
18. Keeps records and procurement contract files in systematic manner;
19. Performs other related duties assigned by the regional project manager.

Job specification:

Education: B.A/B.Sc Degree in Purchasing or Procurement, Supply Management, Economics, Management, Accounting, Engineering and related fields of studies;

Work Experience: Eight years in procurement preferably in donor funded projects;

Skills and Knowledge:

- Good ability in using computer applications software;
- Ability to work in team and independently;
- Good communication and interpersonal skills;
- Good report writing skills;
- Knowledge of work language (speaking, writing and reading) of the region.

B.13 Finance Officer

Accountable to: Regional Project Manager

Job Summary: Under the supervision and guidance of the Regional Project Manager, the regional finance officer shoulders the responsibility of handling financial matters of the project at regional level.

Specific Duties and Responsibilities:

1. Plans, installs, implements, and advises on budgets, accounts control, and other accounting system based on the financial management manual;
2. Assists in the formulation of AWP&B preparation and implements same when approved;
3. Prepare the detail Recurrent cost Budget of the RPCU and submit to be endorsed by Coordinator;
4. Ensures compliance of budgetary and internal control procedures;
5. keeps the check books in safe until authorized to issue to the Accountant;
6. Make ensure that adequate number of accounts document (Voucher/pad) are available in the store;
7. Prepare annual consolidated budget and assists in the preparation of Regional AWP&B
8. Review the monthly fund transfer request and utilization report submitted from woreda, RCST and Regional Implementing Agencies;
9. Propose and endorse for subsequent fund transfer to be authorized by coordinator;
10. Coordinates and supervises accounting and financial management related activities at regional, RCST and Woreda levels;
11. Make ensure that each financial activities have been undertaken in comply with Financial management manual;
12. Guides and provide technical support to the Regional Accountant, RCST accountant and Woreda Finance officers;
13. Monitors the performance of fund flow mechanisms at regional level;
14. Check the Authorized payment request 's eligibility, completeness, arithmetic correction and availability of approved budget before the preparation of payment documents (BPV/ Bank transfer letter);
15. Make sure that the authorized payment request for service/ Goods have got the Quality assurance and inspection report for Goods from the concerned component Officer/ inspectors and verified by Procurement Officer as per the Contract Administration;
16. Instruct the accountant to prepare payment documents based on the Authorized payment request application;

17. Approve/ Authorize the petty cash payment request application;
18. Follow up settlement of per diem advance and clear within five days;
19. Sign on the approved per diem clearance form's approved by blank space for staff under him;
20. Ensure that the Accounts code assigned on the Petty cash payment Voucher, Bank Payment Voucher, Cash Receipts Voucher and Journal Voucher are correct at time of signing on;
21. Manage and control the petty cash payment activities;
22. Make the bank transfer instruction letter as per the Authorized payment from Local Bank Account;
23. Check and sign a monthly payroll sheet & write an instruction letter to Bank on 26th day of each month;
24. Follow up the settlement of outstanding balance given to Implementing Agencies at Regional level, RCST and Woreda;
25. Handle and maintain any tax related deductions, record properly and effect payment to the concerned Government Office within the stated date by the Tax Authority Office;
26. Prepares consolidated quarterly financial statements in accordance with International Financial Reporting Standards (IFRS);
27. Make detail review of the regional Quarter consolidated IFR and send to FPCU within due date;
28. Make ensure that counting petty cash inventory on a monthly basis and year end Fixed Assets and Stock, inventory count are conducted properly, reconciled with Ledger cards and report if any variance;
29. Facilitates the completion of annual audited project financial statements not later than six months after the close of the fiscal year;
30. Ensures that timely replenishments are made to project implementing agencies and the required funds are received from FPCU;
31. Liaises with the Regional Government Bureaus and WoFED and ensure that accounting records are maintained and financial reports are prepared on schedule, delivered to the RCST accountants and Regional PCU as per MoU and Financing Agreement;
32. Ensure that all accounting information is made available to internal and external auditors and answers queries;
33. Ensures that implementing agencies have installed the required financial management system based on the project financial management manual, and the internal auditor has reviewed the accounts at least once in a semi-annual;
34. Prepares framework, terms of reference, budget formats and parameters and assumption for recurrent activities cost distributes to all regions for the submission of their budget requirements;
35. Follow up the proper and timely submission of the monthly fund transfer request and utilization report from woreda after reviewed by RCST accountant;
36. Make close follow up that the audit findings have been cleared by action taken and report the status;
37. Supervise the day to day activities of the Accountants;
38. Performs other duties as assigned by the Regional Project Manager.

Job specification:
Education: B.A degree in Accounting/Accounting & Finance
Work Experience: 8 years in financial management preferably in donor funded projects.
Skills and Knowledge:

- Good experience in using computer software (Accounting Software);
- Good experience in manipulation of Peachtree Accounting program/Software and Basic Computer Application Skills;
- Ability to work in team and independently;
- Good interpersonal and communication skills;
- Good report writing ability;

- Knowledge of work language (speaking, writing and reading) of the Region.

B.14 Accountant (Recording & Reporting)

Accountable to: Finance Officer (RPCU)

Job Summary: Under the supervision of the regional finance officer, the Accountant (recording & reporting) provides a vital assistance in establishing and maintaining helpful financial management system and carry on activities assigned to him/her as specified hereunder.

Specific Duties and Responsibilities:

1. Assist Finance Officer in establishes and maintains an up-to-date and reliable financial management system;(1)
2. Assign account code on vouchers as per the chart of account, recording and posting to the general ledger and preparing monthly, quarterly and annual financial statement;
3. Collects check books, credit and debit advice and bank statements from the bank;
4. Prepare monthly reconciliation of bank statement with book ledger card and approve immediately;
5. Make reconciliation of inter transfer account Monthly, quarterly, yearly with FPCU, implementing agencies
6. Prepares journal voucher to make adjustments, closes entries, reconciles with general ledger, and consolidate accounts;
7. Follows up submission of periodical IFR with schedules from regional I.As, RCST, and Woredas;
8. Make detail review of quarterly IFR submitted from Regional, RCST, Woreda and I.As, forward for approval by finance officer before preparing the consolidated quarter IFR and schedules;
9. Assist Finance Officer in preparing consolidated Quarter IFR and annual consolidated financial statements in accordance with International Financial Reporting Standards;
10. Prepare Aging Analysis on advance and payables;
11. Follows up the timely settlement of all advance & reports if any deviation;
12. Conducts financial analysis, interprets outcomes and advises the Finance Officer in view of the required;
13. Makes sure that all accounting information is made available to internal and external auditors and answers queries regarding accounting and financial records and statements
14. Evaluates the financial performance of each region, RCSTs, woreda & I.As and advises the Finance Officer on its feasibility;
15. Prepare Debit note and issue to each Implementing agencies and Woredas;
16. Hand over the payment and receipts documents box file monthly from the budget & disbursement accountant,
17. Handle accounts document and records properly and keep in safe place as per the financial management manual;
18. Follow up the clearance of each outstanding cheque or reversing the entry;
19. Handle and maintain the fixed assets register ledger card;
20. Participate in the bid endorsing committee;
21. Performs other related duties as instructed by Finance Officer

Job Specification:

Education: B.A degree in Accounting/Accounting & finance
Work Experience: 6 years in financial management preferably in donor funded projects.
Skills and Knowledge:

- Good experience in using computer software (Accounting Software);

- Good experience in manipulation of Peachtree Accounting Program/Software & Basic Computer Application Skills
- Ability to work in team and independently;
- Good interpersonal and communication skills;
- Good report writing ability;
- Knowledge of work language (speaking, writing and reading) of the Region.

B.15 Accountant (Budget and disbursement)

Accountable to: Finance Officer (RPCU)
Job Summary: Under the supervision of the regional finance officer, the Accountant (budget & disbursement) coordinates and controls the overall budget and disbarment activities and carries on activities assigned to him/her as specified hereunder.

Specific Duties and Responsibilities:
1. Assists in plan, organize, coordinates and controls of the overall budget and disbursement activities of the Region;
2. Assists in Forecast the monthly and quarterly budgeted expenditure and cash requirement by activities and financers;
3. Assists in prepare and update periodically the assumption and parameters for recurrent cost budget preparation;
4. Handel and maintain budget ledger card for each component, subcomponent, activities, by implementer and financer. and update periodically;
5. Review the petty cash replenishment requests per the budgeted expenditure and eligibility of expenditure;
6. Make detail review of the fund transfer request and utilization report or Quarter IFR utilization as per the approved AWPB and forward with recommendation to Finance officer;
7. Based on the authorized fund transfer request or quarter budgeted expenditure and cash requirement, bank transfer letter is prepared in adequate copies and initial by signing on the last page;
8. Review each cheque payment request and Quarter IFR utilization for completeness and eligibility of supporting documents, and prepare payment document;
9. Check and certify all payment requests if they are in-line with the approved budget and available budget;
10. Performs budget review monthly, quarterly and reports variances for explanation by the respective regions and components;
11. Handel and maintain cash at bank book registration record and update periodically separately by each financer, and report the available cash balance daily;
12. Update the budget ledger card based on approved budget revision and record committed budget;
13. Prepare allocation and disbursement of cash based on policy and procedure of the project;
14. Make ensure that each payment and bank transfer has been received to the right payees by obtaining evidenced documents and receipts of acknowledgment;
15. Ensure that all payment and receipts account documents has been filed properly with all supporting documents sequentially;
16. Ensure that a cross reference has been assigned to each payment and journal vouchers;
17. Handel and maintain staffs debtors and advances record and follow up it settlement timely;
18. Handle and maintain each bank transfer letter, copy of advice and implementers requesting in a separate box file for each implementer;
19. Based on the monthly attendance sheet reported from Admin and General Service Officer, monthly staffs' payroll is prepared;
20. Prepare monthly tax related payment summary and process to be deposited to the concerned government office before the deadline;

21. Hand over the payment and receipts voucher document box file to recording & reporting accountants monthly;
22. Prepare the Bank payment, VAT and Withhold tax vouchers and cheque and get signed by each Authorized body, and sign on the prepared by space;
23. Check the eligibility of Invoice/Receipts, evidenced by copy of payee's Identity Card, delegation Letter before the cheque is issued/ handed over;
24. Properly file all Payment and receipts with supporting documents in appropriate Box file and mark paid on each supporting documents by writing the payment voucher reference # and date;
25. Prepare Cash receipts voucher acknowledgment for all cash deposited into bank account as per the credit advice;
26. Check the adequate availability of each unused Accounts document and prepare a request for publication before the end of the minimum required quantity balance;
27. Withdraw one cheque book form the Finance officer after getting approval from Finance Officer;
28. Perform other related duties as assigned by the finance officer

Job Specification:
Education: B.A degree in Accounting/Accounting & finance
Work Experience: 6 years in financial management preferably in donor funded projects.
Skills and Knowledge:

- Good experience in using computer software (Accounting Software);
- Good experience in manipulation of Peachtree Accounting Program/Software & Basic Computer Application Skills
- Ability to work in team and independently;
- Good interpersonal and communication skills;
- Good report writing ability;
- Knowledge of work language (speaking, writing and reading) of the Region.

B.16 Admin and General Service Officer

Accountable to: Regional Project Manager

Specific Duties and Responsibilities:
1.Staff Management

- Recruits the necessary staff as and when required;
- Plans and coordinates the proper utilization of man power;
- Handles all HR management issues;
- Motivates, evaluates, & appraises employees under him/her;
- Completes all performance management activities including: performance planning, monitoring, annual performance appraisals of staff reporting to him/her.

2. Procurement & Stores management

- Assists the procurement senior officer when advised by the regional project coordinator;
- Prepares and updates procurement schedules for materials and services requested by the various work units of the institution;
- Place procurement request, follows shipment, forwarding & clearance and ascertain availability of transport for delivery to users;
- Organizes and supervises the overall activity of the store;
- Ensures that all supplies purchased/donated are received by Goods Receiving Note, are properly handled, and issued by store issue voucher upon requests;
- Ensure that the project's properties are protected from theft, misuse, damage, pilferage, etc.

- Ensure that comprehensive annual inventory is carried out and appropriate action is taken as per the result of the inventory taken.

3.Logistics
- Provides logistics support for workshops provided by the project;
- Ensures activities such as duplicating, printing, safeguarding of property, compound security, and gardening are efficiently conducted;
- Administers fixed assets of the project;
- Ensures that all required utilities are availed;
- Ensures that all consumables such as stationery, working clothes, cleaning materials, etc, are availed by the store to users;
- Distributes working clothes, stationery and all other requirements timely and adequately.

4.Transportation
- Plan and coordinates the utilization of vehicles in accordance with work and field visit programs;
- Ensures vehicle utilization as per LLRP policies and procedures and pursue timely vehicle repair & maintenance;
- Authorizes requests for fuel, oil and lubricants and other supplies required to facilitate and carry out the transportation operations as per discretionary limits;
- Ensure that regular reports on fuel consumption and other related expenses pertaining to the project vehicle are prepared;
- Ensures that the vehicles of the project are in good order and condition to facilitate effective transportation services;

5.Insurance, Repair & maintenance
- Establish & maintains programmes of maintenance for vehicles & other properties;
- Gets performed the annual inspection of vehicles;
- Ensures that the timely maintenance & repair of communication facilities, office furniture & equipment, water & heating system, toilets & sewerage pipes, office electrical appliances, etc;
- Ensures that all office equipment, furniture, machine, telephone lines/apparatus, etc. are in good order and condition;
- Ensures that all buildings, properties & assets are registered and identified by type and users;
- Ensures that employee and properties of the project are insured and files and follows up claims whenever necessary.

6.Security, cleaning and office attendants Service
- Ensures that offices and the premises are maintained clean and are in order;
- Ensures that all offices, lavatories, etc. and the compound are cleaned and tidy;
- Ensures that delivery and collection of mails is done timely;
- Ensures that assigned office attendants provide adequate service to all work units.

7.Others
- Act as a liaison officer between the project & other organizations;
- Executives publicity in consultation with the project coordinator;
- Gets telephone, electric, water, postage & other utilities paid on time;
- Assists the project coordinator in executing routine activities;
- Works with perfect harmony with other work units of the institution;
- Performs other duties as assigned by the Regional Project Manager

Job Specification:

***Education*:** BA degree in Business Administration, Business management, management, Accounting or related fields,
Work Experience: Minimum of eight years in relevant experience as per the specified job description
Skills and Knowledge:

- Integrated knowledge and understanding of support services concepts, practices, systems, and procedures;
- Ability to interact & deal with people;
- Planning, organizational, analytical and decision-making skills,
- Basic computer skills;
- Good written and oral communication skill

B.17 Executive Secretary and Cashier

Accountable to: **Regional Project Manager**

Job Summary: Under the supervision and guidance of the Regional Project manager the Executive Secretary/Petty Cashier type reports, letters, memos, as well as opens and maintains the RPCU files for records and references; Serves as a petty cashier and operates under the revolving fund system.

Specific Duties and Responsibilities:

1. Types reports, letters and memos etc when requested;
2. Takes minutes of meetings using shorthand and transcribes the major points raised in the discussion for a review by the participants of the meeting;
3. Receives and sorts out mails sent to the RPCU and distributes these on time to other offices concerned; register incoming and outgoing letters;
4. Passes personal and important mails/messages to her/his supervisor and deals with routine correspondence;
5. Files all letters, memos, minutes, reports, etc;, and opens new files as required;
6. Makes appointments for the Project Coordinator and reminds him/her ahead of the schedule;
7. Makes and receives telephone calls and deals with routine inquiries and correspondence;
8. Welcomes guests and advises the Coordinator about their arrival;
9. Keeps the office neat and clean at all times;
10. Reports to office ahead of Accountable time and departs mostly after her/his supervisor has departed;
11. Provides guidance and assistance to other secretaries and office assistances;
12. Maintains a petty cash that operates on a revolving fund system and effects payments for minor expenses;
13. Maintains project records and documentation
14. Performs other related duties assigned by the regional Project Manager

Job Specification:
Education: College Diploma in Secretarial Science and Office Management from a recognized institution.
Work Experience: Six years of work experience of which four years was as a secretary and two years as a Senior Secretary.
Skills and Knowledge:

- Strong computer Skill in MS Office Applications (MS-Word, Excel, PowerPoint and other software);
- Knowledge of using Fax, Photocopy and Internet;
- Good Interpersonal communication.

B.18 Assistant Procurement Officer (Regions)

Accountable to: Procurement Officer

Job Summary: Under the supervision of the Procurement Officer, the A/Procurement Officer provides assistance in planning and implementation of project procurement matters at Regional level; He/She is responsible for assisting purchases of goods and services.

Specific Duties and Responsibilities:

1. Assists the preparation of procurement action plan with related budget for RPCU;
2. Assists in consolidating and preparation of annual procurement plans and performance reports of the project;
3. Assists the collection of request for quotations and terms of reference, preparation of bid documents and request for proposals, follows-up the advertisement of bids on newspapers, issue orders and follows up delivery and receipts;
4. Assists procurement of urgently needed goods and services, which are not available at the Woreda level or cannot be handled by the woreda and the community;
5. Assists preparation of bid evaluation sheets or quotations;
6. Assists the preparation of contract of goods and services to be purchased based on the recommendation of the bidding committee and the decisions of the regional Project Manager;
7. Follows-up of the issuance of performance bond by the awarded supplier and the validity period for extension;
8. Follow up goods and services received by RPCU matches with the cost and specifications in the Performa invoices;
9. Arranges trucks and dispatch the items to their final destinations;
10. Assists the preparation of reports on the status and progress of procurement effected and consolidates reports;
11. Keeps records and procurement contract files in systematic manner;
12. Performs other related duties assigned Procurement Officer.

Job Specification:
Education: BA degree/ Diploma in Accounting, Economics, Marketing Management, Supply Management, or other related fields of study;
Work Experience: 4/6 years for degree and diploma, respectively in procurement preferably in donor funded projects

Skills and Knowledge:

- Good ability in using computer applications;
- Good communication and interpersonal skills;
- Ability to work in team and independently;
- Knowledge of work language (speaking, writing and reading) of the region.

C. Rangeland Cluster Support Teams (RCSTs)

C.1 Rangeland Cluster Support Team (RCST) Team Leader and M&E Specialist

Accountable to: Regional Project Manager

Job Summary: Under the supervision of the Regional Project Manager, the Rangeland Cluster Support Team (RCST) Leader is a focal person for M&E besides leading RCST members and oversight livelihood Program, Rangeland & Pasture Development, Community sub project implementation, procurement and financial management activities.

Specific Duties and Responsibilities:

1. Manages Range Land Support Team (RCST) that supports the project process and coordinates its activities, including resource allocation and implementation follow up at woreda and community levels;
2. Follows up the financial management aspects of the woredas and RCST;
3. Approve payment and sign on cheque;
4. Oversees and coordinates the planning, implementation of various component activities and project budget;
5. Provides technical assistance to Woreda Cabinet to develop appraisal procedures for sub-project proposals initiated by communities;
6. Provides capacity building training and awareness creation for woreda level implementers and community;
7. Provides technical supports to woreda cabinet, woreda technical committee, woreda appraisal team and community based institutions in the implementation of community consultative planning process and broad participation as well as implementation of community sub projects;
8. Supports and collects M&E information using project standard formats, and report on annual and quarterly basis to RPCU;
9. Supports and follows up that the procurement procedures are properly implemented at woreda and community levels;
10. Ensures availability of necessary documents at community and woreda levels;
11. Follows up the functionalization by facilitating allocation of operational cost and manpower to give effective services for communities;
12. Follows up social and environmental safeguard aspects of the subprojects based on Resettlement Policy Framework and Environmental Management Framework;
13. Follows up the technical quality to ensure their sustainability;
14. In collaboration with woreda cabinet, KDC and CPMC mobilize communities to deposit community cash contributions on time;
15. Follows up community engagement, and agreement of woreda and regions;
16. Facilitates training to selected households to implement livelihood opportunities for which business plan developed;
17. Follow up the establishment and strengthening of SACCos and CIGs;
18. Facilitates technical supports to households on business plan development and provide guidance on accessing financial resources from other sources to implement business plan;
19. Follows up the establishment of F/PRG and related capacity building activities, preparation, approval and implementation of research proposal as well as demonstration of research results;
20. Follows up the establishment, facilitate training and ensure functionality of the community oversight committee and Community Audit Committee;
21. In collaboration with other team members establish and train a kebele facilitation team (kebele administrator and manager and other key KDC members, frontline service providers such as DAs, animal health technicians, teachers, and HEWs as well as pre-identified traditional leaders of the community that can serve as representatives of the broader community);
22. In collaboration with other RCST members and woreda technical committee members, together with the kebele facilitation team, conduct PRA to map traditional and formal community groups and establish a community profile and maintain data produced in this exercise;
23. Facilitates and supports community development plan development in each project kebele;

24. Follow up and support the woreda appraisal team in the appraisal of subprojects submitted by KDC for approval by woreda cabinet;
25. Follows up collection of community contribution for the implementation of community subprojects, proper recording and utilization;
26. Works in collaboration with other staff members;
27. Performs other duties as assigned by the regional project manager

Job specification:
Education: B.Sc/BA degree in Agricultural Economics, Agricultural Extension, Animal science, Economics, Sociology, Rural Development, Management or other related fields of study
Experience: Eight years in coordination, planning, monitoring and implementation of projects preferably in donor funded projects
Skills and Knowledge:
- Ability to work in team and independently
- Good interpersonal communication in English
- Good report writing ability
- Computer applications skills
- Knowledge of working language (Speaking, Writing and Reading) of the region

C.2 Livelihood officer

Reporting to: Team Leader

Job Summary: The Livelihood Officer coordinates the component in providing guidance concerning capacity building, planning and implementation of activities related to improving the productivity of the PAP production systems, enhance the delivery of livestock and crop production extension services and animal health services support livelihoods diversification, strengthening market linkages, and commercialization; and access to financial services.

Specific Duties and Responsibilities
1. Supports in strengthening the regular extension system (pastoral and farmer training centers, development agents, and pastoral and agro-pastoral research and extension groups (PAPREGs) and the mobile extension system (pastoral and agro-pastoral field schools, P/APFS),
2. Supports the production and productivity of livestock and crop production systems focusing on feed and forage technologies, community breed improvement, good pastoral practices, improved crop and livestock husbandry practices, nutrition education and homestead gardening
3. Coordinates closely on the data collection on incomes, household business investments, and savings as well as keeps records and documents of activities related to the component;
4. Support the establishment and strengthening of SACCOs in project woredas;
5. Support the establishment of Common Interest Groups (CIGs) in project woredas;
6. Coordinates and supervises the promotion of unions, identification and development of livelihood opportunities and participatory research activities supported by the project;
7. Reviews and prepares annual work plan and budget of the component at cluster level
8. Reviews and prepares the quarter and annual progress reports of the component at cluster level;
9. Follows up identification of livelihood opportunities joint with community consultation, market and technical analysis to identify viable IGA, business plan preparation for selected households and training households to implement livelihood activities for which business plan developed;
10. Support formation of common interest groups (CIGs) and strengthening their capacities

11. Supporting research through PAP research and extension groups (PAPREGs), managed by universities and research centers.
12. Facilitates and oversees training to selected households to implement livelihood opportunities for which business plan developed;
13. Works in collaboration with other staff members; and
14. Performs other duties as assigned by the Team Leader.

Job Specification:
Education: First Degree in agricultural economics, rural development, economics, cooperative management, agricultural extension, or other related fields,
Work Experience: Minimum 6 years of relevant professional experience in rural livelihood development program such as cooperative, market development, participatory research, agricultural extension, planning, management, monitoring and evaluation of projects, preferably in projects funded by international development institutions,
Skills and Knowledge:
- Experiences in the areas of rural finance and/or participatory research and livelihood diversification is desirable
- Ability to work in team and independently
- Good command in English and must have good communication skills
- Good report writing
- Computer application skills

C.3 Infrastructure Engineer/Specialist

Accountable to: Team leader

Job Summary: The purpose of Infrastructure Engineer/Specialist position is to provide technical backstopping to field offices in all activities related to water and irrigation infrastructure. Moreover, he will provide the required support for the implementation of community sub projects. He/ she is supposed to assist the planning and design of structures and systems, construction and supervision of different infrastructures and provides proper guidance on the development of operation and maintenance plans. Moreover, he/she is expected to assist capacity building and knowledge management activities related with infrastructures developed and/or rehabilitated by the project with an emphasis on community water supply and small-scale irrigation schemes so that water supply both for human, livestock and irrigation practices will get improved at the rangeland clusters to sustainably improve livelihoods of the community and build resilience against man-made and natural shocks.

