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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX 4

to the Commission Implementing Decision on the financing of the third set of individual measures in favour of the Federal Democratic Republic of Ethiopia for 2023

Action Document for Response to climate shocks in Ethiopia through integrated water resource management and disaster risk management

MEASURE

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

1 SYNOPSIS

1.1 Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Response to climate shocks in Ethiopia through integrated water resource management and disaster risk management OPSYS number: ACT-61836 Financed under the Neighbourhood, Development and International Cooperation Instrument (<u>NDICI-Global Europe</u>).
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Federal Democratic Republic of Ethiopia
4. Programming document	Not applicable. Individual Measure outside the scope of programming documents (NDICI-Global Europe Regulation, Article 23.3) ¹
5. Link with relevant MIP(s) objectives / expected results	Not applicable. Individual Measure outside the scope of programming documents (NDICI-Global Europe Regulation, Article 23.3)
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Not applicable. Individual Measure outside the scope of programming documents (NDICI-Global Europe Regulation, Article 23.3)
7. Sustainable Development Goals (SDGs)	Main SDG 6: Ensure availability and sustainable management of water and sanitation for all. Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. Target 6.5: By 2030, implement integrated water resources management at all

¹ 14.6.2021- Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021- Article 23.3.: ‘Where necessary, an action may be adopted as an individual measure before or after the adoption of action plans. Individual measures shall be based on programming documents, except for cases referred to in paragraph 5 and in other duly justified cases.’

	<p>levels, including through trans-boundary cooperation as appropriate.</p> <p>Significant SDG 13: Take urgent action to combat climate change and its impacts.</p> <p>Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>Target 13.2: Integrate climate change measures into national policies, strategies and planning.</p> <p>Significant SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.</p> <p>Target 2.1 Universal Access to Safe and Nutritious Food</p> <p>Target 2.2: End All Forms of Malnutrition</p> <p>Target 2.4 : Sustainable Food Production and Resilient Agricultural Practices</p> <p>Significant SDG: 1 – End poverty in all its forms everywhere.</p> <p>Target 1.2: By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.</p> <p>Significant SDG: 5 – Gender Equality</p>			
8 a) DAC code(s)	<ul style="list-style-type: none"> • 140 Water supply and sanitation: 10 % • 14010 Water resources policy and administrative management. 20 % • 14040 River development. 50 % • 41010 Environmental Policy and administrative management. 20 % 			
8 b) Main Delivery Channel	<p>Third Country Government (Delegated co-operation) – 13000</p> <p>Local Government in receipt country - 12002</p> <p>Other public entities in recipient country – 12004</p> <p>Multilateral institution - International Livestock Research Institute - 47149</p>			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective

	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	YES <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2023-14 02 01 21-C1-INTPA Total estimated cost: EUR 65 000 000 Total amount of EU budget contribution EUR 50 000 000 This action is co-financed in joint co-financing by: - Ministry of Foreign Affairs of the Kingdom of the Netherlands (Netherlands' Directorate General for International Cooperation (DGIS)) for an amount of EUR 15 000 000. This action is co-financed in parallel co-financing by: - Agenzia Italiana per la Cooperazione allo Sviluppo (AICS) for an amount of EUR 7 500 000.			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Direct management through:			

	<ul style="list-style-type: none"> - Grants - Procurement <p>Indirect management with:</p> <ul style="list-style-type: none"> - Ministry of Foreign Affairs of the Kingdom of the Netherlands (Netherlands Directorate General for International Cooperation – DGIS) - Agenzia Italiana per la Cooperazione allo Sviluppo (AICS)
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1.2 Summary of the Action

Ethiopia is currently facing a complex crisis due to prolonged drought and internal conflict, impacting the well-being of millions of households and leading to displacement. Within the framework of the third set of Individual Measures, this action focuses on strengthening the capacity of vulnerable communities and local authorities to manage and adapt to natural and man-made disasters with the following overall objective: to improve drought resilience through integrated water resource management at basin level, and strengthen households, communities and local authorities' capacities to manage climate-related disaster risks, reducing their vulnerability to climate shocks and dependency on humanitarian assistance in the event of a disaster.