Specific Duties and Responsibilities
1. Support and advise field staff on planning and development of all infrastructure related activities;
2. Liaise with government entities and other development partners on pertinent issues and best practices to ensure planning and implementation of project interventions in a holistic and sustainable manner;
3. Support activities which are designed to build capacity of relevant government institutions and staff to implement all infrastructures with acceptable degree of workmanship at woreda level;
4. Collaborate with all stakeholders working in the rehabilitation and/or development of various infrastructures at Zone and Woreda level;
5. Provide technical support to the Zone and Woreda partners in the areas of infrastructures planning, design, construction, construction supervision and; operation and maintenance to ensure good quality works and sustainable delivery of services from the project interventions;

6. Advice and assist government offices and other relevant partners/institutions to properly manage infrastructures developed by the project endeavors;
7. Support efforts of government offices and other relevant partners/institutions while doing irrigation programming, testing/project commissioning, operation and maintenance aspects, etc; ;
8. Identify and propose the use of new, climate-smart and user friendly technologies in consultation with relevant actors and promote the same through existing extension services;
9. Provide relevant technical advice on water resources planning, development and management, on farm irrigation water management, emergency irrigation rehabilitation activities, irrigation researches and other activities as and when required.
10. Prepares bill of quantity/ speciation to estimate subproject total budget based on standard design accepted by the government;
11. Helps procurement officer in preparing bid documents for the procurement of materials and skilled labor;
12. Helps community procurement committee or official delegated parties in technical evaluation of engineering aspects of bid documents submitted for the procurement of skilled labor and industrial materials;
13. Provides technical support to community in site selection, layout and hand over sites to skilled labor;
14. Provides necessary information to community procurement committee to know in advance about quality, type and quantity of industrial materials to be supplied to enable them to procure quality materials as per specification;
15. Checks technical quality and take measurement of quantity of work done in view of design and specification to give approval to execute payment requested by skilled laborer;
16. Follows up and confirms the fulfillment of every packages, equipment and furniture before hand over subprojects to concerned bodies and ensure assignment of the responsible body for maintenance and operation of infrastructures;
17. Provides technical supports to community procurement committee, woreda level delegated parties in procurement of equipment and furniture to functionalize completed subprojects by preparing the standard specification of the materials;
18. Works in collaboration with other team members to perform team assignments such as sensitization, awareness creation and a three step community consultation process;
19. Provides technical supports to woreda project coordinator in preparation of performance report regarding the implementation of community subprojects;
20. Performs other duties as assigned by the team leader

Job Specification:

Education: BSc/MSc in Civil Engineering, Water Resources Engineering, Hydraulic Engineering, Water Supply Engineering, Irrigation Engineering, Agricultural Engineering or other related fields.

Work Experience: Minimum of 4 years relevant professional experience, at least 2 years with development partners in the planning, design, construction, supervision and management of various infrastructures especially water points and small scale irrigation projects.

Skills and Knowledge:

- Ability to work in team and independently
- Good command in English and must have good communication skills
- Computer application skills; AutoCAD and Knowledge of GIS will be an advantage
- Good report writing
- Computer application skills

C.4 RCST Finance Officer

Accountable to: Team leader

Job Summary: Under the technical supervision and guidance of the Regional Finance Officer, the RCST finance officer Plans, and Manages Controls/ supervises the woreda's financial resource and provides technical assistance and support to Woreda.

Specific Duties and Responsibilities:

1. Make a Quarterly Action Plan based on the AWP, implement, monitor and evaluate the performed activities of the RCST and Woredas;
2. Establishes and maintains a strong Internal control system / mechanisms based on the Financial Management Manual;
3. Advise and propose on budget, Internal control, and Accounting system at woreda and RCST levels;
4. Provides technical assistance for woreda staffs in preparation and compilation of AWP and Budget, Quarter Report and in manipulation of Peachtree Accounting program;
5. Make a capacity gap assessment and arrange a Job on Training for the Woreda Finance Officer, RCST cashier, and for non finance personnel at woreda level;
6. Supervises/supports on those accounting and financial management related activities that have to be undertaken at woreda level;
7. Facilitates and co-ordinates the smooth completion of annual Financial Auditing of the project woreda and make ensure that if any issues raised on the Audit finding and recommendation, clear it by taking action;
8. Assists the Regional Finance Officer in the preparation of AWP&B of the respective woreda & RCST, and provide the required information and support in consolidation of Quarterly Financial Report;
9. Monitors the performance of fund flow mechanisms of the Project woreda and submission of finding based on aging analysis to woreda cabinet and the same to RCST and RPCU to take action;
10. Review Account Records and financial documents of the respective project woredas and RCST against with payments, supporting documents and cheque, and report the findings to Regional Finance Officer and the same copy to the regional co-coordinator to be taken the right action;
11. Prepares the payment document (cheque payment voucher) and sign on prepared by and checked by blank space;
12. Sign on cheque;
13. Verify petty cash payment request and sign on checked by blank space;
14. Handle and keep account document properly;
15. Follows up receipts of financial reports from project implementing agencies/ Project woredas;
16. Ensures compliance of budgetary and internal control procedures;
17. Ensures that monthly bank statements and bank advices are collected and reconciliations are prepared immediately;
18. Ensures that timely replenishments are made to Region and the required funds are received from Region;
19. Makes sure that all accounting information is made available to internal, external auditors and World Bank mission review and answers queries;
20. Ensures that appropriate actions are taken as per the Audit findings and recommendation and responds are sent to Region within three months after the end of the Audit report;
21. Ensures that quarterly reports are prepared in comply with the Financial Management Manual and sent to the Regional Finance Officer in less than 17 days after the end of the quarter for which the report is prepared;

22. Assist the Regional Finance Officer in the Preparation of consolidated quarterly, semi-annual and annual financial reports by providing the respective project woredas information;
23. Make sure that the proper Fixed Assets registration ledger card have been maintained and updated;
24. Facilitate and make a close follow up to be undertaken the year end property inventory count, and send the report to RPCU timely;
25. Prepare the monthly financial report in the absence of woreda finance officer;
26. Performs other related duties assigned by team leader

Job Specification:

Education: B.A degree in Accounting/Accounting & finance

Work Experience: 6 years in financial management preferably in donor funded projects.

Skills and Knowledge:
- Good experience in using computer software (Accounting Software);
- Good experience in manipulation of Peachtree Accounting Program/Software & Basic Computer Application Skills
- Ability to work in team and independently;
- Good interpersonal and communication skills;
- Good report writing ability;
- Knowledge of work language (speaking, writing and reading) of the Region.\

D. Woreda Level Staff

D.1 Woreda Project Coordinator1

Accountable to: Woreda Pastoral Development Office head

Job Summary: Under the supervision and guidance of Woreda Pastoral Development Office head, the woreda project coordinator facilitates the planning and implementation of LLRP financed sub- projects at community and woreda level; Responsible for maintaining records and documentation (e.g project master file) related to the project and produces periodic progress reports.

Specific Duties and Responsibilities:
1. Facilitates community and woreda level sub-projects planning and implementation;
2. Facilitates the mobilization of technical staff from concerned woreda level government offices in planning, implementation, M & E activities;
3. Facilitates and follows up capacity building activities for community based institutions and woreda government stakeholders;
4. Consolidates and submits annual work plans and budgets to the Woreda Pastoral Development office for appraisal;
5. Consolidates and submits Periodic progress report to Woreda Pastoral Development office, RCST and RPCU;
6. Organizes quarterly performance meeting at woreda level;
7. Follows up proper project budget disbursements and utilization;
8. Follows up timely and appropriate project procurement activities;
9. Ensures appropriate project material resources utilization;

[1] For administrative action, he/she will be accountable to the regional project coordinator.

10. Assists Woreda cabinet during appraisal and approval of community sub-projects;
11. Ensures and maintains records and documentation related to sub-projects;
12. Maintains records of sub-projects inventory in the woreda;
13. Follows up the establishment and functionality of saving and credit cooperatives;
14. Facilitates the planning and implementation of livelihood development activities;
15. Ensures that all information are posted/displayed for each sub-projects at community level;
16. Sign on cheque;
17. Verify for budget by signing on " certify by" blank space that will be then approved by WoFED Head;
18. Verify the per diem settlement document in respect of daily allowance, which will approved by WoFED Head within two days;
19. Ensures that the community fund transfer request is in line with the approved budget;
20. Ensures that all procurement documents are properly file and kept in safe place;
21. Ensures that the financing agreement are signed between Kebele and woreda;
22. Follow up and collect all expenditure document from the Kebele;
23. Coordinate project activities at Woreda level (including woreda finance and accounting activities);
24. Performs other related duties assigned from the woreda & RPCU.

Job Specification:

Education: B.Sc./B. A degree in Agriculture, Rural Development, Sociology or related fields of studies.
Work experience: A minimum of Four years of work experience in rural development project
Skills and Knowledge:

- Good interpersonal and communication skills;
- Report writing skills;
- Computer application skills;
- Knowledge of working language (Speaking, Writing and Reading) of the region.

D.2 Woreda Finance Officer2

Accountable to: WoFED Head

Job Summary: Plan, Manage, control all the project recourse financial management (budget & budgetary control, fund flow, disbursement, accounting record, internal control, reporting and auditing) in comply with the Project Financial Management Manual.

Specific Duties and Responsibilities:
1.Daily Activities

- Checks the authorized payment request, evidenced by eligible and completeness of supporting documents, and arithmetic correction before preparing the cheque payment voucher;
- Checks the availability of adequate investment or recurrent cost budget as per the approved Budget line category;
- Prepares the Bank payment, VAT and Withhold tax vouchers in comply with financial manual and terms and conditions of the financing agreements and sign "prepared by and checked by blank space. The Woreda Project Coordinator (WPC) verify for budget;
- Prepares cheque while bank payment voucher has been approved by WoFED Head;

[2] For administrative action, he/she will be accountable to the regional project coordinator. Moreover, technically he/she is accountable to the woreda project coordinator.

- Provides training and assist to the community and CPC for how, when and on what condition has fulfilled to release the payment and what type of supporting and invoice document they receive;
- Checks the eligibility of Invoice/Receipts, evidenced by copy of Payee's Identity Card, delegation Letter before the cheque is issued;
- The payee should sign on the cheque stab and voucher before the cheque is issued/ handed over. This has to be checked by the finance officer;
- Make closely follows up for timely submission of eligible expenditure, complete supporting documents and official pre numbered and headed invoice of suppliers, service rendered to settle the advance;
- Check the summary of petty cash replenishment request with the attached source document and prepare the replenishment within a day;
- Maintain and update budget ledger card by each activities and financers;
- Assigns account code on payment, receipts and journal vouchers as per the chart of accounts and Post to the Peachtree General Ledger Account;
- Record on the memorandum book for Per diem advance paid to staff and follow up for the settlements;
- Check and verify the per diem settlement document in respect of daily allowance and sign on the prepared by blank space, which will be certify by Woreda Project Coordinator (WPC) and approved by WoFED Head;
- Properly file all Payments and receipts with supporting documents in appropriate Box file and mark paid on each supporting documents by writing the payment voucher reference #, amount and date

2.Monthly Activities

- Collects any bank debit and credit advice and monthly bank statement and hand over bank transfer /instruction/ letter to/from bank;
- Maintain and update manual cash registration Book for Local Bank account, prepare bank reconciliation and get approved by WoFED Head and make the necessary adjustment if there is any;
- After verifying the correctness of posting entry, Mark "posted" on each payment, receipt and journal voucher and print out journal entry, T/B, B/S and I/S and file in a separate box file;
- Prepare monthly fund transfer request and utilization report with other required schedules by each activities and financers using the standard format and send to the RPCU and same copy to RCST after the WPC certify and the WoFED Head approve within the due date;
- Prepare monthly tax summary on the appropriate format (Income, W/Hold, VAT, other) and pay to the concerned government office monthly before the due date;
- Make back up of the Peachtree Accounts data, General Ledger file by External Hard disk;
- Check the adequate availability of each unused Accounts document and prepare a request for issuing the pre numbered and headed voucher and cheque book by approving the WoFED Head the request by or notify to RPCU before the end of the minimum required quantity balance. Keep in safe & locked place all the unused Accounts document;
- Conduct cash count on a monthly basis, reconcile with cash ledger and attach with monthly financial report;
- Quarterly
- Print out all General Ledger card, financial statements and keep in file properly and make available to RCST Accountant and/ or internal audit work as desire;
- Prepare the next quarter budgeted expenditures and cash requirement along with IFR, the audit finding status report and send to WPC and same copy to RCST within due date;

3.Annual Activities

- Maintain and update the stock ledger card and the fixed asset registration ledger card and reconcile with yearend physical inventory and the findings presented by inventory committee;

- Ensure that the cash count is conducted by the internal auditor of the woreda and attached copy with annual financial report;
- Print all General Ledger Accounts and Financial statement of each Fiscal year after the necessary adjustment is done;
- Prepare the annual financial statement and schedules including Peach Tree backup and send to WPC and same copy to RCST before the due date using the standard formats;
- Assist the WPC in the annual AWP Budget preparation;
- File all Accounts document in Box file in sequential way and properly, keep in safe place and make ready and avail for external audit work;
- Perform other related duties as requested by the WPC and /or WoFED Head

Job Specification:

Education: B.A degree in Accounting /Finance and Accounting from recognized University/College.

Work Experience: A minimum of four years of experience in Accounting / Financing and Budgeting /Fund Management activities, preferably in Donor funded projects.

Skills and Knowledge:

- Good experience in manipulation of Peachtree Accounting program/ Software and Basic computer application skills,
- Ability to work in team, independently and frequently travel to hardship area at Woreda Level;
- Good Financial Report writing ability;
- Good interpersonal communication;
- Computer application;
- Knowledge of working language (Speaking, Writing and Reading) of the region.

Annexure 5: MoUs for Partnership and Collaboration Arrangements

Annexure 5.1: MoU for Ministry of Agriculture

Memorandum of Understanding between Ministry of Irrigation and Lowlands /MoILLs/And Ministry of Agriculture /MoA; June 2024, Addis Ababa

Preamble

The Lowland Livelihoods Resilience Project (LLRP II) is an integrated and comprehensive development program planned to be signed among the Federal Democratic Republic of Ethiopia, the International Development Association (IDA) and the International Fund for Agricultural Development (IFAD). The total cost of this Investment Project Financing (IPF) is US$ 424 million consisting of a credit (USD 340.00 million) from the International Development Association (IDA, WB), a US$ 80 million IFAD, and US$ 4 million contribution from beneficiary communities. The project is approved on 28-Mar-2024. The project will build on and enhance the institutional arrangements of LLRP I, with a focus on enhancing coordination and synergies among different institutions supporting Ethiopia's lowland PAP communities. MILLs will be the lead implementing agency. It will host the Federal Project Coordination Unit (FPCU) and will have the overall responsibility for overseeing the project. Federal and regional Steering committees from relevant sectors ministries, including Ministry of Finance, and technical committees at federal, regional and woreda levels will continue to oversee and provide technical backstopping for the project. Implementing partners will include the MoA, ECC, EIAR, EDRMC, EMI, ATI, and MLSs.

The development objective of the project is to improve the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia. It is eminent that under the prevalence of extreme poverty where unemployment coupled with the growing population in the PAP areas of Ethiopia.

Lowlands Livelihood Resilience Project (LLRP-II) is implemented in eight Regions, targeting about 120 Woredas PAP areas of Ethiopia. They include the seven regions covered under LLRP I (Afar, Benishangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, and South West Ethiopia People's regions) and the newly joined region Dire Dawa. A total of 120 woredas, including 100 woredas covered under LLRP I and 20 newly added ones, located in 40 woredas in Somali, 23 in Afar, 21 in Oromia, 7 in Southern Ethiopia, 5 in South West Ethiopia people, 11 in Benishangul-Gumuz, 9 in Gambella and 4 in Dire Dewa will benefit from the project.

The project components support livelihoods resilience impacts of climate change which is a function of absorptive, adaptive, and transformative capacities. Therefore, to enhance livelihood resilience, the proposed project will combine complementary layers of investments under three complementary technical components. Investments in Component 1 will focus on strengthening the early warning and early action systems and financing strategic public economic infrastructures to build climate change mitigation and adaptation capacities addressing the preparedness, absorptive and adaptive capacity dimensions of resilience. Component 2 will focus on improving the natural resource base of the PAP systems through developing the rangelands and conflict management and access to key natural resources including improved and alternative energy sources for better absorptive and adaptive capacities at community and production system levels. Component 3 will support livelihood improvement, diversification and commercialization of the livestock and crop sectors through climate smart innovations, technologies and practices contributing for adaptive and transformative capacities for resilience at household and community

The MoU is signed between Ministry of Irrigation and Lowlands /hereafter referred as MoILLs/ and Ministry of Agriculture (hereafter called MoA) to provide the required support in the

implementation of activities stated under component two and three of the project (Lowland Livelihood Resilience Project II).

Thus, this Memorandum of Understanding (MoU) recognizes and formalizes the joint interest of the Ministry of Irrigation and Lowlands /MoILLs/ and Ministry of Agriculture to support the project in areas that required attention and technical support by the MoA. The MoU has an intention of creating clear and strong coordination and cooperation of the two parties, so as to smoothly implement the project as planned. Specific duties and responsibilities of the two parties are clearly stated below.

I. Duties and responsibilities Ministry of Agriculture /MoA/

The Ministry of Agriculture has the following duties and responsibilities.

- As a key member of the Federal Level Steering Committee (FSC), actively involves in the approval of the Project Annual Work Plan and Budget (AWBP) and overseeing of the project performance;
- Ensuring alignment between the broader Ministry of Agriculture (MoA) policy and strategy in pastoral areas and the project activities;
- Develop a work plan, that clearly specifies the activities, resource needed, deliverables and outcomes;
- Develop and promote a package of good practices for Pastoral and Agro-Pastoral (PAP) activities in Project agro-ecological zones;
- Technically support the implementation of the existing both livestock and crop strategies and guidelines like Pastoral & Agro-Pastoral (PAP) Field Schools, Nutritive Sensitive agriculture, digital extension & private sector led extension system and animal health Public-Private Partnerships /PPP/ arrangement.
- Support the implementation of climate-smart technologies Integrated and bundles approach (Smart Pack) gender sensitive and climate smart technologies and innovations on breed (CBBP), health, feed and herd management interventions to increase livestock productivity, and reduce GHG emissions,
- Support Agro-pastoralism and dryland farming through improved practices, technologies and innovations
- "Rangeland Monitoring System establishment and hosting of the system for its sustainable functionalization" will be jointly shouldered by the ministry (MoA) and the Agricultural Transformation Institution (ATI) which is institutionally accountable to the ministry
- Support the project regions to apply integrated, participatory, nature-based, and climate-smart approaches and leverage renewable and efficient energy sources and technologies
- Provide technical support in prompting nature Based Solutions (NBS) to the project investments, the project will benefit from "NBS Invest" program of Accelerating investment in Nature-Based Solutions (NBS).
- Support in strengthen the capacity of rangeland management institutions, including existing and newly established rangeland management committees (RMCs) and customary institutions through inter-regional end cross border experiences sharing,
- Provide high level support to manage invasive weeds and commercialization of forage and pasture production.
- Support One Health approach along with concerned federal stakeholders in the project regions.
- Support breed conservation practices and Artificial insemination services including Regional Liquid nitrogen center.
- Technically support and lead the implementation of Livestock Identification and Traceability (LITS) in the project regions.
- Providing high-level technical assistance and quality assurance support in building institutional capacity to improve the delivery of pastoral and agro pastoral services;

- In coordination with the Federal Project Coordination Unit (FPCU), regularly monitoring Project performance based on key project indicators, and evaluate the lessons learned for adapting and scaling up interventions in the future; and
- Based on regular monitoring of project performance, provide timely feedbacks for the project.

II. Duties and responsibilities Ministry of Irrigation and Lowlands /MoILLs/

The Ministry of Irrigation and Lowlands through LLRP II shall be in charge of the following duties and responsibilities.

- Properly coordinate the project, so as to create conducive environment to get the required support from the Ministry of Agriculture and LDI (Livestock Development Institute);
- As a leading institution, ensure that the project activities are implemented in line with the National Pastoral Policies and Strategies;
- Through the project (LLRP II), provide the required fund for the activities to be supported by the Ministry of Agriculture, in accordance with the approved annual work plan and budget,
- Through the project (LLRP II), arrange a joint high level technical performance review meeting on a regular basis, and
- Through the project (LLRP II), arrange regular monitoring of project performance based on key project indicators.

III. Effective Date

We the undersigned accept and agree to the contents of this Memorandum of Agreement, which will come into effect on the date of the accreditation of LLRP II effectiveness

For: Ministry Irrigation and Lowlands /MoILLs/	**For: Ministry of Agriculture/MoA/**
Signed by:……	Signed by:……
Date:……	Date:……

Official Stamps

Annexure 5.2: MoU with ATI for RMS

Memorandum of Understanding Between Ministry of Irrigation and Lowlands (MILLs) and Agricultural Transformation Institution (ATI) June 2024, Addis Ababa

Preamble

The Lowland Livelihoods Resilience Project (LLRP II) is an integrated and comprehensive development program planned to be signed among the Federal Democratic Republic of Ethiopia, the International Development Association (IDA) and the International Fund for Agricultural Development (IFAD). The total cost of this Investment Project Financing (IPF) is US$ 424 million consisting of a credit (USD 340.00 million) from the International Development Association (IDA, WB), a US$ 80 million IFAD, and US$ 4 million contributions from beneficiary communities. The project is approved on 28-Mar-2024. The project will build on and enhance the institutional arrangements of LLRP I, with a focus on enhancing coordination and synergies among different institutions supporting Ethiopia's lowland PAP communities. MILLs will be the lead implementing agency. It will host the Federal Project Coordination Unit (FPCU) and will have the overall responsibility for overseeing the project. Federal and regional Steering committees from relevant sectors ministries, including Ministry of Finance, and technical committees at federal, regional and woreda levels will continue to oversee and provide technical backstopping for the project. Implementing partners will include the MoA, ECC, EIAR, EDRMC, EMI, ATI, and MLSs.

The development objective of the project is to improve the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia. It is quite clear that under the prevalence of extreme poverty where unemployment coupled with the growing population in the lowland areas of Ethiopia, the role of the project towards strengthening the PAP system resilience has become indispensable.

Lowlands Livelihood Resilience Project (LLRP-II) will be implemented in eight Regions, targeting about 120 Woredas of PAP areas of Ethiopia. They include regions covered under LLRP I (Afar, Benishangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, and South West Ethiopia People's regions) and the newly included administrative region Dire Dawa. A total of 120 woredas (including 100 woredas covered under LLRP I and 20 newly added ones) are direct beneficiaries of the project. The spatial distribution of the 120 project woredas is 40 in Somali, 23 in Afar, 21 in Oromia, 7 in Southern Ethiopia, 5 in South West Ethiopia people, 11 in Benishangul-Gumuz, 9 in Gambella and 4 in Dire Dewa.

The project components support livelihoods resilience impacts of climate change which is a function of absorptive, adaptive, and transformative capacities. Therefore, to enhance livelihood resilience, the proposed project will combine complementary layers of investments under three interdependent technical components. Investments in Component 1 will focus on strengthening the early warning and early action systems and financing strategic public economic infrastructures to build climate change mitigation and adaptation capacities addressing the preparedness, absorptive and adaptive capacity dimensions of resilience. Component 2 will focus on improving the natural resource base of the PAP systems through implementing ecosystem-friendly development activities towards achieving the core objectives of sustainable Rangeland Management (SRM). Of the core activities, rangeland rehabilitation and/or restoration measures along with conflict-free resource management interventions are strategic approaches to the component. Moreover, formulation of Rangeland Management Plans and establishment of a web-based Rangeland Monitoring System will help the component to critically integrate the natural resource management initaitives. Component 3 will support livelihood improvement, diversification and commercialization of the livestock and crop sectors through climate smart

innovations, technologies and practices contributing for adaptive and transformative capacities for resilience at household and community

The MoU is signed between the Ministry of Irrigation and Lowlands (hereafter referred as MoILLs) and the Agricultural Transformation Institution (hereafter referred to be ATI) to provide the required support in the formulation of the Rangeland Monitoring System (RMS) which is one of the core activities under component two of the project (Lowland Livelihood Resilience Project II).