The action will support the Integrated Water Resource Management (IWRM) projects of Italy and the Netherlands. Focussing originally on building the capacity of water river basin institutions, our action will promote an integrated water resources management, so to reduce the effects of climate change (drought and floods), and ensure sustainable and equal access to water, mitigate resources based conflicts between communities, and support nature based solutions. The water management component will be coordinated also with activities supported by Denmark, in a Team Europe spirit.

Decentralised Disaster Risk Management (DRM) support will cover drought and conflict affected regions of the country, with a focus on enabling an early response system, and managing disasters related displacements. This support will cover regions at high risk of disaster, and regions where a DRM strategy is not yet implemented (Tigray, Afar, Benishangul and Gambella). The Regional DRM institutions will commit 50 % of the (matching) funds to the early response and preparedness actions. EU support will be coordinated with Spanish support to the development of Woreda Disaster Risk profiles, and Mitigation and Adaptation plans.

With an indicative total budget of EUR 65 000 000, the action has an indicative duration of 60 months from the date of the adoption by the Commission of this Financing Decision.

2 RATIONALE

2.1 Context

Ethiopia is a country with large differences across its regions, which is reflected in the country's climate vulnerability. The lowlands are vulnerable to increased temperatures and prolonged droughts that may affect livestock rearing. The highlands may suffer from more intense and irregular rainfall, leading to erosion that, together with higher temperatures, may result in lower agricultural production. These patterns, combined with an increasing population and worsened by the recent internal conflict, may lead to greater food insecurity. Future climate change related hotspots (for food insecurity) are likely to include areas in Afar and Tigray, southern Oromia, the central Rift Valley, and the eastern lowlands which were affected by an estimated 4.7 million IDPS in the last two years.

Ethiopia's hydrogeological conditions and topographic features are complex, due to the high-altitude volcanic plateau tapering into the Great Rift Valley and peripheral lowlands. The country's water resources are spread among 12 major river basins. Whereas the total annual surface run-off from the basins amounts to about 122 billion cubic metres, the groundwater of the country is estimated at (only) 36 billion cubic metres. Due to economic and population growth, the demand for water in all sectors is increasing, with competition among different uses such as water for domestic or municipal purposes, agriculture, industrial, hydropower, tourism, and environmental services. At the same time, sedimentation, pollution, water hyacinths, and climate change are threatening the water resources of the country by reducing their quality and quantity.

Currently, the Ministry of Water and Energy (MoWE) is in the process of revising the existing policy and strategy with the aim of addressing the gaps by taking into consideration national and global development initiatives, including the Sustainable Development Goals (SDGs). The revision of water policy and strategy is in line with the newly launched 10-year perspective plan, which will run from 2020/21 to 2029/30. The plan is prepared with the aim of sustaining the economic growth achieved under the three phases of the Growth and Transformation Plans (GTPs), targeting the lower-middle-income status by 2025.

Within this revision process, adoption of National Integrated Water Resources Management (NIWRM) is among the top priorities of the Government of Ethiopia. This is clearly stated in the Water Resources Management policy and strategy, Climate Resilient Green Economy (CRGE) strategy, the Ethiopian Home-Grown Economic Reform (HGER) and the Ten Years Perspective Development Plan (2021-2030) which aims at increasing basin development to fight land degradation and to reduce pollution, improve productivity, reduce Greenhouse Gas (GHG) emissions, and increase forest protection and development. In particular the Proclamation No. 1263-2021 Definition of Powers and Duties of the Executive Organs of the Federal Democratic Republic of Ethiopia states that (art.32) "Minister of Water and Energy is in charge to ensure that projects, activities and interventions related to water in the basins are in line with the integrated water resources management process"; this implies that MoWE should support the implementation of the NIWRM policy through the establishment and support of Water Basin Offices and making available river basin master plans.

At the moment, for the 12 major basins in the Country, just 3 Water Basin Offices have been established (Awash, Rift Valley and Abay); 2 basin master plans are prepared, and 6 are under preparation.