Thus, this Memorandum of Understanding (MoU) recognizes and formalizes the joint interest of the Ministry of Irrigation and Lowlands (MoILLs) and the Agricultural Transformation Institution (ATI) to technically engage in implementing the end-to-end activities required to formulate the RMS. The MoU has an intention of creating clear and strong coordination and cooperation of the two parties, so as to smoothly implement the project as planned. Specific duties and responsibilities of the two parties are clearly stated below.

IV.Duties and responsibilities of the Partner (the ATI)

The institution (ATI) has the following duties and responsibilities.

- As a key partner to the project, actively involves in the development of task oriented annual plan to be incorporated as part of the project's Annual Work Plan and Budget (AWBP);
- Develop a technical proposal that captures all the required activities of formulating the Rangeland Monitoring System (RMS);
- Ensure the internal implementing capacity (both human and material capacities) to develop and test the functionalities of the required RMS at institution level;
- Facilitate the capacity building (training and experience sharing) initiatives;
- Periodically subject the formulation findings to participatory validation sessions
- Prepare a technical guideline that helps to manage the RMS
- Prepare a comprehensive and informative report containing all the intended results of the RMS formulation.

V. Duties and responsibilities Ministry of the Irrigation and Lowlands (MILLs)

The Ministry of Irrigation and Lowlands through LLRP II shall be in charge of the following duties and responsibilities.

- Properly coordinate the project, so as to create conducive environment to get the required support from the Agricultural Transformation Institution (ATI);
- As a leading institution, ensure that the project activities are implemented in line with the National Pastoral Policies and Strategies;
- Through the project (LLRP II), provide the required fund for the activities to be supported by the Agricultural Transformation Institution (ATI) in accordance with the approved annual work plan and budget;
- Through the project (LLRP II), arrange a joint high level technical performance review meeting on a regular basis, and
- Through the project (LLRP II), arrange regular monitoring of project performance based on key project indicators.
- Facilitate the active participation of project and sectoral staffs including other stakeholders to critically review and validate the reports of the implementing partner, ATI.

VI. Effective Date

We the undersigned accept and agree to the contents of this Memorandum of Agreement, which will come into effect on the date of the accreditation of LLRP II effectiveness

For: The Ministry Irrigation and Lowlands (MILLs)	For: The Agricultural Transformation Institution (ATI)
Signed by_____	Signed by: _____
Date: _____	Date: _____

Official Stamps

Annexure 5.3: MoU with Ethiopian Institute of Agricultural Research (EIAR)

Memorandum of Understanding (MoU) Between Ministry of Irrigation and Lowlands (MIILs) And Ethiopian Institute of Agricultural Research (EIAR), June 2024, Addis Ababa

Preamble

The Lowland Livelihoods Resilience Project (LLRP II) is an integrated and comprehensive development program planned to be signed among the Federal Democratic Republic of Ethiopia, the International Development Association (IDA) and the International Fund for Agricultural Development (IFAD). The total cost of this Investment Project Financing (IPF) is US$ 424 million consisting of a credit (USD 340.00 million) from the International Development Association (IDA, WB), a US$ 80 million IFAD, and US$ 4 million contributions from beneficiary communities. The project is approved on 28-Mar-2024. The project will build on and enhance the institutional arrangements of LLRP I, with a focus on enhancing coordination and synergies among different institutions supporting Ethiopia's lowland PAP communities. MILLs will be the lead implementing agency. It will host the Federal Project Coordination Unit (FPCU) and will have the overall responsibility for overseeing the project. Federal and regional Steering committees from relevant sectors ministries, including Ministry of Finance, and technical committees at federal, regional and woreda levels will continue to oversee and provide technical backstopping for the project. Implementing partners will include the MoA, ECC, EIAR, EDRMC, EMI, ATI, and MLSs.

The geographical coverage of the second phase of the LLRP includes Pastoral and Agro- Pastoral (PAP) areas in Eight regions: Somali Regional Sate, Afar Regional State, Oromia Regional Sate, Benshangulu Gumz Regional State, Gambella Regional Sate, South Ethiopia Regional state, South West People Regional States and Dire Dawa Council Within these Eight regions, the project will intervene in approximately 120 Woredas. It will adopt a Woreda-clustering approach to spatially cover the rangelands.

The achieve the objective of the PDO, the project will combine three complementary layers of investment under three project components, Investment Component 1 and 2 will focus on improving the natural resource endowment and on financing basic economic infrastructures, Investment under Component 3 will improve climate resilience technology promotion and skill base, and support market access and to optimize the use of investment made in Component 2 and support diversification to reduce pressure on natural resources.

This Memorandum of Understanding (MoU) is signed between Ministry of Irrigation and Lowlands (hereafter referred as (MLILs) and Ethiopian Institute of Agricultural Research (hereafter referred as (EIAR) to provide the required support in the implementation of activities stated under component 3 of the Lowland Livelihood Resilience Project (LLRP).The Lowlands livelihood Resilience Project (LLRP) and Ethiopian Institute of Agricultural Research (EIAR), work in partnership to adapt proven and scalable climate smart technologies innovations and technologies as "smart packs" for different areas

MLILs and EIAR will collaborate in implementing community based research activities through technology dissemination and to improve the livelihood of Pastoralists and agro-pastoralist and increase productivity through sustainable capacity building program.

Thus, the MoU has an intention of creating clear and strong coordination and cooperation of the two parties, so as to smoothly implement the project as planned. Areas of collaboration, specific duties and responsibilities of the two parties are clearly stated below.

1. Areas of Collaboration

1.1 . Project Implementation

1.1.1 Both parties agree to collaborate in promotion of agricultural technologies in LLRP intervention areas

1.1.2 More specifically, the areas of common interest include:

a. Coordinate the Demonstration and dissemination of climate smart technologies innovations and technologies as "smart packs"
b. Facilitate the multiplication and provision of agricultural technologies
c. Provision of Agro-advisory services
d. Provision of targeted trainings and high-level technical supports

2. Responsibilities of signing parties

EIAR through Agricultural technology promotion:

a) Identify and provide Smart packs and bundles of adapted, proven and scalable innovations, technologies, and practices for different project locations.
b) Provide research advisory services for the implementation of technologies as per the approved
c) Provide high level technical support for regional research centers and agricultural experts with respect to agricultural technologies use and promotion
d) Develop operational guideline for climate smart technologies and innovations "smart Packs"
e) Conduct Performance review workshops/ seminar of results and performance of the established Agricultural technology to share experiences and document the achievement made
f) Prepare and submit Annual Work Plan and Budget as per the PIM
g) Prepare and submit both the physical and financial performance reports as per the PIM

2.1 MIILs through LLRP II

a) Properly coordinate the project, so as to create conducive environment to get the required support from the EAIR;
b) As a leading institution, ensure that the project activities are implemented in line with the project development objective and National Pastoral Policies and Strategies;
c) Through the project (LLRP II), provide the required fund for the activities to be supported by the institute in accordance with the approved annual work plan and budget,
d) Through the project (LLRP II), arrange a joint high level technical performance review meeting on a regular basis, and
e) Through the project (LLRP II), arrange regular monitoring of project performance based on key project indicators.

3. Duration and Amendment

3.1 This MoU shall be effective commencing on the date of the last signature affixed and lasts for the next consecutive 5years.

3.2 The MoU may be amended in written with the approval of both Parties, by means of exchange of letters through the authorized officials.

IN WITNESSES WHEREOF, the undersigned parties have agreed and executed this document.
For: Ministry of Irrigation and Lowlands (MIILs) For: Ethiopia Institute of Agriculture Research (EAIR)

Name _____	Name _____
Signature _____	Signature _____
Date _____	Date _____

Official stamp

Annexure 5.4: MoU with EDRMC

Memorandum of Understanding (MoU) between Ministry of Irrigation and Lowlands (MILLs) and Ethiopian Disaster Risk Management Commission (EDRMC)

Preamble

The Lowlands Livelihood Resilience Project Phase II (LLRP II) is a five-year project aims to improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia. The project is financed by the World Bank (IDA) amounting to USD 340 million and International Fund for Agriculture Development (IFAD) USD 80 million and contribution from MSE amounting to USD 4 million

The project will cover eight regions in Ethiopia that include the seven regions covered under LLRP I (, Somali, Afar, Oromia, Benshangul-Gumuz, Gambella, South Ethiopia and South West Ethiopia People's region) and the newly added Dire-Dawa Administration. A total of 120 woredas, including 100 woredas covered under LLRP I and 20 newly added ones, will benefit from the project.

The project will directly benefit 3 million PAP people (about 600,000 households), about 16 percent of the total population in the lowlands of Ethiopia. Women and youth will account for 50 and 30 percent of LLRP II beneficiaries, respectively. In addition, 2 million PAP community members will benefit indirectly from the project investments. The project will also benefit a range of organizations including various ministries and institutions, delivering public goods and services.

The project structured with four complementary components that aim to improve the livelihood and climate resilience of PAP households, communities, and ecosystems. Component 1: Pastoral Risk Management for Resilience which will be achieved through two subcomponents is expected to enhance disaster risk management capacities and help PAP communities adapt for climate change induced difficulties. Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services, focusing on strengthening integrated early warning and response systems, which addresses climate-related hazards and involve multiple agencies

The Ministry of Irrigation and Lowlands (MILLs) is the Lead Agency for project implementation and the project is under the direct supervision of the state minister for Lowlands Research and Development and Ethiopian Disaster Risk Management Commission (EDRMC) one of the federal government organization/institutions mandated to implement a national multi-hazard, impact-based, early warning and early action system (MH-IB-EW-EAS). It envisions resilient communities in Ethiopia being protected by robust, multi-hazard, and multi-sectoral government-led early warning systems (EWS)

1. Purpose

This Memorandum of Understanding (MoU) is, therefore, entered between Ministry of Ministry of Irrigation and Lowlands) (hereafter referred as Client) and Ethiopian Disaster Risk Management Commission (EDRMC) hereafter the Implementing Agency (IAs) mandated for coordinating the implementation on the LLRP II subcomponent 1.1: Strengthen Early Warning and Response System in Lowlands and Pastoral areas of Ethiopia .Thus, the two partners have entered into this Memorandum of Understanding and Agree as follows

2. Main Areas of Collaboration includes, but not limited

2.1. Strengthening Early Warning and Response System through Preparing/updating Woreda Disaster Risk Profiles (WDRP)
2.2. Ensure the successful implementation of roll out of the Multi-Hazard Impact Based Early Warning and Early Action System (MH-IB-EW-EAS) in the lowlands;
2.3. Build the institutional, organizational, and human resource capacity of key stakeholders, including the EDRMC.

3. Duties and Responsibilities of Partners

3.1. Ethiopian Disaster Risk Management Commission (EDRMC)

The EW and EAS will be implemented across each of the administrative tier consisting of federal level DRMC and technical task force, the regional governments, woreda administration and community level. In these priority areas, EDRMC through this MoU is mandated to accomplish the following duties and responsibilities

- In consultation with the Project, prepare and submit Annual Work Plan and Budget (AWP&B) as per the allocated annual ceiling budget and the project PIM and planning format for the subcomponent activities
- Develop/Update Woreda Disaster Risk Profile (WDRP) for 120 pastorals and agro-pastoral Woredas in the seven regions (Somali, Afar, Oromia, B/Gumuz, Gambella, South Ethiopia and Southwest People's region) and Dire-Dawa Administration using a bottom-up and participatory methodology
- Technical Assistance (TA) can be obtained from International Institute for Rural Reconstruction (IIRR) to facilitate the development/updating of the WDRP with consultation with FPCU
- Producing virtual messages, bulletins, alerts and forecasting in close collaboration with MIS experts for digital library and web portal management
- Promoting disaster preparedness for early actions, effective response and recovery aligned with the woreda disaster risks (WDRP) initiatives and feeding into MH-IB-EW-EAS
- Provide technical assistances and supports in building capacities of the PAP communities at large and relevant sectors and stakeholders at all levels
- Conduct regular monitoring and evaluation of project performances based on key project indicator internally and jointly with project team, relevant sectors and partners.
- Administers project budget allocated in separate account and disbursement and utilization shall be done by officially authorized signatories
- Assign /delegate focal person(s) for day-to-day communication with the FPCU/MILLs
- Prepare and submit progress and performance (physical and financial) reports as per the project reporting schedule and format for subcomponent activities
- As a key member of the federal level steering committee and implementing partner, the commission will actively involve and play its role
- Establish partnership and coordination with Ethiopian Meteorological Institute (EMI) and others as appropriate to facilitate and to provide early warning and advice on adverse weather and climate conditions
- Identify/ document the EW-EWS best practices and lessons learned at community, kebele, woreda, regional, and national levels. and evaluating the lessons learnt for scaling-up interventions in the future
- Ensures the alignment of the project supported implementation of the MH-IB-EW-EWS with the 4 change goals such as the Sendai Framework for Disaster Risk Reduction Framework (SFDRR), the Paris Agreement, the Agenda 2030 for Sustainable Development, the Early Warning for All initiative (EW4All),
- Accomplish other emerging issues as need arise during the project implementation period

3.2. Ministry of Irrigation and Lowlands (MILLs) through LLRP II:

- The Ministry of Irrigation and Lowlands through LLRP-II PMCUs lead the overall implementation of the subcomponent activities in the project target areas; specifically, it will undertake and covers the following duties and responsibilities:
- As a leading institution, ensure that the project activities are implemented in line with the Project Development Objective and Government policies and strategies;
- Through the project (LLRP-II), provide the required fund for activities to be supported by the EDRMC, in accordance with the provided annual work plan and budget;
- Through the project (LLRP-II), arrange a joint high-level technical performance review meeting on a regular basis; and
- Through the project (LLRP-II), arrange regular monitoring of project performances based on key project indicators.
- Through the project (LLRP-II) facilitate the preparation/updating of WDRP in 120 project woredas.
- The project will facilitate capacity building trainings both for technical staffs and stakeholders from EDRMC and downward structures
- The DRM Senior officer at FPCU will provide close technical support and supervise to the EDRMC for the subcomponent activities implementation

3.3. Effective date and Amendment

This MoU shall be in effective commencing on the date of the last signature affixed to this document. It may be amended in writing, with the approval of both partners, by means of exchange of letters through the authorized officials.

IN WITNESSES WHEREOF, the undersigned Parties have agreed and executed this document.

For: Ministry of Irrigation and Lowlands	For: Ethiopia Disaster Risk Management Commission
Name ----------	Name ----------
Signature: ----------	Signature ----------
Date: ----------	Date: ----------

Official Stamps

Annexure 5.5: MoU with Ethiopian Meteorology Institute (EMI)

Memorandum of Understanding (MoU) between Ministry of Irrigation and Lowlands (MILLs) and Ethiopian Meteorology Institute (EMI)

Preamble

The Lowlands Livelihood Resilience Project Phase II (LLRP II) is a five-year project aims to improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia. The project is financed by the World Bank (IDA) amounting to USD 340 million and International Fund for Agriculture Development (IFAD) USD 80 million and contribution from MSEs amounting to USD 4 million

The project will cover eight regions in Ethiopia that include the seven regions covered under LLRP I (, Somali, Afar, Oromia, Benishangul-Gumuz, Gambella, South Ethiopia and South West Ethiopia People's region) and the newly added Dire-Dawa Administration. A total of 120 woredas, including 100 woredas covered under LLRP I and 20 newly added ones, will benefit from the project.

The project will directly benefit 3 million PAP people (about 600,000 households), about 16 percent of the total population in the lowlands of Ethiopia. Women and youth will account for 50 and 30 percent of LLRP II beneficiaries, respectively. In addition, 2 million PAP community members will benefit indirectly from the project investments. The project will also benefit a range of organizations including various ministries and institutions, delivering public goods and services.

The project structured with four complementary components that aim to improve the livelihood and climate resilience of PAP households, communities, and ecosystems. Component 1: Pastoral Risk Management for Resilience which will be achieved through two subcomponents is expected to enhance disaster risk management capacities and help PAP communities adapt for climate change induced difficulties. Subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services, focusing on strengthening integrated early warning and response systems, which addresses climate-related hazards and involve multiple agencies

The Ministry of Irrigation and Lowlands (MILLs) is the Lead Implementing Agency for project implementation and the project is under the direct supervision of the state minister for Lowlands Research and Development and the Ethiopian Meteorological Institute (EMI) is mandated institution) engaged in collecting, analyzing, forecasting and communicating meteorological and climate information in Ethiopia.

1. Purpose

This Memorandum of Understanding (MoU) is, therefore, entered between Ministry of Ministry of Irrigation and Lowlands) (hereafter referred as Client) and Ethiopian Meteorological Institute (EMI) hereafter the Implementing Agency (IA) for coordinating the implementation of Climate Information Services under the LLRP II subcomponent 1.1: Strengthening Lowlands Early Warning and Response System and Climate Information Services.

The project will implement climate information services in Ethiopia's lowlands with the primary objective of reaching out to all the PAP communities and their institutions even located in the remotest and inaccessible locations-ensuring last mile connectivity. PAP system in Ethiopia is increasingly becoming vulnerable to risks associated with extreme weather and climate events like drought and flood.

The topographical features of the country coupled with large-scale forcing factors like the Intertropical Convergence Zone (ITCZ), El-Nino Southern Oscillation (ENSO), Indian Ocean Dipole (IOD) and East African Monsoon are largely responsible for stronger spatial and temporal variability of climate patterns affecting the PAP areas.
There are also issues relating to low capacity in understanding and using the information for risk management practices. There are also problems with accuracy of data collected from surface stations. Thus, the two partners have entered into this Memorandum of Understanding and Agree as follows

2. Main Areas of Collaboration includes, but not limited
3.1. Establish Automatic Weather Systems (AWS) equipped with different sensors in 107 PAP project woredas
3.2. Support development of communication channels such as short message service (SMS), community networks, local media, and public address systems;
3.3. Support implementation of the National Framework for Climate Services (NFCS)
3.4. Enhancing knowledge on climate change adaptation and mitigation through capacity building trainings and exchange visit

3. Duties and Responsibilities of Partners

In these priority areas of common interest, both partners, therefore, desire to formalize their relationship by agreeing to the memorandum of understanding (MoUs) to accomplish the following duties and responsibilities
4.1. Ethiopian Meteorology Institute (EMI)

- In consultation with the Project, prepare and submit Annual Work Plan and Budget (AWP&B) as per the allocated annual ceiling budget and the project PIM and planning format for the subcomponent activities.
- Inventorying all available AWA stations and networks in the lowlands
- Procuring and installing 107 Automatic Weather Stations (AWS) in Pastoral and Agro-Pastoral Woredas in 8 Regions and fencing infrastructure
- Provide high-level technical assistances and supports in building capacities of the PAP communities at large and relevant sectors and stakeholders at all levels
- Conduct regular monitoring and evaluation of project performances based on key project indicator internally and jointly with project team, relevant sectors and partners.
- Administers project budget allocated in separate account and disbursement and utilization shall be done by officially authorized signatories
- Assign /delegate focal person(s) for day-to-day communication with the FPCU/MILLs
- Developing communication channels such as mobile-based applications for the CIS for collecting, automatically from AWS and the packaging of CIS/EW into the use of text messaging (SMS) and public service announcements on local media of different languages that are appropriate for target PAP households in triggering decisions actions by the PAP community and institutions
- As a key member of the federal level steering committee and implementing partner, the Institute will actively involve and play its role and establish partnership and coordination with international Research Partners (e.g. ACCIRA) and national organizations (e.g. Ethiopian Institute of Agricultural Research (EIAR), Ministry of Agriculture (MoA), Ethiopia Disaster Risk Management Commission (EDRMC) and their down structures and communities
- Facilitate early warning and advice on adverse weather and climate conditions
- Implementing NFCS that include Identify key institutions at the federal, regional, and woreda levels), with a focus on forecasting and last mile communications in the lowlands of Ethiopia
- Support institutional capacity building through trainings and materials supply to enhance partner's capacity in climate information services

- Prepare and submit progress and performance (physical and financial) reports as per the project reporting schedule and format for subcomponent activities

4.2. Ministry of Irrigation and Lowlands (MILLs) through LLRP II:

- The Ministry of Irrigation and Lowlands through LLRP-II PMCUs lead the overall implementation of the subcomponent activities in the project target areas; specifically, it will undertake and covers the following duties and responsibilities:
- As a leading institution, ensure that the project activities are implemented in line with the Project Development Objective and Government policies and strategies;
- Through the project (LLRP-II), provide the required fund for activities to be supported by the EDRMC, in accordance with the provided annual work plan and budget;
- Through the project (LLRP-II), arrange a joint high-level technical performance review meeting on a regular basis;
- Through the project (LLRP-II), arrange regular monitoring of project performances based on key project indicators.
- Through the project (LLRP-II) facilitate the establishment of AWS in 107 project woredas.
- The project will facilitate capacity building trainings both for technical staffs and stakeholders from EMI and downward structures
- The DRM Senior officer at FPCU will provide close technical support and supervise to the EMI for the subcomponent activities implementation

4.1. Effective date and Amendment

This MoU shall be in effective commencing on the date of the last signature affixed to this document. It may be amended in writing, with the approval of both partners, by means of exchange of letters through the authorized officials.

IN WITNESSES WHEREOF, the undersigned Parties have agreed and executed this document.

For: Ministry of Irrigation and Lowlands	For: Ethiopia Disaster Risk Management Commission
Name ----------	Name ----------
Signature:----------	Signature ----------
Date:----------	Date:----------

Official Stamps

Annexure 5.6: MoU with Ministry of Peace

Memorandum of Understanding Between the Ministry of Irrigation and Lowlands (MoILLs) and The Ministry of Peace (MoP)

Preamble

To build upon the successful experiences of LLRP-I and expanding into livelihood resilience through climate-smart approaches and commercialization, the MoILLs, in collaboration with line ministries such as: the Ministry of Agriculture (MoA), the Ministry of Peace (MoP), the Ministry of Health (MoH), the Ministry of Education (MoE), the Ministry of Transport (MoT), and the Ministry of Trade and Industry (MoTI), has been designated by the Government of Ethiopia (GoE) to lead the design and development of new investment lending operation. The second phase of the project has been prepared by the project staffs in close collaboration with respective regional sector bureaus and federal level sector ministries. The ministry of Irrigation and Lowlands (MoLLs) is a hosting ministry and has played a decisive role in integrating partner sectors and other stakeholders to actively participate in the preparation and validation processes of the project. Nationally, the Ministry of Finance (MoF) has played its own role in moderating the financial agreements with the two co-financing institutions (donors) namely the World bank (WB) and the International Fund for Agricultural Development (IFAD).

The project has been envisaged as a five-year project and as first phase of a multi-phase engagement in Pastoral and Agro-Pastoral (PAP) lowland areas. The total cost of the Investment Project Financing (IPF) is US$ 424 million consisting of USD 340 million from the International Development Association (IDA, WB), a US$ 80 million grant from the International Fund for Agricultural Development (IFAD) and US$ 4 million contributions from MSEs. The project was approved by the WB Board on May 22, 2024, will be endorsed by IFAD Board on April 20/2025, and subsequently by the Ethiopian Parliament in June 2024. The development objective of the project is "to improve the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia.

The spatial scope (geographical coverage) of the project cover PAP areas in eight regional states namely: Somali, Afar, Oromia, Benshangul-Gumuz, Gambella, South Ethiopia Region, South-West Ethiopia People Region and Dire Dawa administrative Region. Within these eight intervention areas, the project will intervene in 120 Woredas. In the due process, it will adopt a Woreda clustering approach to spatially cover the PAP rangeland areas grouped into 29 clusters.

In order to achieve the project development objective (PDO), the project will combine three complementary layers of investment under three project components. Investments under component 1 will focus on issues related to pastoral risk management (Strengthening Early Warning and Response System in the lowlands) and Implementing Disaster Preparedness and Resilience Investments. Whereas investments under component 2 will focus on improving the bio-physical health statues of natural resource endowments and securing conflict-free accesses to key rangeland resources. Investments under component 3 on the other hand focus on strengthening the climate resilience capacity of pastoral and agro-pastoral communities through improving the PAP livelihood on a sustainable basis. Strengthening the productivities and

commercialization of pastoral and agro-pastoral assets and widening of their income sources through diversification are major areas of intervention under component 3 of LLRP-II.

Specific to activities under sub-component 2.3 of the project, the Ministry of Peace (MoP) is, therefore, expected to provide the required supports through the Memorandum of Understanding (MoU) signed between the Ministry of Irrigation and Lowlands (MoILLs) and the implementing partner – Ministry of Peace (MoP). The ministry is specifically required to engage in areas where policy issues related to land-use/tenure and natural resource management are critical questions to the public. Thus, this memorandum of understanding (MoU) recognizes and formalizes the joint interests of the Ministry of Irrigation and Lowlands (Hereinafter called MoILLs) and the Ministry of Peace (Hereinafter called MoP) to support the project in areas where attention and technical supports are required.

The overall intention of the MoU is to create clear and strong coordination and cooperation of the two parties, so as to smoothly implement the project activities as expected. Here below are the specific duties and responsibilities of the two parties stated one after the other.

2. Duties and Responsibilities of the Ministry of Peace (MoP)

The Ministry of Peace has the following duties and responsibilities:

- As a key member of the federal level steering committee and implementing partners, the ministry will actively involve and play its role in complementing the preparation and approval of the project annual plan and budget (AWPB) and overseeing of project performances;
- Ensuring inter-regional alignments to easily integrate and manage the cross-boundary peace dialogues and thus come-up with nationally accepted policy instruments suitable for management of PAP lands and associated resources;
- Develop a sectoral work plan that clearly specifies the activities, resources (budgets) needed, deliverables and post-intervention outcomes;
- Develop a package of good practices from well delivered services and help the PAP communities to adopt and scale-up productive experiences;
- Provide high-level technical assistances and supports in building capacities of the PAP communities at large and traditional institutions towards practicing productive and conflict-free resource management interventions;
- In coordination with the Federal Project Coordination Unit (F-PCU), regularly monitoring of project performances based on key project indicators and evaluating the lessons learnt for scaling-up interventions in the future; and
- Based on the regular monitoring of project performances, provide timely feedback for the project.

3. Duties and Responsibilities of the Ministry of Irrigation and Lowlands (MoILLs)

- Properly coordinate the project, so as to create conducive environment so as to acquire the required technical supports from the Ministry of Peace (MoP);
- As a leading institution, ensure that the project activities are planned and implemented in line with the project objectives and implementation modalities stated as part of the working documents developed to dictate the overall operational procedures of the project;

- Through the project's fund transfer modality, provide the required budget for implementation of activities targeted to be supported by the MoP, in accordance with the provided annual work plan and budget;
- As a response to jointly planned activities, collect and organize sectoral performance reports through active engagement of project staffs.
- Through the project (LLRP), arrange a joint high-level technical performance review meeting on a regular basis; and
- Through the project (LLRP), arrange regular monitoring of project performances based on key project indicators.

4. Date of Effectiveness

We the undersigned parties, accept and agree to the contents of this Memorandum of Agreement which came into effect on the date of signing of this Memorandum of Understanding (MoU).

For: The Ministry of Irrigation and Lowlands (MILLs) For: The Ministry of Peace (MoP)

Signed by: Signed by:

_____ _____

Date: Date:

_____ _____

Official Stamps

Annexure 5.7: MoU with Ethiopian Cooperative Commission (ECC)

Memorandum of Understand (MoU) Between Ministry of Irrigation and Lowlands (MILLs) and Ethiopian Cooperative Commission (ECC), June 2024, Addis Ababa

Preamble

To build upon the successful CDD experience of LLRP and expanding it to livelihood resilience and commercialization, Ministry of Irrigation and Lowlands MoILs, in coordination with other line ministries (such as Ministry of Agriculture (MoA); Ministry of Water, Irrigation and Electricity (MoWIE); Ministry of Health (MoH); Ministry of Education (MoE), Ministry of Transport (MoT), and Ministry of Skill and Labor (MoSL). has been designated by the GoE to lead the design and development of a new investment lending operation. The project was prepared by a Government Design Team established by MoILs, with representation from relevant sector Ministries and Ministry of Finance (MoF). The process was supported by WB, IFAD.

The project is envisaged as a five-year project and first phase of a multi-phase engagement in pastoral and agro-pastoral (lowland) areas. The total cost of this Investment Project Financing (IPF) is US$ 424 million consisting of a credit (USD 340.00 million) from the International Development Association (IDA, WB), a US$ 80 million IFAD, and US$ 4 million contributions from beneficiary communities. The project is approved on 22-Mar-2024 by World Bank and subsequently by Parliament of Ethiopia in June, 2024. The development objective is to improve livelihood resilience of pastoral and agro-pastoral communities in Ethiopia.

The geographical coverage of the project includes Pastoral and Agro-Pastoral (PAP) areas in Eight regions: Somali Regional State, Afar Regional State, Oromia Region Benishangul-Gumuz Region, Gambella Regional state, South Ethiopia Regional State, Southwest People Regional State and Dire Dawa Administration and. Within these Eight regions, the project will intervene in approximately 120 woredas. It will adopt a woreda-clustering approach to spatially cover the rangelands.

The project rests on four complementary components that aim to improve the livelihood and climate resilience of PAP households, communities, and ecosystems. Resilience is defined as "The ability of a system, community or society exposed to hazards to resist, absorb, accommodate, adapt to, transform and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions through risk management. In the context of LLRP II, improving livelihood and climate resilience rests on enhancing the capacity of lowland PAP households, communities, and production systems to anticipate, absorb, accommodate, adapt to, transform, or recover from climate shocks in a timely and efficient manner, while (and including by) ensuring the health and regeneration of lowland ecosystems and natural resources. Increases in production and productivity; better access to markets, roads, services, health, education, diversified diets, energy, and sustainable sources of income; and enhanced capacity to manage local resource-related conflicts are expected, among other improvements, to contribute to these outcomes.

The Ethiopian Cooperative Commission, is, thus, expected to provide the required support for the establishment and strengthening of Pastoral and Agro-Pastoral Rural Saving and Credit Cooperatives (PASaCCos) in PAP areas through the Memorandum of Understanding (MoU) signed between the Ministry of irrigation and lowlands (MIILs) and Ethiopian Cooperative Commission (ECC).

MoU is signed between Ministry of irrigation and lowlands (hereafter referred as MIILs) and Ethiopian Cooperative Commission (hereafter referred as ECC) for the implementation of improved access to finance with creation and federation of PASaCCos and their union under Lowland Livelihood Resilience Project (LLRP II).

Thus, this Memorandum of Understanding (MoU) recognizes and formalizes the joint interest of the Ministry of irrigation and lowlands (hereinafter called MIILs) and the Ethiopian Cooperative Commission (ECC) to support the Commercialization and Livelihood Diversification of targeted pastoralists and agro pastoralist through establishing of cooperation primary cooperatives and to provide supports to enable them to manage the savings based credit funds using the Lowland Livelihood Resilience Project (LLRP).

The intention of the MoU is to create clear and strong coordination and cooperation between the ECC and the Federal Project Coordination Unit of the MIILs in order to establish and federate functional Savings and Credit cooperatives in LLRP II targeted woreda and kebeles and that will provide financial services including non-interest bearing loan in support of Commercialization and Livelihood Diversification efforts of targeted pastoralists and agro pastoralists in Somali, Afar Oromia Benishangul, Gambella, South East, SWEP regions and Dire Dawa Administration .

I. Duties and Responsibilities of Parties

Support to the establishment of new *PASaCCos* and PASaCCos Unions, strengthening of the existing *PaSaCCos* by Woreda Cooperative Promotion Offices (WoCPOs) and overseen by the Regional Cooperative Agencies/Bureaus and ECC. The ECC and Regional Cooperative Agencies/Bureaus/commission will also manage capacity building support, particularly training of trainers to help Zonal Cooperative Promotion Offices (ZoCPOs), and Woreda Cooperative Promotion Offices (WoCPOs) to effectively deliver their supports. The Financial Cooperative Development Directorate under the ECC and Regions are responsible coordinate for implementation activities as per the approved of Annual work and budget under LLRP II
The duties and responsibilities of the ECC and of the MIILs are indicated here below.

1.1 Ethiopian Cooperative Commission (ECC)

- ECC, through the regional cooperative bureaus will lead the planning of access to finance activities. In addition, the ECC though its regional and woreda structures will be responsible for the establishing PASaCCos; strengthening the existing PASaCCos, and establishing RuSACCo Unions in the project areas with the purpose of providing access to capital and other services (booking keeping, audit etc.).
- ECC will support the establishment of 550 new PASaCCos where there are no existing PASaCCos (LLRP I supported or otherwise). In addition to this, the commission will support technically to strengthen the existing PaSaCCos that was established by the LLRP I.
- The ECC shall be responsible for the oversight and supervision of the PASaCCos within the project woredas. This shall include responsibility for the coordination of training programs and ensuring that Regional Cooperative Promotion Bureau/commission/Agency and Woreda Cooperative Promotion Office take responsibility for the PASaCCos promotion
- Undertake the planning, implementation, monitoring and supervision of the PASaCCos to improve availability of access to finance.
- Strengthening of existing PaSaCCos will be through provision of technical assistance by the regional bureaus and woreda Cooperatives offices
- ECC will take a role in the development of PASaCCo Unions. Primary societies and sector tier unions are registered, supervised and liquidated by the Regional Cooperative Promotion Bureaus (RCPBs).
- The RCPBs conducts audits of the cooperative societies as well as supervision and monitoring and the RCPBs report to the ECC.
- Review, prepare and submit quarterly and annual plan and reports to the FPCU on the implementation of the subcomponent including the performance of PASaCCos;
- The ECC through the Financial Cooperative Development Directorate responsible for coordination of the sub-component,

- Conduct an assessment of existing PASaCCos in the project geography and classify them to basic, intermediate and advanced levels, so as to provide recommendations for different support to identified PASaCCos through the project;
- Develop a work plan, that clearly specifies the activities, resource needed, deliverables and outcomes;
- The ECC will collaborate with the LLRP II (FPCU) on the monitoring of improved access to finance with creation and federation of PASaCCos and their union subcomponent.

6.1 Ministry of irrigation and lowlands (MILLs) through LLRP II

- The LLRP will provide funding for the implementation of the subcomponent in accordance with approved annual work plan and budget.
- The LLRP II will facilitate the establishment of PASaCCo unions, depending on the situation on ground (Strong PASaCCos will be supported to federate).
- The project will support the establishment of 550 new PASaCCos and provide seed capital amounting to US$ 10,000 per PASaCCos based on the required criteria in the PASaCCos' guideline
- Provide Technical support for existing 500 existing PaSaCCos that was established by the LLRP I.
- Strengthening implementation capacity, the project will facilitate capacity building trainings both for technical staffs and Cooperatives committee members.
- The FPCU component owner will be knowledgeable about PASaCCos and rural finance in general as financial institutions and will collaborate with the ECC to provide oversight for the subcomponent and will regularly supervise its implementation and provide support.
- The LLRP II will provide financial support the Saving Leverage Grant funds to PASaCCos in accordance with procedures described in the PIM and LLRP II PaSaCCos guideline.

II. Effective Date

We the undersigned accept and agree to the contents of this Memorandum of Agreement, which will come into effect on the date of the accreditation of LLRP effectiveness.

For: Ministry of irrigation and lowlands **for: Ethiopian Cooperative Commission**

Signed by: _____ Signed by: _____

Date : _____ Date: _____

Official Stamps

Annexure-6: Safety Incident Report Form

Safety Incident Report Form

INCIDENT DETAILS

Date and time of the incident : _____

Location of the incident : _____

Describe the incident : _____

_____

Details of the witnesses, if any : _____

_____

INCIDENT CATEGORY

Select the appropriate category for the incident:

- ☐ Slip, Trip, or Fall
- ☐ Equipment or Machinery Malfunction
- ☐ Hazardous Material Exposure
- ☐ Fire or Explosion
- ☐ Personal Injury
- ☐ Near Miss (incident with potential for harm but no actual injury)
- ☐ Other (specify) : _____

PERSON(S) INVOLVED

Name(s) of the person(s) directly involved in the incident : _____

_____

Job title(s) of the person(s) involved : _____

Describe the nature and extent of the injuries, if any : _____

Describe the treatments provided, if any : _____

IMMEDIATE ACTIONS TAKEN

Describe the immediate actions taken to address the incident and ensure safety : _____

CONTRIBUTING FACTORS

Were there any contributing factors to the incident? If yes, select the relevant factors:

- ☐ Inadequate training
- ☐ Equipment failure
- ☐ Unsafe work conditions
- ☐ Human error
- ☐ Lack of supervision
- ☐ Communication breakdown
- ☐ Other (Specify) : _____

INVESTIGATION:

Will a further investigation be conducted? : ☑ YES ☐ NO

If yes, specify the person(s) responsible for the investigation :

Provide any additional details or instructions for the investigation :

PREVENTIVE MEASURES

What preventive measures can be implemented to avoid similar incidents in the future? :

ADDITIONAL COMMENTS

Is there any additional information or comments you would like to include? :

Annexure 7: Grievance Redress Mechanism Reporting Format

Grievance/Complaint form	
Compliant Number	Copies to forwarded to:
Name of the Recorder and its Responsibilities	(Original) Responsible Party/Agency to implement the SA*
Region	(Copy) Complainant
Woreda	(Copy) CRC at Kebele and Woreda level
Kebele	
Date	
Information about the Complainant	
Full Name including Surname	
Address	
Telephone number	
Region	
Woreda	
Kebele	
Site	
Date	
Signature of the Complainant	
Grievance Procedure	
Description of the compliance/grievance	
Does the grievance procedure advertise? public awareness of the process	
Which project level person (s) was designated to follow up on the resolution of the grievance?	
Consultative grievance group/committee including community/municipality members, two representatives from PAPs, local authorities to review the negotiation process	
Court/payment for court process	

Annexure-8: Results Framework and Monitoring

Project Development Objectives (PDO): To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia

Indicator Name	Unit of Measure	Baseline	Mid-Term	End Target	Frequency	Data Source/Methodology	Responsibility body
PDO level Indicators							
PDO 1: Climate preparedness and resilience building infrastructures constructed and operational	Number	230	370	510	Annually, MTR, EoP	Progress Report, Survey	RSCT/RPCU / FPCU/Consultant
PDO 2: Land area under sustainable landscape management practices (CRI)	Hectare	400,000	700,000	1000,000	Annually, MTR, EoP, as of PY2	Progress report, Survey and satellite imagery	WPC /RSCT/ RPCU/ FPCU, /consultant
PDO 3: Increase in yield of targeted livestock and crop commodities	Percentage	0	12.5	25	MTR and EoP	Survey	consultant
PDO 4: Beneficiaries with 25 % or more annual household income increment due to project interventions	Percentage	0	30	60	MTR and EoP	Survey	consultant
Intermediate Indicators by Components							
Component 1: Pastoral Risk Management for Resilience							
IR 1: Beneficiaries with access to timely information from the early warning and response systems and climate information services	Percentage	0	40	80	MTR and EoP	Survey	consultant
IR 2: Project targeted Woredas with new or updated and automated disaster risk profile	Number	0	120	120	Annually, PY1	Progress report	WPC /RSCT/ RPCU/ FPCU, /TA
IR 3: Regional Disaster Preparedness and Resilience-building Strategic Investment Plans prepared, endorsed by regional councils and automated for public use	Number	0	8	8	Annually, PY1	Progress report	RPCU/ FPCU, /TA
Component 2: Integrated Rangeland Management							
IR 4: National Rangeland Monitoring System (RMS) developed and operational	Number	0		1	Annually, PY2	Progress report	RPCU/ FPCU, /TA
IR 5: Climate Smart and Nature based Rangeland Management Plans (RMPs) updated or formulated and rolled out for implementation	Number	28	29	29	Annually, PY1	Progress report	RPCU/ FPCU, /TA

Indicator Name	Unit of Measure	Baseline	Mid-Term	End Target	Frequency	Data Source/Methodology	Responsibility body
Component 3: Climate Resilient and Sustainable Livelihoods							
IR 6: Area provided with new/improved irrigation or drainage services (CRI)	Hectare	0	1000	2000	Annually as of PY2	Progress report	WPC /RSCT/ RPCU/ FPCU,
IR 7: MSEs established for targeted value chains and operational 1 year after establishment (of which at least 35 % are women only MSEs)	Number	0	1,640	3,280	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU/ MoLS
IR 8: Project Beneficiaries that adopted two or more climate smart improved technologies and innovations	Number	0	100,000	200,000	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU/ MoA/ EIAR /TA
IR 9: Annual increase in off take of animals from the project supported woredas	Percentage	0	12.5	25	MTR and EoP	Survey	consultant
IR 10: Beneficiaries reached with financial services (CRI)	Number	50,000	85,000	120,000	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU/ ECC
IR 11: Productive alliances established and functional between PAP producers and private sector actors	Number	15	30	45	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU/
IR 12: Women beneficiaries (15-49 years) and children (6-23 months) with minimum dietary diversity	Number	0	125,000	250,000	MTR and EoP	Survey	Consultant
IR 13: Beneficiaries with Improved food security and resilience capacities to impacts of climate change	Percentage		30	60	MTR and EoP	Survey	Consultant
IR 14: Private capital Mobilized from MSE groups in conjunction with the matching grant from the project	Amount (USD)		2,000,000	4,000,000	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU/ MoLS
IR 15: New Pastoral and Agro-Pastoral Saving and Credit Cooperatives (PASACCO) Established and Operational (of which 50 % will be women only PASACCOs)	Number	500	775	1050	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU/ ECC

Indicator Name	Unit of Measure	Baseline	Mid-Term	End Target	Frequency	Data Source/Methodology	Responsibility body
Component 4: Project Management, Monitoring, Evaluation and Learning							
IR 16: National and Sub-national annual Policy dialogues organized and facilitated by MILLs on climate change and PAP development agenda	Number		4	13	Annually, as of PY2	Progress report	RPCU/ FPCU/MILLs
IR 17: Feedback (complaints, queries, suggestions) through GRM including SMS service, addressed and responded to within stipulated timeframes publicly communicated by the project	Percentage		45	90	MTR and EoP	Survey	Consultant
IR 18: Leadership positions held by women in all mixed (women and men) groups created/supported by the project	Percentage		15	30	Annually	Progress report	RPCU/ FPCU
IR 19: Project direct beneficiaries (disaggregated by gender and age, 50 % women and 30 % youth)	Number	2,500,000	2,750,000	3,000,000	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU
IR 20: Project Indirect beneficiaries (disaggregated by gender and age, 50 % women and 30 % Youth)	Number		1,000,000	2,000,000	Annually	Progress report	WPC /RSCT/ RPCU/ FPCU

Annexure 9: Monitoring and Evaluation Plan

Country: Federal Democratic Republic of Ethiopia

Ethiopia: Lowlands Livelihood Resilience Project, Phase-Two (P180076)

Sl. No.	Indicator Name	Definition/Description	Frequency	Data Source	Methodology for data collection	Responsibility
1	Land area under sustainable land management practices	This indicator measures sustainable use of land through reduction in land degradation and improvements in land productivity. The land management practices which will be implemented through three technical components will include a combination of integrated nature based and climate smart interventions. These are land and water management technologies such as soil and water conservation and gully control to increase stability of soil structure and soil and water retention; agronomic practices including silvo and agro silvo pastoral through the plantation and management of multipurpose trees to increase soil fertility; control of spread of invasive species and restoration of productive indigenous species through sowing, reseeding, area closure and resting, and conservation tillage and crop rotation in agropastoral practices, wetland protection and maintenance; and building the capacity of PAPs and service providers in planning and implementation of SLM practices..	Annually	MIS	GIS-based mapping including RS data	FPCU
2	Climate smart infrastructure constructed and operational	All the infrastructure to be planned, designed and implemented under the project have to be climate proof to be functional under different seasons as well as possible changes due to climate change. The indicator will measure the advanced and innovate technologies, designs and standards to be incorporated to climate proof the infrastructure so that it remains climate resilient	Baseline, Mid-term and EOP	MIS and Evaluation studies	Survey of beneficiaries and GIS-based spatial surveys	FPCU
3	Increase in yield of selected livestock and crop commodities	The indicator measures increase in yield of primary livestock products raised by project beneficiaries (Camel, Cattle, Shoats) and increase in yield of selected agricultural crops produced by beneficiaries (Maize, Sorghum, Vegetables etc.). The indicator	Baseline, Mid-term and EOP	MIS, Survey	Evaluation Surveys	FPCU

Sl. No.	Indicator Name	Definition/Description	Frequency	Data Source	Methodology for data collection	Responsibility
		focuses on quantity of commodities produced, expressed as kilograms of livestock/crop/products per year. It will also incorporate impacts of subcomponent 3.1-Support to Livestock and Crop Productivity and Value Chains.				
4	Beneficiaries with improved livelihood resilience capacities to mitigate the impacts of climate change	The indicator measures percentage of project supported households who acquire resilience capacities through improved adaptations and livelihoods strategies to mitigate extreme events like drought, flood etc. Detailed description of livelihood and climate resilience is elaborated in annex-2-Results Monitoring and Evaluation Arrangement. In addition to the physical and technological interventions supported by the project, the indicator will also measure institutional support, legal/policy measures as well as capacity building efforts organized by the project. A comprehensive indicator will be developed with TA from ILRI with collaboration from AICCRA. The M&E manual will have further details.	Baseline, Mid-term and EOP	MIS, Survey	Impact assessment surveys	FPCU
Monitoring and Evaluation Plan: Intermediate Results indicators						
Component 1: Pastoral Risk Management for Resilience (PRMR)						
1	Regional Disaster Preparedness and Resilience-building Strategic Investment Plans Prepared through participatory processes (Number)	This indicator measures climate smart disaster preparedness for building strategic investments to achieve resilience. The plans are prepared based on risk profiles and contain sub project investments to help climate change mitigation and adaptation measures.	Baseline, annually	MIS	Annual Progress Report	FPCU
2	Public Economic Infrastructures (PEIs) Completed and Operational (Number)	This indicator measures investment sub projects implemented under the project for enhancing disaster preparedness, climate change mitigation, enhancing adaptation capacities for resilience in targeted PAP regions. These include small scale irrigation rehabilitation and development, rural access roads, water supply facilities, livestock infrastructure etc.	Baseline, annually	MIS	Preparing QPR based on information flow from woredas	FPCU

Sl. No.	Indicator Name	Definition/Description	Frequency	Data Source	Methodology for data collection	Responsibility
Component 2: Integrated Rangeland Management (IRM)						
3	National Rangeland Monitoring System (RMS) operational to improve rangeland health monitoring and management practices (Number)	A web-based comprehensive and spatial information system developed by the national hub to collect and validate online and offline data to provide information products for climate informed rangeland management decision making to decision makers, project management stakeholders, PAP communities for improving climate resilient planning and PAP resource management. The indicator will measure the number of effective synthesized monitoring report produced based on data from remotely sensed resources and ground truthing and disseminated timely to different users by leveraging user friendly digital platforms and public and private delivery channels.	Baseline, annually	MIS	Preparing QPR based on information flow from woredas	FPCU
4	Climate Smart and Nature based Rangeland Management Plans (RMPs) updated or formulated and rolled out for implementation (Number)	The indicator measures a number of climate smart participatory and nature-based integrated rangeland management and grazing plans updated or formulated and rolled out for sustainable management of the rangeland resources in the 120 project woredas. This will be achieved for component 2-In complement with the Pastoral Risk Management Component	Baseline, annually	MIS	Preparing QPR based on information flow from woredas	FPCU
Component 3: Climate Resilient and Sustainable Livelihoods (CRSL)						
5	Land area provided with new/improved irrigation or drainage services	The improved irrigation schemes refer to those schemes that are efficient and minimizing water use for crop productivity. These include not only the small-scale irrigation schemes rehabilitated and set up under the project, but also include micro and mini schemes that apply continuous drips of water above or below the soil surface. The indicator is disaggregated into area provided with new schemes and area provided with improvement with the existing schemes.	Baseline, annually	MIS	Preparing QPR based on information flow from woredas	FPCU
6	Annual increase in volume of marketed from the	The indicator measures the increase in total sales of animals and sales of crop products value chains over a year. The indicator is	Baseline, annually	MIS	Preparing QPR based on information	FPCU