Recurrent drought with increasingly unpredictable rains stimulated the Government of Ethiopia to develop a National Disaster Risk Management Policy (NDRMP - 2012) and the Multi-Hazard Impact-Based Early Warning and Early Action roadmap 2023-2030 led by EDRMC providing direction for dealing with response, preparedness and prevention of multi-hazards and disaster risks in the country. The DRM policy prioritizes mainstreaming of DRM in all sectors especially in those regional states of the country that are vulnerable to recurring disasters. The DRM Strategic Programme and Investment Framework (DRM-SPIF - 2016) envisions reducing the impact of disasters through the establishment of a comprehensive and integrated DRM system within the context of sustainable development and the decentralization agenda. The NDRM policy in general is an important guide for an integrated programming approach towards addressing disasters triggered by all natural and man-made hazards such as drought, floods, conflict and ensuing displacement and migration. The DRM policy lists gender as a cross cutting issue recognizing that women and other marginalized groups are disproportionately impacted by disasters and therefore DRM, including laws, programmes and plans, must "give special attention to women" and other marginalized groups,² and disaster response activities will be free to pregnant and lactating women and other marginalized groups.³

The action is also aligned with the Country Level Implementation Plan (CLIP Ethiopia) and the EU Gender Action Plan 2021-2025 GAP III calling for accelerating progress, focusing on the key thematic areas of engagement, including promoting the economic, social and political empowerment of women and girls.

² Federal Democratic Republic of Ethiopia. 2013. *National Policy and Strategy on Disaster Risk Management*. Addis Ababa: Government of Ethiopia. Pp. 12 and reiterated in Strategy 1, 13.

³ Ibid. P7.

2.2 Problem Analysis

1. INTEGRATED WATER RESOURCES MANAGEMENT

- **Climate Change**

The lowlands of Ethiopia are exposed to extreme weather events, such as draughts and floods, exacerbated by climate change. Pastoralist and agro-pastoralist communities are experiencing equally a change in the nomadic routes, and a transition from nomadic to sedentary life conditions. The development of such communities is challenged by climate change and the shift of land use to agricultural lands, and by the consequent decrease of grazing areas, loss of functional vegetation, and water resources. Such conditions are causing conflicts among different pastoral and sedentary communities for the access to the already limited natural resources (water and land). An unprecedented four consecutive years of below average rainy seasons is causing, in the southeast of the country, massive losses of livestock, a dire food availability situation and displacement of thousands of people. In addition, women and girls are disproportionately impacted by climate change as they face economic, social and political barriers to cope with shocks, as they have fewer endowments and assets, less access to information and services and are less mobile.

- **Institutional capacity is limited**

Government does not manage properly its (relatively good) water resources because of a deficient institutional capacity, thus negatively affecting its development goals. The main capacity gaps within the MoWE and the basin institutions include: (1) limited skilled human resources, both technical and managerial, (2) low wages and challenging locations, which results in high staff turnover and long lasting vacancies (3) an underdeveloped IT infrastructures and low IT capacity, (4) gaps in policies, standards, legal instruments and decisions support tools; (5) limited experience in and knowledge about IWRM, and (6) limited logistical capacity, which makes basin inspections a practical challenge every day.

- **Water resources information/data management very weak**

One major challenge for IWRM in Ethiopia is the scarcity of information about the state of the basins in terms of water availability in space and time. Water resources related information within a basin is not systematically collected, managed and disseminated. In most cases the available information is rather sporadic, not regularly updated, and not well organized which limits proper planning and decision making. Since water scarcity/abundance is the main effect of Climate Change in the country, putting in place an appropriate water resources information management system will allow a stronger and more targeted climate agenda for Ethiopia. Equally important will be of course the analysis and interpretation of data collected to enforce regulation in the basin, to prioritise activities, at to develop plans and policies. It is also important to disaggregate and evaluate data by gender (and ethnicity) to identify their specific needs and opportunities that will inform decision-makers on long-term solutions.

- **Unregulated water resources preventing the needed infrastructures and correct use.**

Ethiopia is endowed with generous surface and groundwater resources, with a growing number of reservoirs that have been constructed for energy and water supply purposes. However, under the pressure of population growth and population movements, industrialization, environmental degradation and a changing climate, water is not available for large portions of the population, and competing claims on available resources give rise to conflicts and unregulated “race to the bottom”. Polluters are not effectively discouraged or regulated, resulting in heavily polluted urban environments, which pose a threat to human health and the environment. Drinking water supply covers still only about 60 % of the country, and groundwater resources are mapped for only about 26 % of the country. Droughts and Flooding cause every year loss of life and assets. Watershed management efforts are being practised through the country on a wide scale in an attempt to put a stop to environmental degradation, siltation of reservoirs, and the agricultural productivity decline from reduced soil fertility. However, government and donor-led efforts, which rely on heavy “voluntary” involvement of the communities, are not deemed to provide a lasting answer to the aforementioned pressure. Basin plans are either lacking, or hardly enforced, leaving water resources heavily unmanaged and unregulated.