Sl. No.	Indicator Name	Definition/Description	Frequency	Data Source	Methodology for data collection	Responsibility
	project supported woredas (Percentage)	disaggregated into sales of animals and sales of crop products value chains.			flow from woredas	
7	SMEs established for targeted crop and livestock value chains and operational 1 year after establishment (Number)	The indicator measures the institutional support to form community institutions of PAP communities to market products through diversification, innovation and job creation. Initially Common Action Groups (CAG/CIG) are newly formed which will gradually convert into Small and Micro enterprises (SME). The indicator measures graduation of community groups particularly women groups into financially viable and climatologically sustainable enterprises (SME) that will create jobs and income with the support of the project. The indicator is disaggregated into women SMEs.	Baseline, annually	MIS	Preparing QPR based on information flow from woredas	FPCU
7.2	Common Action Groups (CAG/CIG) graduating as SME	The indicator measures how effective is the mobilization of CAG/CIGs to sustainably carry out entrepreneurial activities. Out of the total SMEs promoted by the project how many have a clear trajectory of institutional graduation.	Baseline, annually	MIS	Preparing QPR based on information flow from woredas	FPCU
8	Beneficiaries supported with potential and viable alternate livelihood options (of which 50% female and 30% youth). (Number)	The indicator measures the project interventions to support small holders and pastoralists to invest in non-farm and off-farm income generating activities. The beneficiaries will be disaggregated into women and youth.				
9	Beneficiaries with improved livelihood resilience capacities (Percentage)	Please define livelihood resilience capacity *[we may retain either 8 or 9 as the two indicators broadly measure the same thing]*				
10	Women PASACCOs established and operational after one year of their establishment (Number)	The indicator measures support given to PASACCOS to benefit from higher tier unions for provision of better financial services to PAP community	Baseline, annually	MIS	QPR	FPCU

Sl. No.	Indicator Name	Definition/Description	Frequency	Data Source	Methodology for data collection	Responsibility
11	Women beneficiaries (15-49 yrs.) and children (6-23 months) with minimum dietary diversity (Number)	The indicator measures the impact on the diet quality and household food security of beneficiaries-particularly the minimum dietary diversity score for women (MDD-W) and minimum acceptable diet (MAD) for children 6-23 months.	Baseline, Mid-term and EoP	Studies	Evaluation	FPCU
12	Productive alliances established and functional between PAP producers and private sector actors (Number)	The indicator refers to the number of collaborations created between the PAP producers, public and the private sector aimed at facilitating access to products.	Baseline, annually	MIS	QPR	FPCU
Component 4: Project Management, M&E and Policy Engagement						
13	No. of policy proclamations issued by federal or regional states on climate change and PAP development agenda (Number)	The indicator measures the impact of the project on institutionalizing the processes and guidelines showcased by the project. Proclamations are directives by Federal or Regional governments broadly covering PAP sector issues and in specific on pastoral risk management, improving resilience, integrated rangeland management, sustainable PAP and alternate livelihoods, climate vulnerabilities, inclusion of women etc.	Annually	MIS	APR	FPCU
14	Feedback (complaints, queries, suggestions) addressed and responded to within stipulated timeframes publicly communicated by the project (Percentage)	The indicator measures the focusing of the concerns and priorities of the project stakeholders during project implementation. MILL will establish a complaint and grievance redressal system which will document all complaints and other queries received at the three levels of project implementation and will track their resolution.	Annually	MIS	APR	FPCU
15	Leadership positions held by women in all mixed (women and men) groups created/ supported by the project (Percentage)	The indicator measures the empowerment of women project beneficiaries in key decision making/ office bearer positions as detailed in the POM. The project is mobilizing and strengthening various PAP community groups service oversize committees, common interest groups, community action groups etc. and the indicator will capture women occupying office bearer positions	Annually	MIS	APR	FPCU

Sl. No.	Indicator Name	Definition/Description	Frequency	Data Source	Methodology for data collection	Responsibility
		in any of the mixed groups (groups which are not exclusively meant for women).				
16	Project direct beneficiaries (disaggregated by gender and age) (Number)	This indicator measures the overall reach of the program covering all component activities. The project will set up a database of beneficiaries starting from kebele (manual) to the woreda level (digital) with in-built provisions for tracking benefits. This will help correctly measure the indicator without double counting.	Annually	MIS	APR	FPCU

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: LLRP II PPSD

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
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East and Southern Africa Division
Programme Management Department

Federal Democratic Republic of Ethiopia

Ministry of Irrigation and Lowlands

-

Lowlands LivelihoodResilience Project, Phase Two (LLRP II)

P180076

Project procurement Strategy for Development (PPSD)

(Draft Revised)

17 January, 2024
Addis Ababa

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Acronyms and Abbreviations

AGP	Agricultural Growth Programme
BoF	Bureau of Finance
BoPD	Bureau of Pastoral Development
BOQ	Bill of Quantities
CAHW	Community Animal Health Worker
CER	Central Ethiopia Region
CDD	Community Driven Development
CIF	Community Investment Fund
CGIAR	Consultative Group for International Agricultural Research
CPF	Country Partnership Framework
DPRSIPs	Disaster Preparedness and Resilience –building Strategic Investment
EDRMC	Plans
EFY	Ethiopian Disaster Risk Management Commission
	Ethiopian Financial Year
EIA	Environmental Impact Assessment
EIAR	Ethiopian Institute of Agricultural Research
EMI	Ethiopian Meteorological Institute
ESIA	Environmental & SocialImpact Assessment
ESS	Ethiopian Statistical Service
FEPA	Federal Environmental Protection Authority
FPCU	Federal Project Coordination Unit
FPPPA	Federal Public Procurement and Property Authority
GBV	Gender Based Violence
GPS	Global Positioning System
GoE	Government of Ethiopia
GIZ	German Corporation for International Development
IA	Implementing Agency
ICT	Information Communications Technology
IDA	International Development Association
IFAD	International Fund for Agricultural Development
ILRI	International Livestock Research Institute
LLRP II	LowlandsLivelihood Resilience Project, Phase Two
MIS	Management Information System
MINT	Ministry of Innovation and Technology
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MILLs	Ministry of Irrigation and Lowlands
MoU	Memorandum of Understanding
MoWE	Ministry of Water and Energy
NCB	National Competitive Bidding
NRM	Natural Resource Management
PAP	Pastoral and Agro-pastoral
PASACCO	Pastoral and Agro-pastoral Savings and Credit Cooperative
PEI	Public Economic Infrastructure
PCDP	Pastoral Community Development Project
PDO	Project Development Objective

P/APFS	Pastoral or Agro-pastoral Field Schools
PIM	Project Implementation Manual
PPP	Public-Private Partnership
RCBP	Regional Cooperative Promotion Bureaus
RCST	Rangeland Cluster Support Team
RMC	Rangeland Management Committee
RMP	Rangeland Management Plan
RPCU	Regional Project Coordination Unit
RPLRP	Regional Pastoral Livelihood Resilience Project
SDGs	Sustainable Development Goals
SEA	Sexual Exploitation and Abuse
SIF	Strategic Investment Fund
SER	South Ethiopia Region
SPDs	Sustainable Procurement Documents
TA	Technical Assistance
WoFED	Woreda Office of Finance and Economic Development
WoPD	Woreda Office for Pastoral Development
WB	The World Bank

1. PROJECT BACKGROUND

1.1 PROJECT OVERVIEW

Country:	Federal Democratic Republic of Ethiopia
Full Project Name:	Lowlands Livelihood Resilience Project, Phase Two (LLRP II)
Total Finance ($):	424 million
Project Number:	P180076
Summary of PDO	To improve the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia.
Project Beneficiaries	The projectbeneficiaries are expected to number about 3 million people (about 600,000 households), including the 2.5 million people targeted under phase one of theproject.
Intervention Areas	The project will be implemented in the climate impacted PAP lowland areas of eight regions (Afar, Benshangul-Gumuz, Gambella, Oromia, Somali, South Ethiopia, Southwest Ethiopia and Dire-Dawa administration)

1.2 Project Development Objective

To improve the livelihoods and climate resilience of pastoral and agro-pastoral communities in the lowlands of Ethiopia.The PDO achievement will be monitored and measured using the following key results indicators:

- Increase in yields of selected livestock and crop commodities (Percentage)
- Beneficiaries with improved livelihood resilience capacities to impacts of climate change (Percentage)
- Land area under sustainable land management practices (Hectares)
- Climate resilient public economic infrastructure constructed and operational (Number)
- Project regions and woredas with strengthened institutional and coordination capacity of early warning and response system and climate information services (Number)

1.3 Project Description

1.3.1 Project Components

The LLRP II will be implemented through the following four interrelatedcomponents:

Component 1: Pastoral Risk Management for Resilience (PRMR)

The first component aims to enhance disaster risk management and climate change mitigation and adaptation capacities through two interrelated sub-components. The first sub-component focuses on strengthening integrated early warning and response systems, which addresses climate-related hazards and involve multiple agencies. The second sub-component supports the planning and implementation of climate-smart disaster preparedness and resilience building strategic investments in the project targeted areas.

Component 2: Integrated Rangeland Management (IRM) This componentaims at improving the production, productivity, and health of the rangeland resources. This will in turn contribute to the improvement of the livestock productivity and the livelihoods of the PAPs and the resilience of the rangeland ecosystem.

- .

Component 3: Climate Resilience and Sustainable Livelihoods (CRSL)aims to increase,diversify, and stabilize the incomes of PAP households, including ones moving out of the pastoral system, with a focus on promoting climate-smart technologies and value chains towards fewer animals with higher productivity. It supports the following activities:

Component 4 Project Management, Monitoring,Evaluation andLearning: focuses on project planning, program coordination, communication for shared understanding, coordination of national, regional, woreda and kebele level execution entities as well as fiduciary oversight and management of environmental and social risks

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1.3.2 Summary of Proposed Procurement Contracts

Major procurement activities expected to be procured by the FPCU and RPCU include, inter alia, the following:

Table 1: List of Procurement Activities and Cost estimates (by category and Component)

Component/Activity	Category	Estimated costs '000 USD	Implementation Level/IAs
Component one			
Consultancy service for the development/updating of woreda disaster risk profile	Consultancy	1,800.00	Federal level
Consultancy service for the preparation of Disaster Preparedness Strategic Investment Program for eight Regions	Consultancy	700.00	Federal level
Procurement of Automatic Weather Station	Goods	900.00	Federal level
Procurement of virtual weather stations (VWSs)	Goods	300.00	Federal level
Drilling machine with accessories	Goods	9,000.00	Federal level
Irrigation Scheme Developmetn(Microdams and Irrigation structures,etc)	Works	17.553.00	Regional Level
Rural Access Road Development Projects(new and upgrading of existing access roads)	Works	50,326.00	Regional Level
Construction of Bridges	Works	2,959.00	Regional Level

Component/Activity	Category	Estimated costs '000 USD	Implementation Level/IAs
Construction of other PEIs	Works	4,321.00	Regional Level
Water resources development (borehole drilling and spring development)	Works	29,333.00	Regional Level
Study and Design for Ground Water Development	Consultancy	56.00	Regional Level
Study and Desing for Bridges	Consultancy	96.00	Regional Level
Study and Design for Irrigation Schemes (microdams)	Consultancy	80..00	Regional Level
Study and Design for Rural Access roads	Consultancy	93.00	Regional Level
Component Two			
Consultancy service for updating/establishing the Rangeland Management Plans (RMPs)	Consultancy	600.00	Federal level
Consultancy Service for the establishment of national web-based rangeland monitoring system	Consultancy	1,500.00	Federal level
Component Four			
Consultancy Service to conduct Baseline Survey	Consultancy	200.00	Federal level
Consultancy service to conduct Mid-term Review	Consultancy	200.00	Federal level
Consultancy service to conduct End of the project Evaluation	Consultancy	300.00	Federal level
Consultancy service to conduct financial audit every year	Consultancy	250.00	Federal level
Consultancy service to conduct an Independent Procurement audit every year	Consultancy	500.00	Federal level
Station Wagen Land Cruiser Hard top (medium Size)	Goods	3,040.00	Federal level
Station Wagen Land Cruiser Hard top (long Base)	Goods	2,090.00	Federal level
Land Cruiser Pickup D/Cab for new project woredas	Goods	1,400.00	Federal level
Motor cycle for project woredas	Goods	960.00	Federal level
Consolidated Procurement of IT Equipments (Desk top computers, Lapttops, (Federal, Regions and Woreda)	Goods	987.00	Federal Level
Consolidated Procurement of Office furnitures	Goods	1,245.00	Federal

2. Overview of Country, Borrower and Marketplace

2.1 Operational Context

Governance Aspect: Inventory of Federal Procurement Laws, Proclamations, Regulations, Directives and any changes to the procurement Laws, regulation, etc has been taken and their impacts on value for money and fairness compared to the baseline procurement laws, procedures and circulars were analysed. Accordingly, one of the objectives of the Public Procurement and Property Administration Proclamation No. 649/2009 is to achieve better transparency, efficiency, fairness and impartiality in public procurement and to enable the utilization of the large sum of public money spent on procurement in a manner that ensures greater economy and efficiency by addressing problems encountered in the course of implementation of the proclamation determining the procedures of public procurement of the Ethiopian Federal Government. This proclamation shall apply to all Federal Government procurement and property administration. Moreover, FPPPA has issued Federal Public Procurement Directive dated June 2010. The FPPA has also developed and issued the Public Procurement Manual dated December 2011, Public Procurement Audit Manual dated May 2011 and the Manual on Procurement Complaint Procedure dated April 2011.

In order to solve the problem associated with lower thresholds which has been a hinderance to attract bidders particularly for civil works contracts, MoF has revised the threshold limites and issues a circular in EFY 2014. For instance the threshold for open national competitive bidding has been revised from ETB150m to ETB 600m ceiling.

The Federal Public Procurement and Property Administration Agency (FPPA) has been given the responsibility to lead the introduction of the use of electronic means in the procurement of goods, works and services and it has been working behind the scenes to ensure that this process is successful. In order to guide the introduction of the electronic-Government Procurement (e-GP) System, a strategy document and roadmap has been developed. The e-GP Strategy and Roadmap covers a period of five years from 2018 to 2023. This strategy which was issued in November 2018 (English) will facilitae and modernize the procurement processs and also help to reduce corruptive practise and improves transparency and accountability.

As far as the regional procurement laws and directives are concerned, all the regional governments issued regional procurement proclamation and directives. The newly established regions like Sidama, SER and South Western Ethiopia Peoples' Region are basically issued proclamation and related seculars which is of very similar. There are variations in threshold

limites and with the provisions for MSE procurement which requires harmonization and agreement with the World Bank.

The Assessment of Ethiopia's Procurement Systems (2021 Vol. 1) also revealed that the commercial code and the procurement law are adequate for open market approaches and competitive procurement process. It also indicated the oversight functions, and the internal control and audit funcions are well organized and properly functioning. The revised commercial code (Proclamation 1242/2021) will also contribute to imporovements in the business enviroment for both local and foerign firms.

Moreover, the political and governance situation of the country has largely remained volatile especially over the last two to three years. This is particularily significant in some project targeted areas which are located in remote areas of the country, charactherzied with the long history of clashes with neighbouring communities over grazing lands and water. The practical experince under the project implementation from LLRP phase one revealed that in some areas where there is local conflict, the private sector is not much interested to participate in the bidding processes of different procurement activities.

The public procurement system in Ethiopia is regulated in accordance with the procurement proclamation issued by the federal and regional governments who have also issued Directives and supporting secondary documents and manuals. The Assessment of Ethiopia's Procurement Systems (2021 Vol. 1) have shown that adequate procurement legal frameowrk is in place which enshures basic procurement principles, and standard procurment documents are available for variuos categories of procurement.However, for national open competitive procurement, the assessment has revealed that in some instances two of the six project regions (Oromia and SER) are using regional procurement documents which vary from region to region and not consistent to the World bank's procurement regulations. Accordingly, while using the national procurement proceduces, due consideration shall be given in ensuring the national procurement documents and laws shall be appplied in leiu of regional procurement laws for the purpose of uniform application and consistency with the national procurement laws and regulations. Moreover, the national procurement documents shall include provisions to mitigate environmental and social risks.

Economic Aspects: Ethiopia is the second most populous country in Africa and has one of the fastest-growing economies in the world, which is resulting to increase in the number of middle

class. Economic growth recovered from the impact of drought in 2015/16 and registered 10.1percent annual growth in 2016/17 though the economic growth has diminished to 7.7% in 2017/18 fiscal year, as per the data from National Economic Planning. Regardinginflation, in April 2018, annual general price level increasedby 13.7 percent, food prices by 16.1 percent and prices of non-food items by 10.8 percent (UNDP 2018). The Ethiopian Economic update (July 11, 2018) indicated that the sustainabiloity of the Ethiopian economic growth model poses some important risks in the light of continued foreign exchange shortages which in turn affect the market competition. Thus, this will decrease the participation of international suppliers and firms in the procurement. The current inflation rate is estimated to be at 29.13% as compared to the previous year and it is project to reduce by 2024 to 20.24% and further reduce to 16.4% by 2026. However, the possible impact of inflation on the project procurement could increase in cost of goods and services due to price speculation or risk aversion behaviours of suppliers/contractors. Moreover, the price of construction material is sky rocketing due to the shortage of construction material which will have significant impact on the completion of projects with the planned time and result in frequent price adjustment requests from contractors and consultants. The remaining risks could be mitigated by enhancing procurement efficiency and through expedited procurement processes and enhancing procurement capacity at all levels.

The other key challenge though, is the scarcity of the foreign currency in the local Banks that is likely to detract local bidders from opening letter of credit timely and meeting contractual obligations. As a result, bidding processes may not attract interest and/ or competitive bids from local bidders as well as foreign bidders.

Sustainability Aspects: In line with the Country's and the sector 10 years' perspective plans, the Government of Ethiopia has continued to build on the Climate-Resilient Green Economy (CRGE) initiative to address the adverse effects of climate change and build green economy and create resilient communities in the project areas. In this respect, the project will have positive impact through the activities under Component one, two and three which supports enhancing disaster risk management and climate change mitigation and adaptation capacities and climate resilient and sustainable livelihoods interventions. However, procurement of works contractsin particular, theconstruction of irrigation schemes, dams, roads and other civil works shall be closely monitored to ensure compliance to the requirements of the new procurement framework regarding Environmental, Social, Health and Safety (ESHS) including GBV and SEA risks.The Ministry (MILLs) made good progress in the preparation of Environmental and Social Framework (ESF) Management Instruments, as part of LLRP Phase II preparation. In view of this, the national SBD shall be revised to ensure that the provisions are adequately

addressing environmental and social risks, mitigation measures and impacts and implemented by employing appropriate safeguard instruments. In general, sustainable procurement consideration may be applied functional and detail technical requirements, use of propere evaluation criteria based on the procurement related risks and mitigation measures proposed as well as economic , social and environemental impact assessment conducted for sub projects. The sustainability requirements shall be related to the bank's ESF. Besides, the project will consider organizing trainings to technical staff and raise awareness and capacity to mitigate any risks that might undermine sustainability of the results achieved through the project at all levels.

Technological Aspects: The Government of Ethiopia's Ten years perspective plan (2020-2030) has set strategic direction to enhance digital economy with improvements in information communication technology infrastructure and human development, utilize ICT in government administration, industry development and private sector development.As part of this strategy, the GoE is working to increase the number of subscribers and use of voice and data communication in the telecom sector. The project envisages to strengthen in terms of equipment, skilled human resource, and advanced technologies for the operationalization of the National Rangeland Monitoring System (RMS) andto facilitate real time information exchange and decision making among pastoral and agro pastoral communities. The project will also promote hydroponics technology for Pastoral and Agro-Pastoral Communities in the project areas.

Thus, it is imperative for the project to undertake adequate assessment of the market and capacity to determine the appropriate technology. Besides, the legal procedures for acquiring appropriate technology and compliant to the national standardsin Ethiopia is yet to be assessed prior to the commencement of the procurement activities.

The use of Systematic Tracking of Exchanges in Procurement (STEP) which the Bank has newly introduced as procurement planning and tracking system is mandatory for the project. Though the quality of internet connectivity has remained to be a concern, the project shall provide the necessary facilities including mobile internet modems, scanners, etc to facilitate the communication and use of STEP in the project. The World Bank shall organize refresher training on STEP particularly focusing on updates to the system.

Key Conclusions

The operational context in the country which includes Governance, Economy, Sustainability and Technological issues are generally favourable for the implementation of procurement in the projectworedas. Some potential challenges related to peace and security in the remote areas of pastoralist communities shall be mitigated by adopting relevant market approach options as

provided in the World Bank's procurement regulation (Fifth Edition, September 2023) Similarly, the project shall carry out adequate preparation including discussion among stakeholders and undertake feasibility study on the required type and functionality of Information Communication Technology for improved decision making among the pastoral communities.

2.2 PCU'S CAPABILITY ASSESSMENT

Experience: The project will be implemented at Federal, Regional, Woreda and community level. While various government agencies, Research institutes and interest groups will be involved in the project as beneficiaries and partners, the responsibility for the project implementation rests withthe Ministry of Irrigation and Lowlands(MILLs), Bureau of Pastoral Development (BoPD) (or its equivalents or President Office in the case of Somali, Afar, Gambella& Benishangul Gumuz,), Woreda Finance offices (WFO) and target communities. The procurement function in the MILLs, Regions and woredas is established in accordance with the Federal Government procurement proclamations and Directives that clearly articulates the segregation of procurement responsibilities among Head of the procuring entity, Procurement Unit and Bid Endorsing Committees. The arrangement enhances internal control in the procurement decision making process. Through the capacity created under the predecessor's projects to LLRP II like PCDP I to III and LLRP in the successive phases similar project implementation, these agencies have acquired significant experience in implementing Bank financed projects and acquainted with the World Bank procurement policies and procedures. Moreover, as the project (LLRP Phase II)continues to construct strategic sub projects like micro dams, irrigation schemes and water supply developments projects, there is a need to have contract management specialistat Federal and regional levels to provide technical assistance to project coordination units established at federal, regional and local level.

Staffing:The procurement units in the IAs have 2 to 3 permanent staff with adequate qualification (minimum BA Degree) and experience in procurement. The assessment has also shown that many of the experts attended short term procurement trainings organized by the respective regional procurement regulatory bodies and by the predecessor projects. However, the procurement experience on Bank financed projects has been observed to be limited due to the limited or no exposure of the staff in the permanent structure.With regard to hiring of qualified and well experienced procurement experts, it has been a major challenge both at Federal and regional levels due to unattractive salary scheme and benefit packages which was set in the directive issued by the Ministry of Finance.

In termso of staffing, there is lack of qualified procurement officers employed in the procurement positions as per the requirements. In terms of years of experience, the avialble staff have on the average 10 year of practical experience. In Gambella and SWEPR, there are not assistant procurement officers. The Proucremet officer positions at FPCU, Somali, Afar are vacant. In addition to the lack of adequate staff to shouloder the procurement assignment at all levels, there is also limited contract management capacities that will affect contract management for civil work contracts. As there will be no major procurement activities at woreda and community levels under LLRP Phase II, there will be no procurement staff in the project woredas.

The project demands senior procurement specialist position at federal level as the procurement items and the value and complexity of procurement nature is becoming a challenge. Though, the project procurement management is improving from time to time on the new procurement policy framework; continuous capacity building intervention based on the identified gaps will be of significance importance.

Thus, general procurement training on the revised procurement regulation (September 2023) and other procurement documents as well as the new procurement framework is recommended to be organized and delivered to technical and procurement experts working in the PCUs and the IAs.

Contract Management Capability and Capacity: The Federal Public Procurement Directive contained reasonably adequate guidance on basic contracts administration procedures. There are also contract management guiding documents in the STEP. However, contract management capacity has always been a major reason for poor procurement performance and non-compliant practices. There are huge capacity limitations among staff in handling contract administration in line with the national public procurements law and the World Bank's Procurement Regulation, as revealed by the procurement capacity assessment. While qualification and experience of the staff remains an issue; relative to their current workloads, the existing procurement organization and number of staffing is inadequate to manage the civil works contracts vis-a-vis high value and high risk contracts. On the contrary, thestrategic investments at regional level necessitate technical capacity and procedures on the management of works contract which is not available in a sufficient manner with the IAs. Though the relevant sector offices (Regional Roads office, Water Construction Offices etc) have the sectoral experience and the structure to manage works contracts in their areas of responsibilities, contract management shall get a serious attention.Hence, in some regions, the civil works contract management is affected which in turn will affect project implementation and result in delays.

So, either one contract managementspecialist or procurement and contract management specialist is need instead of having one procurement expert and one procurementassistant at regional level. In this respect, the staffing at Federal and Regional level to be revisited and consider placement of contract management expert in addition to the roles and responsibilities for contract management with the relevant regional sector bureau. To ensure successful contract implementation, the project shall prepare and implement contract management planby identifying relevant KPIs and shall carry out contract management review meetingson a regular basis with the contracting parties and follow on the delivery schedule and milestones as per the contract.

Complaints Management and Dispute Resolution Systems: The Ethiopian Federal Public Procurement Directive (June 2010) stipulates the review and resolution of complaints in public procurement. The Public Procurement Law provides independent procurement complaint review procedure by delineating the compliant handling and the procurement decision making authority. According to the law, procurement complaint system is of a two tier. First, it shall be handled by the Head of the Procuring Entity as the first entry point. Second,is the Procurement Complaint Handling Board for cases not resolved at the procuring entity level. Besides, it provides a Standstill Period for bidders to lodge their complaints at different stages. The assessment in the Ministry of Irrigation and Lowlandsand other implementing agencies indicate that almost all procurement complaintswere resolved satisfactorily through the heads of the implementing agencies.However, agencies lack procurement compliant recording, management and reporting systems. Incoming complaints have no separate file; they are kept in respective contract files. Moreover, there is no system or practice by which complaints and responses are disclosed to the public. Thus, the assessment noted that the application of the procedure should be further strengthened through trainings and by establishing adequate recording and tracking system.

Conclusions: The PCU's capacity assessment shows that there is adequate experience in implementing Bank financed projects with some limitations in the areas of civil works contract management. Besides, the assessment noted that the engagement of the permanent staff in Bank financed projects has been inadequate that will be important in enhancing institutional sustainability. As a result, the staffs in permanent structure do not have adequate experience in Bank procurement procedures to make appropriate procurement decisions. On the other hand, the Procurement Endorsing Committee (PEC) at all levels are working in a reasonable manner with the support of the project procurement officers.Going forward, the project shall ensure adequate capacity at the FPCUs/RPCUs and WFOs and seamless integration with the existing

structure including access to adequate technical support from respective sector offices in the procurement and management of works contracts. The FPCU shall collaborate with the World Bank and provide training on the new procurement framework,contract management, complaint handling procedures and in establishing MIS as well as procurement clinic on the application of STEP. . The project shall enhance its procurement capacity and increase efficiency through continuous capacity building and placement of qualified and experienced procurement staff to reduce the impact of failed bids/contracts due to lack of knowledge and the required skill for procurement and contract management.

2.3 MARKET ANALYSIS

The objective of market research and analysis is to develop an appropriate understanding of the market, the players, level and type of competition.This helps to define optimum market approach particularly for high risk/high value contracts. The market assessment utilized Supply Positioning and Supplier Referencingmodels as described in the following section.

a. Supply Positioning

The Supply Positioning Model categorizes specific procurements based on their relative supply risk and value in four quadrants.

Strategic Critical- The project envisages various procurement which are strategically critical for the achievement of the project objectives. These activities include the procurement of works contracts under the infrastructure investment component that assumes almost half of the project total cost.

Strategic Security- the main bottle neck activity that is high risk, but relatively low cost item is the updating/establishing the Rangeland Management Plans (RMPs). The RMP should be ofhigh quality product and should be delivered timely as it will be coordinated with other activities under component two.Similarly, the preparation of Disaster Preparedness Strategic Investment Program for eight Regions is very crucial for identifying and prioritizing strategic sub projects to be supported by the project.Procurement of virtual weather stations (VWSs) and automatic weather station are also fail under this category.

Tactical Acquisition: The project envisages various procurements of small value and low risk items including office equipment, stationeries,end of the project evaluation studies, baseline survey, independent procurement audit, financial audit, development of project dynamic website and upgrading of the existing MIS systemthat fall under this category.

Tactical Advantage: Only procurement items like vehicles, motor cycles and drilling machine fall under this category.

b.Supplier Referencing:

The procurement activities of the project are analysed against the view of suppliers in relation to the volume of business and potential for development associated with buyers. Based on the Kraljic's Supplier Preferencing Model, the assessment tried to categorize the project procurement activities in to Core, Developmental, Nuisance and Exploitable.

Core: Some of the project activities are significant in terms of contract size and sustainability. Activities in this category include goods and works for construction of strategic projects under various components that are core in the eye of local contractors and consultants involved in the design of civil structures.

Developmental: Some of the procurement activities like establishment of national web based rangeland monitoring system, upgrading the existing web based MIS system and development of project dynamic websitecould have brought long term business opportunity for small IT companies operating locally. The sector and demand is likely to expand in the future and it will be a good opportunity for suppliers to test and prove themselves in the market.

Exploitable: Some project activities like procurement of Vehicles, Motor cycles, drilling machine, IT equipment fall under "Exploitable" segment as suppliers normally have established market and might go for premium price while engaging with new buyers particularly if the business involve additional hurdle like foreign currency shortage in opening Letter of Credit, etc.

Nuisance: The category for Nuisance includes procurement items like supply of office equipment and standardized consultancy serviceslike independent procurement audit, financial audit and other consultancy assignments.

Development Establishment of national web based rangeland monitoring system, upgrading the existing web based MIS system and development of project dynamic website.	**Core** Works and goods contract under various components for local contractors and suppliers and various Studies and supervision works for consultancy firms and international partner organization.
Nuisance Office supplies, office furniture and standardized consultancy services like independent procurement audit, financial audit and other consultancy assignments.	**Exploitable** IT equipment, vehicle, motor cycles and drilling machine

Attractiveness of Account

Relative Value of Account

The following section describes the results of the market assessment for some of the key procurement activities in the project.

1) **Consultancy Services (Baseline services, Mid Term and End of the Project Evaluation,) (USD 700,000.00)**

The project envisages undertaking baseline, midterm and project end line evaluation. The cost for each of these studies is estimated to amount on the average around USD 230,000.00. Although the market if flooded with private firm who can compete and work on such assignment, the project and the ministry had bad experiences including the recent Mid-term evaluation for LLRP. A private firm was selected from the market on cost and quality selection basis. However, the quality and timeliness of the deliverable was substandard, that was returned by the Bank team for quality purpose. Significant time has been elapsed with back and forth between the firm, the PCU and the Task team.

Most importantly, the results framework of the LLRP II includes very complicated indicators such as livelihoods resilience and climate resilience that can only be measured with a scientifically designed instrument. This requires highly qualified professional with global and national experiences in sophisticated research designs. Otherwise, measuring the results and impacts of the project investments will be very difficult. Therefore, the ministry has proposed to consider an internationally recognized and well experienced institute on direct selection basis.

Thus these consultancy assignments are expected to be contracted out to ILRI on direct selection basis as the institute has the relevant experience to carry out such similar assignments and deliver the assignments on time and in the required quality standards. The institute has a demonstrated experience in undertaking baseline survey, mid-term and endline survey including with world Bank financed projects such as PCDP III under the MILLs (then Ministry of Federal and Pastoral affairs) and the Regional Pastoral Livelihoods Resilience Project 9RPLRP) under MoA.

According to the World Bank Procurement Regulations for IPF Borrowers procurement in investment project financing Goods, Works, Non-Consulting and Consulting Services July 2016 and consecutive revisions, Section VII, approved selection methods for consulting services, direct contracting may be used in justifiable requirement to reengage a firm that has previously completed a contract to perform a similar type of consulting service and ILRI undertake baseline survey for PCDP III and performed satisfactorily in accordance with article 7.14 (c) and only ILRI is qualified and experienced to undertake similar assignments in accordance with article 7.14 (f). Therefore, based on the above analysis, ILRI is qualified and has the required experience to undertake the assignment.

2) Consultancy Service for the development of rangeland monitoring system ($1,500,000.00)

The project envisages to strengthen in terms of equipment, skilled human resource, and advanced technologies for the operationalization of the National Rangeland Monitoring System (RMS) to be established by LLRP Phase II. As component two of the project is aiming at improving the production, productivity, and health of the rangeland resources that will in turn contribute to the improvement of the livestock productivity and the livelihoods of the PAPs; procurement of this consultancy services has significant importance.

Since 2019, the project management has tried all its best to hire a private firm on competitive basis for the design and Establishment of the National web-based Rangeland Monitoring System (RMS). However, all the efforts have not succeeded mainly due to absence of competitive and technically responsive firm but also due to the technical sophistication of the task. Therefore, the establishment of RMS could not successed in phase one of the project Hence, the project team cancelled it from LLRP and planned to implement it under LLRP II. Following this, the project in collaboration with close partners has attempted to search for capable institutions to properly handle the assignment. However, available information and existing found conditions couldn't allow the project to get private entities to readily compete for the required task. According to the World Bank Procurement Regulations for IPF Borrowers procurement in investment project financing Goods, Works, Non-Consulting and Consulting Services July 2016 and consecutive revisions, Section VII, approved selection methods for consulting services, direct contracting may be used in justifiable requirement to reengage a firm that has previously completed a contract to perform a similar type of consulting service and (Agricultural Transformation Institute (ATI) which is structurally under the Ministry of Agriculture provide technical support to LLRP and performed satisfactorily in accordance with article 7.14 (c) and only ATI is qualified and experienced to undertake similar assignments in accordance with article 7.14 (f). Therefore, based on the above analysis, ATI is qualified and has the required experience to undertake the assignment. ATI is a governmental organization with unique arrangement high technical and institutional capacity that has been able to hire and maintain highly qualified and experienced professional. ATI has demonstrated its technical capacity for project support in many instances including with the World Bank financed projects such as LFSDP. ATI has been playing pivotal role for the successful implementation of LFSDP both technical implementation support and deliverables. Therefore, the Mills is proposing direct selection of ATI for the design, rollout, and operationalization of the RMS.

3). Preparation of Disaster Preparedness and Resilience –building Strategic Investment Plans (DPRSIPs) ($700,000.00)

Regional-level disaster preparedness and resilience-building strategic investment plans (DPRSIPs) will be prepared for each of the eight project regions in consultation with selected woredas and communities. Each DPRSIP will lay out a 5–10-year regional investment plan addressing key socioeconomic and climate-related challenges. Investment activities will be selected for inclusion in DPRSIPs based on their expected impacts, sustainability, and feasibility. This task is technically complex and requires high level technical capacity and practical experiences locally and globally. These are regional long range climate change mitigation and adaptation plans that will be endorsed by the respective regional goveremnt councils. Once finalized, the plans will become public documents (made available on the EDRMC's online platform) and the intent is for the actions they identify to be financed by multiple development partners active in the lowlands. Based the LLRP experience so far, the proposed task may not be properly managed by the private firms available in the market. The task requires strong institutional capacity beyond the common private firm available in the local market.

The LLRP host ministry had similar experience during the second phase of the Pastoral Community Development project (PCDP II). Under PCDP II, the project prepared Disaster Preparedness Strategic Investment Plans (DPSIPs) for the four project regions. The DPSIPs were prepared by an international organization known as International Institute for Rural Reconstruction (IIRR). IIRR prepared the DPSIPs for Oromia, Afar, Somali, and Southern region with very high quality that has been well endorsed by all stakeholders. The LLRP II supported DPRSIPs are even more complex in their scope and nature and hence requires better capacity to prepare them.

Understanding the challenges and the skills required to prepare the DPRSIPs, the project is proposing to select IIRR on direct selection basis.

IIRR has an incredibly unique qualification and institutional capacity to undertake such tasks. IIRR is highly specialized in disaster risk management and preparation of similar documents across the globe. It has practical experiences in many parts of the lowlands in Ethiopia. Therefore, given its unique institutional capacity coupled with its highly satisfactory similar work with the ministry under PCDP II, the project believes that IIRR is the appropriate organization to take the lead responsibility for the preparation of the DPRSIPs. According to the World Bank Procurement Regulations for IPF Borrowers procurement in investment

project financing Goods, Works, Non-Consulting and Consulting Services July 2016 and consecutive revisions, Section VII, approved selection methods for consulting services, direct contracting may be used in justifiable requirement to reengage a firm that has previously completed a contract to perform a similar type of consulting service and International Institute for Rural Reconstruction (IIRR) performed satisfactorily in accordance with article 7.14 (c) and only IIRR is qualified and experienced to undertake similar assignments in accordance with article 7.14 (f). Therefore, based on the above analysis, IIRR is qualified and has the required experience to undertake the assignment.

4). Preparation/updating of Woreda Disaster Risk Profile($1,800,000.00)

The project will finance the preparation of Woreda Disaster Risk Profiles (WDRPs). WDRPs will be prepared (or updated (where they already exist) for all 120 of the project woredas in the 8 regions outlining the major climate change vulnerabilities facing each woreda. In a process led by EDRMC, WDRPs will be prepared using participatory processes involving community representatives and key stakeholders at the woreda level.

As the assignment is complex and required high level technical expertise, experienced international organizations such as, the International Institute for Rural Reconstruction (IIRR) may take the assignment using direct selection method. IIRR has an incredibly unique qualification and institutional capacity to undertake such tasks. IIRR is highly specialized in disaster risk management and preparation of similar documents across the globe. It has practical experiences in many parts of the lowlands in Ethiopia. Therefore, given its unique institutional capacity coupled with its highly satisfactory similar work with the ministry under PCDP II, the project believes that IIRR is the appropriate organization to take the lead responsibility for the preparation of the Woreda Disaster Risk Profiles. More importantly, the WDRPs are prerequisites for the preparation of a more comprehensive Disaster Preparedness and Resilience Building Strategic Investment Plans (DPRSIPs), for which the MILLs is proposing to contact IIRR on direct selection basis. Therefore, given the strong linkage between the WDRP and DRSIPs, the MILLs is proposing to contract IIRR on direct selection basis for the preparation of WDRPs. The institute will carry out the preparation of the WDRPs and prepare a comprehensive report using an interactive online platform to be hosted by the EDRMC. In the process of preparation of Disaster Preparedness Investment Plans (DPSIPs) under PCDP Phase II, the institution has reviewed the then woreda risk profile to use as an input for the preparation of the regional plan.

According to the World Bank Procurement Regulations for IPF Borrowers procurement in investment project financing Goods, Works, Non-Consulting and Consulting Services July 2016 and consecutive revisions, Section VII, approved selection methods for consulting services, direct contracting may be used in justifiable requirement to reengage a firm that has previously completed a contract to perform a similar type of consulting service and International Institute for Rural Reconstruction (IIRR) performed satisfactorily in accordance with article 7.14 (c) and only IIRR is qualified and experienced to undertake similar assignments in accordance with article 7.14 (f). Therefore, based on the above analysis, IIRR is qualified and has the required experience to undertake the assignment.

5) **Vehicles and Motor Cycles (USD 7,490,000.00[1])**

Given that the project is implemented in 8 regions in a widely dispersed location, the project requires relatively huge logistical support. The procurement and distribution of vehicles and motor cycles should be undertaken at early stage of project implementation preferably before implementation is started. There are many local dealers for supply of vehicles and motor cycles (list attached) and the market is competitive. However, due to shortage of foreign currency, the local market demands longer delivery period which is not feasible for the project. Besides, there is limited capacity in preparation of technical specifications, defining bid evaluation criteria and evaluating bids imposing risk on quality and durability. As a result, manyWorldBank financed projects have resorted to UNOPS for procurement of vehicles and Motor Cycles like PCDP III, LLRP (phase I) and AGP as well as MoH and other Federal Government Institutions. As the procurement of vehicles and motor cycles is urgently needed prior to commencement of the project in general and implementation of strategic investments and other complex consultancy assignments, procurement through UNOPS would be considered.

Key Conclusions

The market assessment showed that there are strategic items in the project that requires careful planning and implementation of the procurement process. These procurements are high risk activities that have direct impacts on theachievement of the project objectives. These activities include works contracts (construction of micro dams, roads, bridges, etc.) associated activities

[1] Doesn't include local tax

like updating Rangeland Management and Investment Plan, procurement of vehicles, etc. The procurement activities are attractive for contractors in terms of volume, but requires managing setbacks associated with the remoteness and some security concerns in some areas as well as shortage of construction materials like cement and reinforcement bars that intern required governmentsintervention in stabilizing the market by using different market regulatory and other supportive mechanisms to facilitate the availability of construction material particularly in remote and pastoral areas of the country. In terms of competition, the market for works contract is competitive in which there are adequate number of contractors registered at national and regional level in all sectors (Water, Roads and Buildings). There are also adequate supplier for the low risk activities like office equipment and stationeries both at federal and regional level.

3. PROCUREMENT RISK ANALYSIS

The objective of the assessment is to identify procurement risks during project preparation and implementation stages and to monitor them throughout the project cycle.

The assessment has revealed that there are various risks that could adversely affect the successful implementation of procurement activities in the project. The risks are associated with the macro context (which includes instability, foreign currency shortage, inflation etc), market (inadequate competition, monopolistic attitude,etc) and to a certain extent the PCUs capacity and experience (limited experience in the World Bank procurement procedure, inability to define specifications and requirements timely, delay in procurement processing and decision making, as well as contract management challenges etc). These risks are prioritized and presented in the following table.

Table 2: Risk Mitigation Matrix

Procurement Risk Description	Likelihood/ Impact	Mitigation Measures	Responsible body
Inadequate competition or no bid for procurement of works contract	M/M	Setting non-discriminatory evaluation criteria	MILLs/ Regions
Delay in the procurement of works contract due to long preparation process including preparation of DPSIP	M/H	- Use direct selection procurement method with sufficient justification for the selection process	MILLs/Regions

Procurement Risk Description	Likelihood/ Impact	Mitigation Measures	Responsible body
		- Implement identified shelf projects in the first fiscal year of the project	
Limited Capacity to prepare the Terms of Reference for preparation of Disaster Preparedness Strategic Investment (DPSIP)	M/M	Employ technical assistance from International Institutes/ partners	MILLs and FPCU
Disruption in the supply of goods and services required for the project due to shortage in foreign currency	L/H	Forecast for the Hard currency requirement and facilitate for suppliers and contractors in the L/C opening	MILLs/FPCU
Lack of familiarity with World Bank New Procurement Framework and Procurement Regulations and Standard procurement documents	M/M	1. Update the LLRP procurement manual in consistent with the World Bank procurement regulations (September 2023); and provide training on how to use the manual/regulation	MILLs and FPCU
Lack of sufficient experience in contract administration and management	M/M	1. Recruitment of contract management specialistat FPCU & RPCUs levels 2. Provide training to IAs and project staff on contract management with EMI.	FPCU/RPCUs
High Staff turnover	M/M	1. Timely recruitment/replacement 2. Frequent awareness creation and training	FPCU/RPCUs

Key Conclusions

The project Procurement Risk Analysis has been based on the assessment of the macro context, the market and the PCUs experience and capability.

Different mitigation measures have been proposed, which includes optimal procurement arrangement, market approach options, packaging and building the capacity of the Implementing Agency/project staff throughout the implementation period of the project. The identified risks have also determined the procurement objectives in the project as described below.

4. PROCUREMENT OBJECTIVES

The procurement objectives emanate from the assessment and the risks identified aboveand compliment to and support the achievement of the PDO.

The broad Procurement objective of the project is to ensure that procurement activities are implemented timely, through adequate competition and achieve value for money. The specific objectives include:

a. Ensure that infrastructures in the project are constructed timely and in a cost-effective manner based on timely preparation ofDPSIP. To speed up the implementation process shelf projects will also be implemented in the first fiscal year of the project (LLRP Phase II).
b. Achieve the state of art technology and innovative approaches for preparing/updating disaster risk profile and establishment of web based rangeland monitoring system.
c. Provide market access to locally available materials and services from pastoral communities
d. Achieve cost saving through competitive procedures on the procurement of low risk items. Use appropriatepackaging and contracting strategy of the procurement items thereby cost and time overruns shall not exceed the standards of KPI Guidelines of the government

To achieve the aboveobjectives, the collaboration and support from the stakeholders is essential. The following section tries to identify and analyses the stakeholders and how to engagethem during the procurement implementationprocess.

The more engaged the stakeholders, the easier it is for procurement to meet its objectives thereby achieve value for money. Stakeholder Engagement is one of performance measurement yardsticks for procurement and hence the engagement approach should be carefully thought. In this regard, the stakeholder analysis using RACI matrix was conducted. The results of RACI matrix are shown on Table 3 below:

Table 3: Stakeholders analysis of the project

Stakeholder	Interest	Stakeholder Objectives from the Procurement	Stakeholder Engagement Approach
WB	Responsible	Provide training on the new procurement framework,	Implementation Support Mission

Stakeholder	Interest	Stakeholder Objectives from the Procurement	Stakeholder Engagement Approach
		provide timely clearance forboth post review (procurement plan approval) and prior review procurements, and procurement clinics during implementation	
MILLs/FPCU and BoPD/President Office/RPCUs	Responsible	Ensure that procurements are properly planned and conducted in timely manner to attract high competition to achieve value for money and fairness	Conducting internal customers surveyand Informal feedback
BoPD/President Office/RPCUs	Responsible	Ensure that procurements are properly planned and conducted in timely manner to attract high competition to achieve value for money and fairness at regional level	Align procurement objectives with your stakeholder objectives, Supplier Relationship Management
MILLs/ FPCU	Accountable	Day to day follow up and project coordination and implementation. Conduct timely procurement assessment particularly for critical procurement items	Procurement Progress Reports and Review Meetings
Procurement staff at all levels	Accountable	Ensure that procurement is implemented as per the agreed procedure with due consideration of the cost and efficiency	Procurement Review through Prior and post review procedures
Micro Financing Institutions& Other Ministries	Informed	Get support of relevant Government Agencies in policy and counterpart funding issues	Joint review meetings
Communities	Consulted	Properly consulted and involved in the preparation and implementationof woreda disaster risk plansand strategic projects	Project Planning and M and E Reports

Stakeholder	Interest	Stakeholder Objectives from the Procurement	Stakeholder Engagement Approach
Supplier contractors and consultants	Informed	Process of selection is open, fair and transparent	Customer satisfaction surveys

5. Recommended Procurement Approach for the Project

5.1 Procurement of drilling machine (USD 9,000,000.00)

Requirements	Specification	Conformance
	Sustainable Requirement	NA
Contract Strategy	Contract Type	Lump sum
	Pricing/costing mechanism	
	Supplier relationship	Strategic
	Conditions of contract	Bank SPD
Selection Method	Approved selection method	RFB
	Approved selection arrangement	
	Market approach option	Open/International
Evaluation	Method	Rated Criteria
Contract Management	KPI Focus	Quality, Time
Review type	Prior	

5.3 Development of rangeland monitoring system, $ 1,500,000

Requirements	ToR	
	Sustainable Requirement	NA
Contract Strategy	Contract Type	Lump sum
	Pricing/costing mechanism	
	Supplier relationship	Collaborative
	Conditions of contract	RFP
Selection Method	Approved selection method	Directo Selection
	Approved selection arrangement	Direct Selection
	Market approach option	Direct
Evaluation	Method	Rated Criteria
Contract Management	KPI focus	Quality

Review type	Prior	

5.4 Baseline Survey,USD 200,000

Requirements	ToR	
Contract Strategy	Contract Type	Lump sum, advance contracting
	Pricing/costing mechanism	
	Supplier relationship	Collaborative
	Conditions of contract	RFP
Selection Method	Approved selection method	Direct Selection
	Approved selection arrangement	Direct Selection
	Market approach option	Direct Selection
Evaluation	Method	Rated Criteria
Contract Management	KPI Focus	Quality, Time
Review type	Post	

5.5 Mid Term Evaluation, USD 200,000

Requirements	ToR	
Contract Strategy	Contract Type	Lump sum, advance contracting
	Pricing/costing mechanism	
	Supplier relationship	Collaborative
	Conditions of contract	RFP
Selection Method	Approved selection method	Direct Selection
	Approved selection arrangement	Direct Selection
	Market approach option	Direct Selection
Evaluation	Method	Rated Criteria
Contract Management	KPI Focus	Quality, Time
Review type	Post	

5.6 End of project evaluation, USD 300,000

Requirements	ToR	
Contract Strategy	Contract Type	Lump sum, advance contracting
	Pricing/costing mechanism	
	Supplier relationship	Collaborative
	Conditions of contract	RFP
Selection Method	Approved selection method	Direct Selection
	Approved selection arrangement	Direct Selection

	Market approach option	Direct Selection
Evaluation	Method	Rated Criteria
Contract Management	KPI Focus	Quality, Time
Review type	Post	

5.7 Computers,Laptops and, UPS USD 35,000.00 (Federal)

Requirements	Specification	Conformance
	Sustainable Requirement	NA
Contract Strategy	Contract Type	Lump sum
	Pricing/costing mechanism	
	Supplier relationship	Strategic
	Conditions of contract	Bank SPD
Selection Method	Approved selection method	RFQ
	Approved selection arrangement	Limited /National
	Market approach option	Limited
Evaluation	Method	
Contract Management	KPI Focus	Quality, Time
Review type	Post	