- **Energy access**

In 2019, only 48 % of the Ethiopian population had access to electricity, of which only 35 % in rural areas⁴. The main energy sources are wood and other organic waste, and oil (respectively about 86 % and 8 % of the total sources⁵); solar energy is currently exploited for less than 1 %⁶. The lowlands are the less connected areas in Ethiopia; in Somali Region less than 10% of the population is connected to the (unreliable) national electricity grid, and in Afar only 5 % of the population. While the very limited access to electricity negatively impacts the economic development of the resident population, the types of energy sources significantly contribute to the greenhouse gas emissions of the country. Being more affected by poverty and predominant in rural communities, Ethiopian women are amongst the most vulnerable electricity consumers. They are also the ones who are more affected by the lack of reliable and sustainable energy sources: women use biomass as the primary fuel in 90 % of households.⁷ The ten years programmatic plan of Ethiopia, in line with the National Electrification programme (2017) aims to extend electrification services to 100 % of the population by 2030. The strategy recognizes the significant importance of off-grids connections, especially in rural areas.

- **Limited livelihood options**

Pastoralist and agro-pastoralist communities, as the only source of income, heavily rely on animal breeding and grazing activities. There are limited livelihoods and agro-processing options, and even animal products (such as meat, milk, etc) are not processed by those communities. Recent policy reflection in the country, however, acknowledge the need of building resilience in Africa's dry-lands through livelihood diversification and by making the pastoral production system more market oriented and sustainable. Previous projects that included such interventions rarely had considerable effect for the partial understanding of the socio-cultural pastoral system, and low or inappropriate investments on rangeland productivity. The lack of appropriate investments on land degradation mitigation caused increased resource depletion and environmental degradation, as well as an increased cycle of poverty for the pastoralists' communities. As water collection requires time and energy resources, men and women must trade-off sufficient water with employment opportunities, social engagements, and domestic tasks. These barriers can thus result in persistent poverty as household members cannot participate in other income generating activities.⁸

This situation is further exacerbated by climate change and long periods of drought and consequent population movements, increasing conflict and tensions among different groups. Lack or limited access to water resources also leads to conflict and tensions among different ethnic and user groups. In Ethiopia, tensions over water and other natural resources among pastoralist and farmers have been increasing in the past years leading to migration and force displacement. The influx of water induced IDPs and migrants in host communities may lead to conflicts over scarce resources and jobs.

- **Disaster Risk Management**

Climate change, and its exacerbating impact on existing natural hazards, is a fundamental developmental issue for Ethiopia, and its impact slows down the development process of the country. Recurrent drought-induced crisis remains the main driving forces, posing dire threat to the livelihoods of significant number of population in the country. Vulnerabilities to hazards and climate change and the associated impacts are partly due to inadequate and fragmented early warning systems, emergency preparedness and response, i.e. gaps exist between the early warning systems and planning and implementation of timely responses, aimed at mitigating the immediate effects of the hazards, and resilience capacity of the vulnerable communities to the hazards themselves.

During the past ten years, a DRM policy and strategy have been put in place, but gaps persist in their programming and delivery. The Government currently has limited pre-arranged and earmarked financial instruments to provide timely and sufficient financial resources to meet the needs resulting from disasters. Furthermore, a guideline for mainstreaming Disaster Risks into the Development Planning Process and Future Investment Decisions (2017) was prepared, but cross-sectoral DRM coordination and implementation is still poor.

After a decade of investments and implementation of the current policy, Ethiopia as a country is yet to achieve its

⁴ World Bank Energy report, 2019

⁵ IEA Country report 2021

⁶ Tiruye et al. 2021

⁷ Labani (2021)

⁸ Stoler, J., Brewis, A., Kangmennang, J., Keough, S. B., Pearson, A. L., Rosinger, A. Y., et al. (2021). Connecting the dots between climate change, household water insecurity, and migration. *Curr. Opin. Environ. Sustain.* 51, 36–41. doi: 10.1016/j.cosust.2021.02.008

ambitions in decentralizing DRM as envisaged in the policy. The DRM institutions at regional and Woreda levels facing limited resources and capacities to implement effectively the DRM mainstreaming across sectors. Recently, the government has embarked on the DRM reform process, the outcomes of which will result in a revised policy to guide institutional arrangement and investments for better-decentralised management of disaster risks in the country. Among the numerous factors, the main gaps which need to be addressed for effective implementation of the national DRM policy and strategy are:

- DRM should be an integral component of national development efforts, and all development programmes, including post-disaster recovery measures, need to incorporate DRM components in their regular plans and programmes;
- DRM systems should be decentralized and community-based, whereby communities play decisive roles in the planning, execution, monitoring and evaluation of DRM projects and programmes;
- Disaster risks should be timely forecasted for effective mitigation and response measures, and the DRM system need to ensure accountability and responsibility of all concerned actors at all levels
- The mechanism for timely mobilisation of preparedness and response funds, as indicated in the policy through establishment of contingency funds, needs to be strengthened particularly at the regional level;
- There is a need to invest more on capacity development at the Woreda's and regional level, and on climate-resistant technologies to slow the pace of climate change and facilitate sustainable development. Additionally, DRM institutional commitment and building of technical skills need to be gender responsive.

The focus of this action is to respond to the severity of the situation by complementing current programmes responding to crisis in the country. Intervention under this action will focus on the restoration of livelihoods of those drought and conflict affected communities, and enable them withstand future disasters through package of interventions, and other recovery measures including women empowerment and community capacity building activities, to make them able to withstand and cope in the event of climatic stress and disasters, including capacity building on water conservation. Not only do these hazards affect the majority of the population's income-generating activities, but they also have a drastic impact on the country's food security and management at the farm level. Rural women face disproportionate exposure to natural hazards, and additionally, they struggle more in coping with extreme or repeated events due to a lack of access to resources. This action will have a positive impact on gender equality, social cohesion, as it will reduce conflicts of pastoralists and other communities over scarce resources. It will also have a positive impact on reducing forced displacement due to conflict or climate shocks. Therefore the triple nexus approach will provide durable solutions to populations who are affected by conflict and forced displacement and who are often dependent on humanitarian assistance.

Main stakeholders to be covered by the action are:

1. Integrated Water Resource Management

Government partners:

- Ministry of Water and Energy (MoWE)-Lead Institution
- Ministry of Agriculture (MoA)
- Ministry of Irrigation and Lowland Development (MoILD)
- Ethiopian Environmental Protection Authority (EEPA)
- Regional Water Bureaus
- Ethiopian Meteorological Service

Academic institutions:

- Water and Land Resource Centre (WLRC)
- International Water Management Institute (IWMI).
- Ethiopian Institute of Water Resources (EIWR)
- Adama, Jimma, Arba Minch, Mekele, Wollaita and Semera Universities

Non-governmental partners:

- ACACIA
- Netherlands Water Partnership
- WaterNet (Water Board)
- Dutch Water Authorities
- Stockholm International Water Institute (SIWI)

- CIMA
- EuroConsult Mott Mc Donald
- Affected/At risk communities

Many organisations including the ministries, development partners and bureaus are investing substantial amount in the broad areas of water resource development and management. The problem, however, is that their initiatives are fragmented, and at times overlap, and lessons from earlier interventions are not guiding new initiatives. The level of harmonization and coordination among stakeholders at federal, basin and regional level, as well as with national/international organisation and development partners, remains weak.

2. Disaster Risk Management

The primary participants on this action are the local administrations and people living in areas affected by climate extremes, conflict and other shocks, including displaced populations, and in particular women and youth. This action will be implemented as part of the ongoing EU DDRM programme, and main stakeholders are the Ethiopian Disaster Risk Management Commission (EDRMC), the regional states and woreda DRM institutions; in particular, the Gender Directorate of the NDRM and gender focal points at regional and woreda DRM institutions.

Ethiopia's DRM landscape is composed by a large number of programs and initiatives pertinent to various phases of the DRM cycle: prevention and mitigation, preparedness, response, recovery and rehabilitation.