5.8 Computers,Laptops and, UPS USD 1,051,000.00 (for 8 Regions)

Requirements	Specification	Conformance
	Sustainable Requirement	NA
Contract Strategy	Contract Type	Lump sum
	Pricing/costing mechanism	
	Supplier relationship	strategic
	Conditions of contract	Bank SPD
Selection Method	Approved selection method	RFB
	Approved selection arrangement	
	Market approach option	Open/National
Evaluation	Method	Most Advantageous bid/Least evaluated cost
Contract Management	KPI Focus	Quality, Time
Review type	Post	

6 PREFERRED ARRANGEMENT FOR LOW VALUE, LOW RISK ACTIVITIES

Activity	Category	Estimated cost ('000 USD)	Procurement arrangement(Selection method and market approaches)
Office Furniture (for FPCU and 8 regions)	Goods	1,245.00	RFQ / Limited / National

Activity	Category	Estimated cost ('000 USD)	Procurement arrangement(Selection method and market approaches)
Consultancy service for undertaking an Independent Procurement Audit	Consulting Services	100.00	LCS//Open
Consultancy service for undertaking Financial Audit	Consulting Services	50.00	CQS//Limited
Consultancy service for updating robust web based MIS system	Consultancy	75.00	CQS / Limited
Consultancy service to develop project dynamic website	Consultancy	50.00	CQS / Limited
Procurement of Computers, Laptops and UPS for FPCU and RPCUs	Goods	1,086.00	Limited National (RFQ)

7 SUMMARY OF PPSD TO SUPPORT THE BANK'S PREPARATION OF THE PAD

Contract Title, description and category	Estimated cost(USD) '000	Bank oversight	Procurement approaches/ competition	C	Evaluation methods
Denvelopmentof rangeland monitoring system	1,500.00	Prior	Direct Selection	Direct	
Procurement of Vehicles and Motor Cycles	7,490,000.00	Prior	UN Agencies (UNOPS)	Direct Selection	Negotiation
Procurement of Independent Procurement Audit	100.00	Prior	Limited/National	LCS	

Contract Title, description and category	Estimated cost(USD) '000	Bank oversight	Procurement approaches/ competition	C	Evaluation methods
Consultancy service for undertaking baseline survey	200.00	Post	Direct Selection	Direct	
Mid Term review	200.00	Post	Direct Selection	Direct	
End of project evaluation	300.00	Post	Direct Selection	Direct	
Preparation of Disaster Preparedness and Resilience – building Strategic Investment Plans (DPRSIPs)	700.00	Prior	Competition among NGOs/Institutions	CQS	

Annexes

Annex 1: Few List of local ICT Consulting Firms

No.	Name of Consultant	Registration No.
1	Apptech IT Solutions PLC	AR/AA/14/670/697570/2010
2	AppTech Computer Engineering	AA/AR/07/14/670/4033793/2007
3	AppTech Computer Engineering	AA/AR/07/14/670/4033808/2007
4	Applenty Technology Solutions Plc	BL/AA/2/0014055/2009
5	APPINNOV software Technology	AA/KK/06/14/706/607741/2009
6	APHILAS CUSTOM CLEARING PLC	14/671/110833/2005
7	Apexoz solution plc	KK/AA/14/706/691245/2009
8	ANHUI ANTAI TECHNOLOGY CO., LTD ETHIOPIAN BRANCH	0056102923
9	Amalgam Communication PLC	VAS/139/2008
10	AIOTS Technology PLC	NL/AA/14/666/517476/2008
11	AhadooTec ICT Solutions PLC	14/673/717253/2006
12	A and L Information Technology PLC	14/666/945843/2006
13	Addis Systems Integration ICT PLC	14/667/558965/2006
14	Addis Geosystems plc	14/672/567323/2008

Annex 2: Summarized List of Strategic Sub Projects Planned to be Supported underLLRP II in 2017 EFY

No.	Activity	Unit	Physical Targets	Total Investment Cost (ETB)	Total Investment Cost (USD)
1	**Feasibility Study and Design**				
1.1	***Study & Design of Water Resource Development Schemes (Planned for 2017 EFY)***				
a)	Ground water investigation for borehole drilling	No	7	3,150,000.00	56,250.00
	Sub-Total		**7**	**3,150,000.00**	**56,250.00**
1.2	Study & Design for Irrigation Scheme Development (Planned for 2017 EFY)				
a)	Study and design for irrigation scheme development	No	3	4,500,000.00	80,357.14
	Sub total		**3**	**4,500,000.00**	**80,357.14**
1.3	***Study & Design for Rural Access Roads Development (Planned for 2017 EFY)***				
a)	Gravel rural access roads development sub-project (5)	Km	131	5,240,000.00	93,571.43

No.	Activity	Unit	Physical Targets	Total Investment Cost (ETB)	Total Investment Cost (USD)
	Sub-Total		**131**	**5,240,000.00**	**93,571.43**
1.4	***Study & Design for Medium Bridge Development (Planned for 2017 EFY)***				-
a)	Study & design for medium bridge development	No	12	5,400,000.00	96,428.57
	Sub-Total		**12**	**5,400,000.00**	**96,428.57**
1.5	***Study & Design for Other PEIs (Planned for 2017 EFY)***				
a)	Study & design for primary livestock market centers	No	1	150,000.00	2,678.57
b)	Study & design for emergency feed stores	No	1	150,000.00	2,678.57
c)	Study &design for veterinary clinic	No	5	500,000.00	8,928.57
d)	Study &design for regional laboratory	No	1	1,000,000.00	17,857.14
	Sub-Total		**8**	**1,800,000.00**	**32,142.86**
	Total for Feasibility Study		***35***	***20,090,000.00***	***358,750.00***
2	**Construction of Public Economic Infrastructure (PEIs)**				
2.1	***Water Resources Development (Planned for 2017 EFY)***				
a)	Borehole drilling for distribution	No	5	88,268,293.64	1,576,219.53
b)	Construction of water supply & distribution systems from the drilled borehole (civil works, supply & installation of pipes & fittings, and EM works)	No	8	344,338,043.72	6,148,893.64
c)	Borehole drilling and construction of water supply & distribution systems (civil works, supply & installation of pipes & fittings, and EM works)	No	3	275,500,000.00	4,919,642.86
d)	Spring development with distribution system (civil works, supply & installation of pipes & fittings, and EM works)	No	1	16,897,214.02	301,735.96
e)	Construction of micro dams for water supply purpose	No	3	353,750,742.00	6,316,977.54
f)	Construction of micro pond for water supply& irrigation purpose	No	1	379,143,014.50	6,770,410.97
g)	Construction of micro pond for water supply purpose	No	6	87,785,593.95	1,567,599.89
h)	Water supply for livestock export zone	No	1	97,000,000.00	1,732,142.86
	Sub-Total		**27**	**1,642,682,901.83**	**29,333,623.25**
2.2	**Irrigation Schemes Development (Planned for 2017 EFY)**				
a)	Construction of irrigation schemes from rivers	No	8	655,165,134.55	11,699,377.40

No.	Activity	Unit	Physical Targets	Total Investment Cost (ETB)	Total Investment Cost (USD)
b)	Irrigation scheme development from micro dams	No	1	327,843,960.41	5,854,356.44
	Sub-Total		**9**	**983,009,094.96**	**17,553,733.84**
2.3	***Rural Access Roads Development (Planned for 2017 EFY)***				
a)	Construction of new access roads (24)	Km	749.06	2,818,272,579.00	50,326,296.05
	Sub-Total			**2,818,272,579.00**	**50,326,296.05**
2.4	***Construction of Bridges(Planned for 2017 EFY)***				
a)	Construction of medium span bridges	No	2	165,726,498.96	2,959,401.77
	Sub-Total		**2**	**165,726,498.96**	**2,959,401.77**
2.5	***Construction of Other Public Economic/Social Infrastructures (PESIs)(Planned for 2017 EFY)***				
a)	Construction of veterinary clinic	No	2	18,000,000.00	321,428.57
b)	Construction of primary livestock market centers	No	1	15,000,000.00	267,857.14
c)	Construction of standard emergency feed stores	No	3	84,000,000.00	1,500,000.00
d)	Upgrading/expansion of secondary schools	No	1	25,000,000.00	446,428.57
e)	Construction of boarding school	No	1	50,000,000.00	892,857.14
f)	Construction of primary health centre	No	1	50,000,000.00	892,857.14
	Sub-Total		**9**	**242,000,000.00**	**4,321,428.57**
	Total for Infrastructure Development	***No***	***71***	**5,851,691,074.75**	**104,494,483.48**
	Grand Total	***No***	***106***	**5,871,781,074.75**	**104,853,233.48**

Investing in rural people

Ethiopia

Lowlands Livelihood Resilience Project - Phase 2

Design Report

Annex: Llrp Ii Mainstreamiing Tracking Tool

Mission Dates:	15/04/2024 - 26/04/2024
Document Date:	24/03/2025
Project No.	2000004931
Report No.	6979-ET

East and Southern Africa Division
Programme Management Department

THE MAINSTREAMING TRACKING TOOL

INSTRUCTIONS PAGE

About the Mainstreaming Themes and the Tool

PURPOSE OF THE TOOL	This tracking tool was created to facilitate the screening and validation for IFAD's mainstreaming themes, and to monitor progress towards achieving the IFAD12 design targets

IFAD12 COMITTMENTS AT DESIGN	
Social inclusion themes	35% of projects are Gender transformative
	60% of projects are Nutrition sensitive
	60% of projects are Youth sensitive
	10 projects include Indigenous Peoples as a priority target group
	5 projects include Persons with Disabilities as a priority target group
Climate finance	40% of PoLG is climate focused
Climate capacity	90% of projects are designed to build adaptive capacity No action required; this information will be automatically populated if >15% of the IFAD investment is validated as climate finance

Tool Specifications and Requirements

PROJECT DOCUMENTS REQUIRED	
Social inclusion themes	Latest version of the Project design report (PDR), including annexes
Climate focused finance	Latest version of the Project design report (PDR), including annexes and COSTAB (broken down by co-financier)

SI THEMES ASSESSMENT/VALIDATION	
Social inclusion themes tab	The assessment/validation of SI themes is carried out according to the criteria described in the Social Inclusions Themes Tab. For SI themes, eligibility requires a theme-specific: Situation analysis, Theory of Change, Logframe indicators and Resource allocation (human and financial)
Summary tab	Social inclusion results are summarized in the Summary Tab

CLIMATE FINANCE ASSESSMENT/VALIDATION REQUIREMENTS	
Climate rationale tab	If the 3 steps required for adaptation finance are met, proceed with the calculatation for adaptation finance in the Adaptation Tab
	If the 2 steps required for mitigation finance are met, proceed with the calculation for mitigation finance in the Mitigation Tab
	Climate finance results are summarized in the Summary Tab. Final amounts are rounded
	For filling out IFAD finance, make sure to enter in 0 values if there is no IFAD finance for the components/sub-components
Indicators	(a) if climate finance is > 25%, two or more climate and environment core indicator are required; (b) if climate finance < 25%, one climate and environment core indicator is required; (c) if the project includes mitigation finance, the GHG core indicator (3.2.1) is mandatory
Programme management costs	Programme management costs must always be inserted in row 48 of the Climate Rationale Tab
Rows/columns	Hide rows/columns that are not needed for the copied costab for the relevant project at hand

ACTIONS REQUIRED	
Type, insert or select	Please type the information where prompted to [Insert]; arternatively, please [Select] one or more options from a dropdown menu

PROJECT DETAILS PAGE

PROJECT NAME	Lowlands Livelihood Resilience Project - Phase 2	ACRONYM	LLRP II
Project ID	2000004931	Approval type	EB
Region	ESA	Country	Ethiopia
Additional financing	No	IFAD Project type/Sector	Livestock
Environ. and Social category (SECAP)	Substantial	*Climate risk (SECAP)*	Substantial
Project Goal	[Insert]	Development Objective	To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of
Strategic Objectives (SOs)	[Select]; SO3	Sustainable Development Goals (SDGs)	[Select]; SDG 1 - No poverty; SDG 2 - Zero hunger; SDG 4 - Quality education; SDG 5 - Gender equality; SDG 8 - Decent
Date of review	15/05/2024	Checklist prepared by	Paraskevi Peglidou

SOCIAL INCLUSION THEMES PAGE

PROJECT DETAILS: auto-filled out from Project Details Tab

PROJECT NAME	Lowlands Livelihood Resilience Project - Phase 2	ACRONYM	LLRP II
Project ID	2000004931	Approval type	EB
Region	ESA	Country	Ethiopia
Additional financing	No	IFAD Project type/Sector	Livestock
Environ. and Social category (SECAP)	Substantial	Climate risk (SECAP)	Substantial
Project Goal	[Insert]	Development Objective	To improve the livelihoods and climate resilience of pastoral and agropastoral
Strategic Objectives (SOs)	[Select]; SO3	Sustainable Development Goals (SDGs)	[Select]; SDG 1 - No poverty; SDG 2 - Zero hunger; SDG 4 - Quality education;
Date of review	15/05/2024	Checklist prepared by	Paraskevi Peglidou

OVERVIEW: auto-filled out from selections below

Social Inclusion Theme	Mainstreamed?
Gender transformative	YES
Youth sensitive	NO
Nutrition sensitive	NO
Indigenous Peoples	NO
Persons with Disabilities	NO

THE SOCIAL INCLUSION THEMES TOOL

Gender transformative | Youth sensitive | Nutrition sensitive | Indigenous Peoples | Persons with Disabilities

MENU	GENDER TRANSFORMATIVE				GENDER TRANSFORMATIVE	
Situation analysis	Situation analysis	National gender policies, strategies and actors	Gender roles and exclusion/discrimination	Key livelihood problems and opportunities, by gender	Theory of Change	Gender policy objectives (empowerment, voice, workload)
Theory of Change		1) National Policy on Ethiopian Women (1993) aimed to institutionalize the political, economic, and social rights of women by creating appropriate structures in government offices and institutions so that public policies and interventions are gender-sensitive and equitable. It was this policy that created the Ministry of Women and Children's Affairs. The policy aims to: 1) Facilitate conditions to increase equality between men and women so that women can participate in the political, social and	Because of gender-related socioeconomic and cultural realities, women in lowland PAP communities are among the most vulnerable to climate change, and among the most hurt by it. While fully engaged in PAP activities, women have limited and deeply asymmetrical access to, and control over, vital resources such as land, livestock, and household assets. For the most part, men oversee decisions relating to community and household resources. In addition, women are often in charge of tasks that are particularly affected by climate	Given the impacts of climate change, both female and male pastoralists can benefit from diversifying their sources of income for greater resilience. However, female pastoralists have less access to resources such as land, housing, and finance. In Ethiopia, pastoralist women and girls face forms of inequality that begin at birth and are perpetuated by their low educational status, low health status, low social status, limited access to resources, and limited decision-making power within their communities. Women in pastoralist		The project will empower women, indigenous and marginalized groups, and poor people through specific interventions that address their challenges such as improved access to pasture and water, in adapting to climate change. PAD, p. 40 To close the gender gap and strengthen women's participation as economic actors in the productive sectors as well as enhance their social status and recognition as transformation drivers within their communities, the project will: (i) promote women's participation in key committees, community-based
Logframe indicators						
Human and financial resources						
Gender transformative? YES						

MENU	YOUTH SENSITIVE				YOUTH SENSITIVE	
Situation analysis	Situation analysis	National youth policies, strategies and actors	Main youth groups	Challenges and opportunities by youth group	Theory of Change	Pathways to youth socio
Theory of Change		[Insert]	[Insert]	[Insert]		[In
Logframe indicators						
Human and financial resources						
Youth sensitive? NO						

MENU	NUTRITION SENSITIVE				NUTRITION SENSITIVE	
Situation analysis	Situation analysis	National nutrition policies, strategies and actors	Key nutrition problems and underlying causes, by group	Nutritionally vulnerable beneficiaries, by group	Theory of Change	Nutrition
Theory of Change						
Logframe indicators		[Insert]	[Insert]	[Insert]		[In
Human and financial resources						
Nutrition sensitive? NO						

MENU	INDIGENOUS PEOPLES				INDIGENOUS PEOPLES	
Situation analysis	Situation analysis	International standards, national policies, strategies and key Indigenous Peoples' organizations present at national/project level	Main Indigenous Peoples communities, their demographic, social, cultural, and political characteristics	Important livelihood constraints (including land and territories that Indigenous Peoples have traditionally owned or customarily used or occupied and the natural resources they manage or depend upon) and opportunities to recognize Indigenous Peoples' cultural heritage and identity as assets	Theory of Change	Pathways to Indigenous Peoples soc traditional food systems, food and nutrit natural reso
Theory of Change						
Logframe indicators		[Insert]	[Insert]	[Insert]		
Human and financial resources						
Indingeous Peoples? NO						

MENU	PERSONS WITH DISABILITIES				PERSONS WITH DISABILITIES	
Situation analysis	Situation analysis	National policies, strategies and actors addressing persons with disabilities	Describe the main groupings among persons with disabilities (e.g. by sex, youth, Indigenous Peoples, type and severity of impairment)	Context-based barriers (including attitudes and perceptions, physical, institutional and communication barriers) and opportunities	Theory of Change	Pathways to socio/economic empowerm income generation, food security, voice inclusion mainstreaming measures Disability inclusion can be achieved interventions. This is called the twin-trac approach integrates disability-sensitive and programmes and provides disability info: https://s
Theory of Change						
Logframe indicators		[Insert]	[Insert]	[Insert]		[Insert]
Human and financial resources						
Persons with Disabilities? NO						

More info	
Asterisk	*Criteria with an asterisk reflect the gender transformative aspects of a gender mainstreamed project.

GENDER TRANSFORMATIVE			GENDER TRANSFORMATIVE				GENDER TRANSFORMATIVE		
Gender transformative pathways*	Policy engagement on GEWE*		Outreach disaggregated by sex	Women are > 40% of outreach beneficiaries	IFAD Empowerment index (Percentage of individuals demonstrating an improvement in empowerment - IE 2.1)*		Staff with gender TORs	Funds for gender activities	Funds for IFAD Empowerment index surveys in M&E budget*
The LLRP II has been designed to address a range of gender gaps by, empowering women to make livestock related decisions and enhancing women's access to markets, finance, and inputs. Due attention will be given to the specific challenges of PAP women, including in the context of female headed households. Among other things, the project will offer women leadership and financial literacy and access training. The project will also promote dietary diversity by sensitizing beneficiaries to nutritious foods that can be integrated into PAP production	The project intends to achieve the below described objectives related to Gender Equality and Gender Equality and Women's Empowerment (GEWE). Strengthen women's decision-making role in the household and community and their representation in membership and leadership in grassroots institutions and organizations: The use of capacity building will ensure that women are fully part of decision-making in the household and regarding	Logframe indicators	Yes	Yes, 50%.	Yes	Human and financial resources	Yes	Yes, mainly under component 3	Yes, under M&E budget

YOUTH SENSITIVE			YOUTH SENSITIVE			YOUTH SENSITIVE		
economic empowerment	Youth employment included in project objectives/activities		Outreach disaggregated by youth	Outreach indicator (C.I. 2.2.1) Persons with new jobs/employment opportunities		Staff with youth TORs	Funds for youth activities	
sert]	[Insert]	Logframe indicators	[Insert]	[Insert]	Human and financial resources	[Insert]	[Insert]	

NUTRITION SENSITIVE			NUTRITION SENSITIVE				NUTRITION SENSITIVE		
n pathways	Causal linkage between problems, outcomes and impacts	Logframe indicators	Outreach disaggregated by sex, youth, and (if appropriate) Indigenous Peoples	Output indicator 1.1.8 (Persons (disaggregated)/Households provided with targeted support to improve their nutrition)	Outcome indicator 1.2.8 (Percentage of women reporting minimum dietary diversity - MDDW) OR Outcome indicator 1.2.9 (Percentage of households with improved nutrition Knowledge Attitudes and Practices - KAP)	Human and financial resources	Staff or partner with nutrition TORs	Funds for nutrition activities
sert]	[Insert]		[Insert]	[Insert]	[Insert]		[Insert]	[Insert]

INDIGENOUS PEOPLES			INDIGENOUS PEOPLES		INDIGENOUS PEOPLES	
ioeconomic empowerment (e.g. self-determination, traditional knowledge and tion security, resilience of indigenous peoples' ecosystems, their role as stewards of urces and biodiversity and inclusive income generation)	Logframe indicators	Outreach indicator (C.I. 1) disaggregated by sex, youth, and Indigenous Peoples		Human and financial resources	Staff with indigenous peoples-specific TORs	Funds for indigenous-peoples related activities, including Free, Prior and Informed Consent
[Insert]		[Insert]			[Insert]	[Insert]

PERSONS WITH DISABILITIES			PERSONS WITH DISABILITIES		PERSONS WITH DISABILITIES	
nent for Persons with Disabilities (e.g. agricultural livelihood and disability-inclusive and participation) using a twin-track approach that (a) introduces broader disability while also (b) providing targeted support to empower persons with disabilities. by combining two approaches – disability mainstreaming and disability-specific k approach. These approaches need to be addressed at the same time. **The twin-track measures into the design, implementation, monitoring and evaluation of all policies r-specific initiatives to support the empowerment of persons with disabilities.** More sparkinclusion.org/learningcentre/inclusion-vs-exclusion/	Logframe indicators	Outreach indicator (C.I. 1) disaggregated by sex, youth, disability, and (if relevant) Indigenous Peoples		Human and financial resources	Staff with disability inclusion-specific TORs	Funds for disability inclusion-related activities, including accessibility-related costs
[Insert]		[Insert]			[Insert]	[Insert]

CLIMATE RATIONALE PAGE

PROJECT DETAILS: auto-filled out from Project Details Tab

PROJECT NAME	*Lowlands Livelihood Resilience Project - Phase 2*	*ACRONYM*	*LLRP II*
Project ID	*2000004931*	*Approval type*	*EB*
Region	*ESA*	*Country*	*Ethiopia*
Additional financing	*No*	*IFAD Project type/Sector*	*Livestock*
Environ. and Social category (SECAP)	*Substantial*	*Climate risk (SECAP)*	*Substantial*
Project Goal	*[Insert]*	*Development Objective*	*To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia*
Strategic Objectives (SOs)	*[Select]; SO3*	*Sustainable Development Goals (SDGs)*	*[Select]; SDG 1 - No poverty; SDG 2 - Zero hunger; SDG 4 - Quality education; SDG 5 - Gender equality; SDG 8 - Decent work and*
Date of review	*15/05/2024*	*Checklist prepared by*	*Paraskevi Peglidou*

PROJECT COSTS TABLE

Project components/sub-components	Project components/sub-components titles	Total cost of sub-components	Cost by financier	
			IFAD Loan*	IFAD BRAM (Loan)*
Component 1	Pastoral Risk Management for Resilience (PRMR)	$ 228 000 000	$ -	$ -
Sub-Component 1.1	Strengthen the Early Warning and Response and Climate Information	$ 9 000 000	[Insert amount]	[Insert amount]
Sub-Component 1.2	Support Climate-Smart Disaster Preparedness and Resilience Investments	$ 219 000 000	[Insert amount]	[Insert amount]
Sub-Component 1.3	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 1.4	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 1.5	[insert]	$ -	[Insert amount]	[Insert amount]
Component 2	Integrated Rangeland Management (IRM)	$ 64 480 000	$ -	$ -

Sub-Component 2.1	Rangeland Health Monitoring and Institutional Capacity Building	$ 4 350 000	[Insert amount]	[Insert amount]
Sub-Component 2.2	Participatory Rangeland and Pasture Management	$ 52 500 000	[Insert amount]	[Insert amount]
Sub-Component 2.3	Resource-Related Conflict Management and Mitigation	$ 7 630 000	[Insert amount]	[Insert amount]
Sub-Component 2.4	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 2.5	[insert]	$ -	[Insert amount]	[Insert amount]
Component 3	Climate Resilient and Sustainable Livelihoods (CRSL)	$ 87 489 940	$ -	$ -
Sub-Component 3.1	Support Livestock and Crop Productivity and Climate Resilience	$ 37 000 000	[Insert amount]	[Insert amount]
Sub-Component 3.2	Livelihoods Diversification and Commercialization	$ 50 489 940	[Insert amount]	[Insert amount]
Sub-Component 3.3	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 3.4	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 3.5	[insert]	$ -	[Insert amount]	[Insert amount]
Component 4	Policy Support	$ 3 000 000	$ -	$ -
Sub-Component 4.1	Knowledge Management & Policy Support	$ 3 000 000	[Insert amount]	[Insert amount]
Sub-Component 4.2	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 4.3	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 4.4	[insert]	$ -	[Insert amount]	[Insert amount]
Sub-Component 4.5	[insert]	$ -	[Insert amount]	[Insert amount]
Component 5: Project management costs (PMC)		$ 37 030 059	[Insert amount]	[Insert amount]
Total project costs		$ 419 999 999	$ -	$ -
IFAD Total project costs		$ 80 000 048	IFAD Total project costs without PMC	$ 72 964 337