The management of DRM actions in Ethiopia is guided by the National DRM Policy, which provides the legal framework for the establishment of a decentralized/regional operational management under the coordination of the EDRMC. The role of the EDRMC is essential to guide the DRM investments, and ensure that existing early warning, preparedness and response systems are harmonised between Regional states and Federal government, and between Government and Donor's funded system operated by non-governmental organisation and other actors. Other Federal line ministries having a role in DRM including the obligation to mainstream DRM in their respective sector are: Ministry of Agriculture, Health, Education, Irrigation and Lowland Areas, Peace, Women & Social Affairs. At regional level, the DRM commissions/bureaus and the Woreda DRM coordination offices are responsible for the planning and implementation of the DRM actions.

Other key stakeholders are: EU Member States (i.e. Spain, France), the World Bank, UN agencies (FAO and UNDP, UNDRR and WMO), Ethiopian Meteorological Agency and the private sector. The African Centre for DRM (ACDRM) hosted at the Addis Ababa University, and other research institutes are contributing in developing local capacities, provide training. Civil society organisations are also contributing to the implementation of DRM at regional and Woreda levels.

3 DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to improve drought resilience, reduce vulnerability to climate shocks and dependency on humanitarian assistance in Ethiopia.

The Specific(s) Objective(s) (Outcomes) of this action are to:

1. Improve the Integrated Water Resources Management institutional set-up and coordination.
2. Operationalise the Basin Resource Master Plans and launch the implementation of priority and high impact IWRM projects from target basins,
3. Increase the resilience of local population in the target regions.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Specific Objective 1, the IWRM capacity of MoWE, Basin Coordination Office and Decentralised Basin Offices (DBOS) is enhanced:

1.1. Improved professional, methodological, technical capacities of Ministry of Water and Energy (MoWE), Basin Coordination Office (BCO) and Decentralised Basin Offices.

1.2. Improved capacities of local water – energy dependent businesses in lowlands

MoWE have been recently reorganised and the mandate of the Basin Development Authority has been given to the Ministry. A number of departments/units within the ministry are under restructuring. Moreover, the existing three Basin Development Offices (Awash, Abbay and Rift Valley Lakes) are under restructuring by covering other basin that didn't have their own basin offices. Hence, considering the mandate vested on the Ministry, significant capacity support is required to enable the ministry discharge its responsibility. To this effect, the proposed programme will boost the capacity of the MoWE and the Basin Offices in areas of gender-sensitive and inclusive human resources development, logistics, office set up and sector coordination. .

Contributing to Specific Objective 2, a comprehensive hydrologic basin water information system in the selected basins is in-place and functional.

2.1. Improved access to an accurate information on the water resource availability, variability, and quality

2.2. Improved watershed and land planning capacities of MoWE, BCO, DBOs and communities

2.3. Improved resilience capacity of economic actors depending on water energy

In order to ensure effective, efficient and sustainable water resources development and management, accurate information on the resource availability, variability, and quality is required. This includes information on climate, hydrology, water resource use, watershed, socio-economic activity in the basin or sub-basins and their impact in term of pollution. In particular, sources, quantities and impacts of generated solid and liquid wastes will be thoroughly analysed in relation of depletion of water resources and biodiversity. Collection of information will integrate the gender and human rights perspective to account for specific barriers and opportunities of women, pastoralists communities and other vulnerable groups. All information at a basin level will be centrally archived through a data sharing protocol.

Contributing to Specific Objective 3, enhancing local DRM institutions

3.1. Improved capacities of regional and Woreda administration disaster risk management (DRM) institutions in efficient early warning systems (EWS) and management enhanced.

3.2. Restored and disaster-prepared livelihoods and communities

The capacities of communities, regional and local (Woreda) administrations will be strengthened to improve inclusive DRM. Livelihoods and living conditions of disaster-affected communities are restored, and are better prepared to withstand future disasters, especially through adoption of appropriate water conservation and management techniques at the farm level. Specific needs of women and girls, displaced populations and pastoralist communities as a disproportionately affected part of the population are being addressed.

3.2 Indicative Activities

Activities related to Outputs under the Outcome 1:

- Build the IWRM implementation capacity of MoWE, BCO and the Decentralised Basin Offices through formal long-term and short term trainings, on job skill development trainings, and exchange visits mainly focusing on coordination, stakeholders' engagement, water allocation, pollution, calculation of water tariff, conflict management, planning, modelling etc. ;
- Provide technical assistance to MoWE and the target basin offices on the following areas:
 - Water governance: IWRM institutional set up and coordination; and establishment of water governance in selected Basins (mainly focusing on water allocation, water use permit and Water tariff).
 - Water economics: analyse the economic viability of the basin plans (mainly focusing land and water resources), develop improvement plans and strategies and provide the necessary technical support for their implementation.
 - Business development support: provide technical support to the ongoing solar minigrid projects to rationalise the use of water and energy for productive use in the lowlands.

- Community-Based Rangeland Management: effective and community based models for pastoral land tenure securing, integrating rangelands into the Basin Management and Development Plan with secured access for herders and preservation from other land uses; a well thought-out program for the use of pastoral areas reduces the risk of exploitation of natural and water resources and increase the adaptation capacity of the river basins to climate change (resistance to drought, reduction of run-off during flood events, etc).
- Environmental Management Plan: analysis of key stakeholders and related roles, coordination needs, capacity development – taking into account the displacement dimension.
- Provide equipment and vehicles to MoWE and support the establishment of office facilities at basin level;
- Support action researches and studies on topic of importance to address IWRM in selected basins;
- Support knowledge sharing workshops and conferences on IWRM at the national, and basin levels.

Activities relating to Outputs under the Outcome 2:

- Upgrade hydrologic data collection stations and establish new stations at strategic sites. This will include establishing ground and surface water monitoring systems, including drilling and construction of ground water monitoring wells, installation of data loggers, installing surface water monitoring equipment and installing appropriate software to manage water related information at the basin level, and installing telemetric water measuring instruments at major abstraction points;
- Mapping of major potential sources of pollution for water resources;
- Feasibility study of a sector coordination for the collection, analysis and management of pollution related information within the basin;
- Dissemination of hydrologic and meteorological data, information and knowledge about the water resources through web-based platform;
- Establish and manage geo-spatial water and water-related resources database at the basin level and make sure it is linked with the central database at MoWE level;
- Mapping of existing and under development hydrologic basin water information systems and their harmonisation and analysis of the opportunities to link the water information system with the DRM preparedness existing tools;
- Support Basin Offices to identify and characterise hotspot areas / vulnerable catchments to soil erosion, invasive vegetation (both aquatic and land), hydrogeological risks and pollution, and design watershed development / rehabilitation plans and land use plans;
- Build the capacity of MoWE and selected basin offices and concerned regional bureaus -with particular emphasis on the participation of female officers- in the protection and conservation of land and water resources. This will include pilot activities on landscape recovery such as integrated physical and biological soil and water conservation, appropriate interventions for specific erosion vulnerable areas/priority sites (for example afforestation, development of natural engineering technique for specific wastewater sources, clearing of invasive plants, promotion to the use of natural fertilizer and soil structuring);
- Pilot interventions on off grid solar PV mini-grid development: Solar mini-grid systems installation and operationalization to supply reliable high quality energy for basic services (boreholes pumping systems, school, health centre, vet post, recreational centre), and businesses (cold chain rooms, pasteurizing units, slaughter house facilities, etc);
- Set up credit facility instrument or revolving fund by involving appropriate institutions and payback mechanisms for cooperatives or association who will be engaged in managing the solar mini grid system and animal product processing businesses with special focus on women-led cooperatives or associations.

Activities related to Outputs under the Outcome 3:

- Strengthening of the early warning system, both on natural and man-made hazards-related disasters through technical and equipment/material supports to the woreda level DRM institutions for gathering, compiling, analysis and regularly reporting of EW informations including the updating of baseline information and other ad hoc rapid assessment and food security surveys.
- Mainstreaming of the DRM in the Woreda development plans, and the development and updates of Woreda Contingency Plans and Disaster Risk Profiles and Management Action Plans in all target Woredas;
- Strengthening of DRM coordination platforms at the Woreda, zonal, regional levels. The support to the strengthening of the early warning system will focus on enhancing capacities of the target Woredas DRM institutions for timely and gender-sensitive information generation, forecasting and dissemination of climate-

induced and other hazards, and the harmonization of the early warning systems with regional and Federal levels. The development of the Woreda Disaster Risk Profiles provide all necessary information on the different disaster risks that could occur at Woreda levels and takes into account the displacement dimension;