ADAPTATION CLIMATE RATIONALE

Steps	Is this information present?	Summary information	References *(e.g. project document name, page numbers)*
STEP 1 **Climate Vulnerability Context:** *Does the project clearly set out the climate vulnerability context of the project?*	Yes	The compounding effects of cyclical droughts and extreme weather have particularly contributed to reversing recent development and food security gains and diverted scarce development resources toward relief efforts. The country has faced eight major droughts in the past 15 years. Since 2020, approximately 13 million people have faced severe drought conditions in Southern and Eastern Ethiopia, which are mostly inhabited by pastoral and agropastoral (PAP) communities. Drought and flooding have been major causes of livestock and crop losses, which in turn have been associated with increases in poverty, destitution, and multifaceted vulnerabilities. In 2023, it was estimated that 11.8 million people needed food assistance in drought-affected areas alone, 59 percent more than in early 2022. As of 2023, 3.8 million women and children in these areas needed support to prevent or treat malnutrition. These emergencies have led development partners, including the World Bank, to provide a rapid response, moving resources away from medium to long-term development needs. Hence	PAD, p. 1, 2
STEP 2 **Statement of intent:** *Does the project make an explicit statement of intent to address climate vulnerability?*	Yes	The project rests on four complementary components that aim to improve the livelihood and climate resilience of PAP households, communities, and ecosystems.	PAD, p. 6
STEP 3 **Linkage to project activities:** *Does the project articulate a clear and direct link between the climate vulnerability context (step 1) and the specific project activities?*	Yes	In the context of LLRP II, improving livelihood and climate resilience rests on enhancing the capacity of lowland PAP households, communities, and production systems to anticipate, absorb, accommodate, adapt to, transform, or recover from climate shocks in a timely and efficient manner, while (and including by) ensuring the health and regeneration of lowland ecosystems and natural resources. Increases in production and productivity, better access to markets, roads, services, health, education, diversified diets, energy, and sustainable sources of income, and enhanced capacity to manage local resource related conflicts are expected, among other improvements, to contribute to these outcomes	PAD, p. 6

MITIGATION CLIMATE RATIO

Steps
STEP 1 **GHG emissions reduction quantified in the PDR:** *Does the project provide the amount of GHG emissions that will be reduced/sequestered, based on a GHG assessment?*
STEP 2 **Linkage to project activities:** *Does it articulate a clear and direct link between the amount of GHG emissions that will be reduced/sequestered (step 1) and the specific project activities?*

IFAD Grant*	IDA	[Insert Co-financier 2]	[Insert Co-financier 3]	[Insert Co-financier 4]	[Insert Co-financier 5]	[Insert Co-financier 6]	[Insert Co-financier 7]
$ 43 999 720	$ 184 000 280	$ -	$ -	$ -	$ -	$ -	$ -
$ 1 999 800	$ 7 000 200	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 41 999 919	$ 177 000 081	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 12 319 858	$ 52 160 142	$ -	$ -	$ -	$ -	$ -	$ -

$ 870 000	$ 3 480 000	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 10 000 158	$ 42 499 842	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 1 449 700	$ 6 180 300	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 16 044 759	$ 71 445 181	$ -	$ -	$ -	$ -	$ -	$ -
$ 7 030 000	$ 29 970 000	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 9 014 759	$ 41 475 181	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 600 000	$ 2 400 000	$ -	$ -	$ -	$ -	$ -	$ -
$ 600 000	$ 2 400 000	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 7 035 711	$ 29 994 348	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]	[Insert amount]
$ 80 000 048	$ 339 999 951	$ -	$ -	$ -	$ -	$ -	$ -
IFAD Total Programme management costs	$ 7 035 711						

NALE

Is this information present?	Summary information	References *(e.g. project document name, page numbers)*
Yes	Based on the ex-ante analysis of environmental externalities, the project is expected to reduce GHG emissions relative to a business-as-usual scenario. Using the FAO's Ex-Ante Carbon-balance Tool (EX-ACT), it was estimated that the project could mitigate GHG emissions by 32,882,407 tCO2eq over a period of 20 years, or 1,641,120 tCO2eq per year. Emission savings are expected to result from improved rangeland management (−1,620,495 tCO2eq per year) and livestock productivity (-48,058 tCO2eq per year). GHG emissions are expected to increase with the cropland practices (23,755 tCO2eq per year), the use of inputs including electricity and fuel in processing and transportation, and fertilizer and pesticide (3,678 tCO2eq per year).	PAD, p. 20
Yes	component 3 aims to enhance the absorptive and transformative capacities of PAP household by increasing, diversifying, and stabilizing their incomes, including those of households who are moving out of the pastoral system, with a focus on promoting climate-smart technologies and value chains, raising fewer but more productive animals, and increasing productivity while lowering GHG emissions. Supporting animal health management and providing selected high quality feed could result in lower emission intensity from healthier animals. Investments will also promoting climate-smart irrigation technologies (such as solar, drip irrigation, and so on) combined with	PAD, p. 11 PAD, Annex 2, p. 41, 42

More info

Asterisk	* For IFAD loan and IFAD grant columns, make sure to insert 0 as a $ value if there is no IFAD finance for the relevant sub-component

ADAPTATION PAGE

PROJECT DETAILS: auto-filled out from Project Details Tab

PROJECT NAME	Lowlands Livelihood Resilience Project - Phase 2	ACRONYM	LLRP II
Project ID	2000004931	Approval type	EB
Region	ESA	Country	Ethiopia
Additional financing	No	IFAD Project type/Sector	Livestock
Environ. and Social category (SECAP)	Substantial	Climate risk (SECAP)	Substantial
Project Goal	[Insert]	Development Objective	To improve the livelihoods and climate resilience of pastoral and agropastoral
Strategic Objectives (SOs)	[Select]; SO3	Sustainable Development Goals (SDGs)	[Select]; SDG 1 - No poverty; SDG 2 - Zero hunger; SDG 4 - Quality education;
Date of review	15/05/2024	Checklist prepared by	Paraskevi Peglidou

CORE INDICATORS (CIs) ON ADAPTATION

CIs	Present?	Recommendation(s)
Indicator 3.1.1: Number of groups supported to sustainably manage natural resources and climate-related risks	[Select]	[Insert]
Indicator 3.1.2: Number of persons provided with climate information services	[Select]	[Insert]
Indicator 3.1.4: Number of hectares of land brought under climate-resilient management	No	[Insert]
Indicator 3.2.2: (Number) Percentage of persons/households reporting adoption of environmentally sustainable and climate-resilient technologies and practices	Yes	[Insert]
Indicator 3.2.3: (Number) Percentage of persons/households reporting a significant reduction in the time spent for collecting water or fuel	[Select]	[Insert]
Indicator 1.1.1: Number of beneficiaries gaining increased secure access to land	[Select]	[Insert]

CONTEXT AND LOCATION-SPECIFIC FOCUS

PHASE 1		
STEP 1: The Vulnerability Context: *Project document describes the current and anticipated impacts of climate change? (auto-filled)*	***STEP 2: Statement of Intent:*** *Explicitly states intent to reduce identified vulnerability? (auto-filled)*	***STEP 3: Linkage to project activities:*** *Clearly links vulnerability context to project activities/policies? (auto-filled)*
Yes	Yes	Yes

Ranking the Strength of the Vulnerability Context	Climatic threats identified
Robust	[Select]; Droughts (increased incidence, intensity and/or duration)
MDB adaptation sector/topic:	**MDB adaptation sub-sector/topic:**
Other agricultural and ecological resources	Livestock production

PROJECT COSTS TABLE

PHASE 2: Granularity & Conservativeness

Project components/sub-components titles		Total IFAD Loan funding of sub-component/activities (US$)	Total IFAD BRAM (Loan) funding of sub-component/activities (US$)	Total IFAD Grant funding of sub-component/activities (US$)	Is this component/sub-component adaptation focused?	% of component/sub-component that counts as adaptation finance (rounded to one decimal)	Total amount counted as adaptation finance (excluding Project management costs)	*Mitigation co-benefits?*	*Reasoning for adaptation finance (and if relevant, mitigation co-benefits)*	*References (PDR, Concept note, etc) and relevant page numbers*
Component 1	Pastoral Risk Management for Resilience (PRMR)									
Sub-Component 1.1	Strengthen the Early Warning and Response and Climate Information	[Insert amount]	[Insert amount]	$ 1 999 800.25	Yes	100.0%	$ 1 999 800.25	*No*	This component will enhance the absorptive and adaptive capacities of	PDR, p. 6-7, PIM p. 10-16
Sub-Component 1.2	Support Climate-Smart Disaster Preparedness and Resilience	[Insert amount]	[Insert amount]	$ 41 999 919.50	Yes	96.5%	$ 40 515 457.52	*Yes*	This subcomponent will support the identification of, and selectively fund, a	PDR, p.7,8
Component 2	Integrated Rangeland Management (IRM)									
Sub-Component 2.1	Rangeland Health Monitoring and Institutional Capacity Building	[Insert amount]	[Insert amount]	$ 870 000.00	No	0.0%	$ -	*[Select]*		
Sub-Component 2.2	Participatory Rangeland and Pasture Management	[Insert amount]	[Insert amount]	$ 10 000 158.02	Yes	3.4%	$ 340 005.37	*Yes*	The subcomponent will improve the availability and quality of forage with the	PIM, p. 38
Sub-Component 2.3	Resource-Related Conflict Management and Mitigation	[Insert amount]	[Insert amount]	$ 1 449 700.01	Yes	16.1%	$ 233 701.86	*Yes*	The extreme climate events are further exacerbated by conflicts. The drought	PIM, p. 33
Component 3	Climate Resilient and Sustainable Livelihoods (CRSL)									
Sub-Component 3.1	Support Livestock and Crop Productivity and Climate Resilience	[Insert amount]	[Insert amount]	$ 7 030 000.00	Yes	34.8%	$ 2 445 964.42	*No*	The subcomponent support to enhance climate smart technologies and practices	PDR, PIM
Sub-Component 3.2	Livelihoods Diversification and Commercialization	[Insert amount]	[Insert amount]	$ 9 014 758.91	Yes	42.7%	$ 3 848 469.78	*No*	The objective of subcomponent will support commercialization of PAP	PDR,PIM
Component 4	Policy Support									
Sub-Component 4.1	Knowledge Management & Policy Support	[Insert amount]	[Insert amount]	$ 600 000.00	Yes	50.0%	$ 300 000.00	*No*	The subcomponent will finance: (a) studies of direct relevance to project	PDR,PIM
		IFAD Total Project costs without PMC	$ 72 964 336.69		**Sub-total**	$ 49 683 399				

PHASE 3: IFAD PMC counted as adaptation finance (pro rata)	**Project management costs (PMC)**	**Total IFAD PMC (US$)**	**% Adaptation finance to be assigned to PMC**	**IFAD PMC counted as adaptation finance (US$)**
	Component 5	$ 7 035 711	68%	$ 4 790 806.94

MITIGATION PAGE

PROJECT DETAILS: auto-filled out from Project Details Tab

PROJECT NAME	*Lowlands Livelihood Resilience Project - Phase 2*	*ACRONYM*	*LLRP II*
Project ID	*2000004931*	*Approval type*	*EB*
Region	*ESA*	*Country*	*Ethiopia*
Additional financing	*No*	*IFAD Project type/Sector*	*Livestock*
Environ. and Social category (SECAP)	*Substantial*	*Climate risk (SECAP)*	*Substantial*
Project Goal	*[Insert]*	*Development Objective*	*To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the lowlands of Ethiopia.*
Strategic Objectives (SOs)	*[Select]; SO3*	*Sustainable Development Goals (SDGs)*	*[illegible] zero hunger; SDG 4 - Quality education; SDG 5 - Gender equality; SDG 8 - Decent work and*
Date of review	*15/05/2024*	*Checklist prepared by*	*Paraskevi Pegklou*

CORE INDICATORS (CIs) ON MITIGATION

CIs	Present?
Indicator 3.1.3: Number of persons accessing technologies that sequester carbon or reduce greenhouse gas emissions	No
Indicator 3.2.1: Number of tons of greenhouse gas emissions (CO2e) avoided and/or sequestered	Yes
Hectares of Land	1030250
tCO2e/20 years	-35998589.67
tCO2e/ha	-34.94160609
tCO2e/ha/year	-1.747080304

PROJECT COSTS TABLE

PHASE 1: Complete fields for eligible mitigation activities (as per MDB Methodology, 2021)

MDB sub-category	Eligible activities	Criteria	Guidance	IFAD Loan	IFAD BRAM (Loan)	IFAD Grant	Title of IFAD component	Title of IFAD sub-component	% of component/sub-component that counts as mitigation finance (rounded to one decimal)	Total amount counted as mitigation finance (excluding Project management costs)	*Adaptation co-benefits?*	*Reasoning for mitigation finance (and if relevant, adaptation co-benefits)*	*References (PDR, Concept note, etc) and relevant page numbers*
MDB Category: Agriculture													
Energy efficiency	Reduction in energy consumption in operations	• For brownfield activities the entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions, carbon intensity (e.g., tCO2e/unit of outcome), or energy intensity (e.g., gigajoules/unit of outcome). • For greenfield activities, the entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions, carbon intensity, or energy intensity against a selected benchmark.	• Potentially eligible activities include increasing energy efficiency of crop production and increasing use of energy-efficient equipment for agricultural processing and storage. • Examples of operations are tractors, irrigation, pumping, harvesting, crop cooling, storage and transportation. For transportation, see activities related to goods transport in the eligible activities on Transport.	[Insert]	[Insert]	$ 1 449 700	Integrated Rangeland Management (IRM)	Resource-Related Conflict Management and Mitigation	67.8%	$ 982 296	Yes	Tree cutting for household fuel need is one of the contributing reasons for degeneration of natural vegetation. Provision of alternate energy sources for lighting using solar and promotion of biogas stoves and solar cooker is an important vulnerability reduction step under the component. The subcomponent will promote modern, [illegible]	PIM, p. 34
Carbon sequestration	Agricultural projects that contribute to increasing the carbon stock in the soil or avoiding loss of soil carbon through erosion control measures	The entity applying the Common Principles shall demonstrate a substantial increase in the above- or below-ground carbon stock.	• Where appropriate, trade-offs between higher carbon and nitrogen levels in the soil on the one hand and higher emissions of nitrous oxide on the other should be addressed through appropriate management practices. • In peatland restoration, trade-offs between avoided carbon loss and increased methane emissions should be addressed through appropriate management practices. • For activities or policy interventions that enable peatland conservation (e.g., activities preventing mining of peat and drainage of peatlands), evidence of contribution to peatland conservation should be provided. • Potentially eligible activities include degraded land rehabilitation, erosion control measures, reduced tillage intensity and cover crops, crop rotation, higher inputs of organic matter to soil, processing and application of manure/digestate preferably with biogas capture for energy, perennial cropping systems, cultivation of deep rooting species, circular/integrated activities that enhance carbon stock, fire management, and peatland restoration and conservation.	[Insert]	[Insert]	$ 10 000 158	Integrated Rangeland Management (IRM)	Participatory Rangeland and Pasture Management	94.4%	$ 9 440 149	Yes	This subcomponent will aim at increasing the production and productivity of the natural resource-based, reducing green-house gas emission, soil pollution by enabling sustainable development and utilization of the natural resources. This will support: (a) the preparation of rangeland management plans (RMPs), (b) the implementation of rangeland and pasture development activities, and (c) the production and marketing of forage and feed.	PIM, p. 30-33
GHG-emission reduction	Reduction of non-CO2 GHG emissions from agricultural practices or technologies	The entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions or carbon intensity (e.g., tCO2e/unit of outcome).	Potentially eligible activities include more efficient nitrogen fertiliser use (by improving the rate, type, timing, placement, or precision of application), manure management including anaerobic digestion, drainage management, improved crop breeds and biotechnology that reduce emissions, and water management in paddy rice.	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert %]		[Select]		
MDB Category: Livestock													
GHG-emission reduction	Projects that reduce methane or other GHG emissions from livestock	• The entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions or carbon intensity (e.g., tCO2e/unit of outcome). • Introduced species shall not contribute to native ecosystem degeneration.	Potentially eligible activities include manure management with biodigesters, wastewater management, improved feeding practices, feed production with reduced GHG emissions, investments in reducing feed losses along the value chain, sourcing low-emission feeds or forage to increase feed conversion efficiency and reduce methane emissions, and efficiency improvement measures to reduce the herd size	[Insert]	[Insert]	$ 7 030 000	Climate Resilient and Sustainable Livelihoods (CRSL)	Support Livestock and Crop Productivity and Climate Resilience	25.0%	$ 1 754 025	Yes	The subcomponent will finance breed improvements through Community-Based Climate Resilient Breeding Program (CBCRBP), which focuses on the selection of local breeds of small ruminants and cattle with preferred traits. [illegible]	PDR, PIM
Carbon sequestration	Livestock projects that improve carbon sequestration through rangeland management	The entity applying the Common Principles shall demonstrate a substantial increase in the above- or below-ground carbon stock.	Potentially eligible activities include improved pasture management to increase soil carbon stocks and reduce erosion, improved grazing management, circular or integrated activities that enhance carbon stock, promotion of silvopastoralism, and nitrification-inhibiting practices in pastures.	$ -	$ -	$ 870 000	Integrated Rangeland Management (IRM)	Rangeland Health Monitoring and Institutional Capacity Building	94.7%	$ 824 063	Yes	[illegible] one owners objective or the component is to improve the production, productivity and health of the rangeland resources through participatory, integrated, nature-based and climate [illegible]	PIM, p. 27-29
MDB Category: Forestry													
GHG-emission reduction and carbon sequestration	Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation	• The entity applying the Common Principles shall demonstrate a substantial increase in the above- or below-ground carbon stock, or a substantial reduction in net GHG emissions or carbon intensity (e.g., tCO2e/unit of outcome). • Activities that drain native ecosystems or degrade hydrological systems shall not be eligible.	• Evidence of human-assisted natural regeneration should be provided. • Potentially eligible activities include afforestation (plantations) and reforestation on previously deforested land (applying international best practices), and circular or integrated activities that enhance carbon stock, supply chains that promote sustainable agroforestry , restoration of degraded natural land-based habitats, biosphere conservation, policy interventions that explicitly protect carbon stocks (e.g., through land-use zoning, enforcement of sanctions on deforestation, or sustainable intensification of land use), maintaining healthy forests, switching from conventional logging to reduced-impact logging, land degradation prevention measures and fire risk mitigation.	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert %]		[Select]		
MDB Category: Marine and other water habitats													
GHG-emission reduction	Projects that reduce GHG emissions from the degradation of marine ecosystems or other water-based ecosystems	• The entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions or carbon intensity (e.g., tCO2e/unit of outcome). • Activities that drain native ecosystems or degrade hydrological systems shall not be eligible.	• Evidence for human-assisted natural regeneration should be provided. • Leakage assessment should be considered in line with existing tools. • Potentially eligible activities include restoration and protection of healthy marine habitats or mangroves, reforestation of seaweeds or kelp and habitat protection programmes.	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert %]		[Select]		
MDB Category: Fisheries and aquaculture													

GHG-emission reduction	Projects that reduce CO2e intensity in fisheries or aquaculture	• For brownfield activities the entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions, carbon intensity (e.g., tCO2e/unit of outcome), or energy intensity (e.g., gigajoules/unit of outcome) compared to a business-as-usual baseline. • For greenfield activities, the entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions, carbon intensity or energy intensity against a selected benchmark. • Introduced species or technologies shall not contribute to degeneration or destruction of native ecosystem or native fisheries.	Potentially eligible activities include improved energy efficiency in the fisheries or aquaculture value chain, e.g., through more efficient fishing fleets, equipment and machinery; and activities that reduce emissions by using sustainable feeds.	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert %]		[Select]		
MDB Category: Food and diet													
Resource use efficiency	Projects that reduce food losses or waste or promote lower-carbon diets	The entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions or carbon intensity (tCO2e/unit of outcome).	Potentially eligible activities include food waste utilisation (circular economy systems), policy interventions resulting in reduced food waste, and investments in avoided food losses along the value chain (e.g., better-managed cold-chain infrastructure to reduce crop, or food spoilage).	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert %]		[Select]		
MDB Category: GHG reduction through biomaterial production													
n/a	Projects that contribute to reduction of GHG emissions through production of biomaterials/bioenergy from biomass	• The entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions or carbon intensity (tCO2e/unit of outcome). • Biomass shall be supplied from sustainable and socially acceptable sources, as demonstrated through compliance with internationally accepted certification schemes, and the activity shall not compete with food crop production or supply.	• In demonstrating GHG emissions reductions for forest-sourced biomass used in biomaterials production, the biomass should be accounted as carbon that has been removed from the forest—per agriculture, forestry and other land use (AFOLU) and land use, land use change, and forestry (LULUCF) as defined and covered by the IPCC—and consequently the biomaterials produced shall be considered carbon sinks that substitute for fossil-based or energy-intensive materials. • Baseline emissions should consider scope 3 emissions where they are expected to be material or adversely affect net GHG emissions, which may also require setting the assessment boundary outside the physical limits of the project to adequately represent the baseline. • Two examples of internationally accepted certification schemes for forest-sourced biomass are the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC). • Activities that fall under activity 10 involve the production of biomaterials or bioenergy with lower GHG emissions and substitution of more carbon-intensive materials or energy sources downstream with such biomaterials or bioenergy. For other examples of bioenergy, see activity 1 in activities on Energy and activity 6 in Solid Waste Management. • Potentially eligible activities include production of bioenergy from biomass residues otherwise burned on site or not used as an energy source; production of bio-plastics from cereals bi-products; production of asphalt from lignine; production of biomass products (e.g., paper) replacing plastics; and other biomass materials (e.g., wood based products) replacing energy-intensive materials (e.g., concrete, steel).	[Insert]	[Insert]	[Insert]	[Insert]	[Insert]	[Insert %]		[Select]		
									Sub-total	$ 13 000 534			

PHASE 2: IFAD PMC counted as mitigation finance (pro rata)	Project management costs (PMC)	IFAD Total project costs without PMC	Total IFAD PMC (US$)	% Mitigation finance to be assigned to PMC	IFAD PMC counted as mitigation finance (US$)
	Component 5	$ 72 964 336.69	$ 7 035 711	18%	$ 1 253 598.76

PHASE 3: Total mitigation finance	Amount (US $)	$ 14 254 000.00
	%	17.8%

SUMMARY PAGE

PROJECT DETAILS

PROJECT NAME	Lowlands Livelihood Resilience Project - Phase 2	ACRONYM	LLRP II
Project ID	2000004931	Approval type	EB
Region	ESA	Country	Ethiopia
Additional financing	No	IFAD Project type/Sector	Livestock
Environ. and Social category (SECAP)	Substantial	Climate risk (SECAP)	Substantial
Project Goal	[Insert]	Development Objective	To improve the livelihoods and climate resilience of pastoral and agropastoral communities in the
Strategic Objectives (SOs)	[Select]; SO3	Sustainable Development Goals (SDGs)	[Select]; SDG 1 - No poverty; SDG 2 - Zero hunger; SDG 4 - Quality education; SDG 5 - Gender equality;
Date of review	15/05/2024	Checklist prepared by	Paraskevi Peglidou

FINANCING

IFAD Loan	$	-
IFAD BRAM (Loan)	$	-
IFAD Grant	$	80 000 047.93
IFAD Total	$	80 000 047.93
Co-Financing Total	$	339 999 951.20
Total project costs	$	419 999 999.13

CLIMATE FINANCE

IFAD Total Adaptation finance (US$)	$	54 474 000
IFAD Total Mitigation finance (US$)	$	14 254 000
IFAD Total Climate finance (US$)	$	68 728 000
IFAD Total NbS finance (internal use only)	$	13 177 000
CCAM % of IFAD Total project cost	85.9%	

FINAL PROJECT MAINSTREAMING VALIDATION

Social Inclusion Theme	Mainstreamed?
Gender transformative	YES
Youth sensitive	NO
Nutrition sensitive	NO
Indigenous Peoples	NO
Persons with Disabilities	NO
NbS finance (internal use only)	YES
Adaptive capacity	YES