- The establishment and operationalisation of the region's Contingency fund for emergency preparedness and response activities that respond to property loss, and facilitate the prompt rebuilding of household livelihood economies including the displaced communities and their hosts. The contingency fund with 50% of matching fund from the respective regional government, to be used for package of interventions to address the specific needs of the affected people, while taking into account gender aspects, and needs and interests of people living with disabilities as well as for conflict resolution mechanisms and for the integration of internally displaced communities. The on-going EU DDRM project provides €160,000 per action as a 50% contribution arrangement of EU project funds and €160,000 per action as regional government match/contributions, respectively. Both funds seen as joint actions and thus jointly managed and reported, accordingly;
- Emergency holding of conflict resolution committees – in which the equal participation of women and other vulnerable groups is ensured- is an essential part of the early response in areas where resource-based conflicts anticipated to occur and/or where displacements have already occurred. Prior coordination with humanitarian actors is compulsory before activating the use of contingency funds. The establishment and operationalisation of the region's Contingency fund regulations is a requirement for the activation and use of project contingency funds particularly in those regions not covered under the on-going EU DDRM programme (Tigray, Afar, Benishangul, Gambella). Implementation Guidelines has already been developed under the on-going EU DDRM programme, and such guidelines are providing a structured approach towards the proper design, planning and governance of the fund.

3.3 Mainstreaming

Environmental Protection & Climate Change

Outcomes of the SEA (Strategic Environmental Assessment) screening (relevant for budget support and strategic-level interventions)

The (SEA) screening concluded that no further action was required.

Outcomes of the EIA (Environmental Impact Assessment) screening (relevant for projects and/or specific interventions within a project)

The EIA screening classified the action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design).

Outcome of the CRA (Climate Risk Assessment) screening (relevant for projects and/or specific interventions within a project)

The CRA screening concluded that this action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1, and aligned with the EU Gender Action Plan III and adhere to its 3 core principles: applying a gender-transformative approach, addressing intersectionality of gender with other forms of discrimination, and follow an approach based on human rights. This implies that the proposed action will apply an inclusive approach and a prioritization of gender aspects by providing different responses and assistance based on the comprehensive assessment and analysis of the needs of women and other vulnerable groups. . Gender will be mainstreamed through the Gender Action Plan with supportive provisions (e.g. behavioural change communication modules, etc.). A Gender perspective will be integrated throughout the Action (planning, implementation, monitoring and evaluation), and intends to move from the current gender beneficiary counting and disaggregation of data to a more ambitious gender results targeting. For activities that require specific beneficiary selection, the project will reserve 2/3 quota for women. The Action will ensure strong partnerships with women and youth-led national and community-based organizations and other organizations representing marginalized groups; training DRM committees and multisectoral coordinating bodies to collect, manage and share disaggregated data, conduct gender analysis to inform programming; and ensure all DRM activities are tailored to meet the needs, be informed by indigenous/pastoralist knowledge, and leverage the leadership of women, girls and

other marginalized groups

Human Rights

This action will consider special needs arising from drought and conflict affected people, and will follow the human rights based approach including the principle of “leave no one behind” and “do no harm”, ensuring that the target population are aware of their rights so to be able fully exercise their rights, and fulfil their human rights, building their capacity to achieve these objectives in a transparent, non-discriminatory, and accountable manner.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. The activities have an inclusive approach for people living with disabilities and other vulnerable groups, which are more exposed to the consequences of the conflict. The Action will ensure that rights of persons with disabilities will be respected, and the planned activities related with training, workshops and others are disability inclusive.

Democracy

Human rights based approach to be followed in the design of the identification of the present action, and the five principles will further be applied in the formulation and implementation of the projects: participation, accountability, non-discrimination, transparency and legality.

Conflict sensitivity, peace and resilience

The action will apply a conflict sensitivity approach to ensure that all processes and actions minimise negative and maximise positive effects within a given context, ensuring that no particular region or ethnicity is receiving more support than others, to the extent possible (in line with the Do No Harm principle), while maintaining due consideration for the needs of the target population. Conflict analysis will be undertaken when relevant to an specific geographical areas to understand better conflict dynamics and how the project will interact with the context. The action will pursue a strategy of multi-stakeholder participation, seeking to strengthen existing systems, structures and capacities at local/Woreda, regional and national levels, to respond to man-made and natural disasters, including conflict. These efforts will be articulated in coherence with the National Policy and Strategy on DRM, as well as local customary conflict resolution practices.

Disaster Risk Reduction

Disaster Risk Reduction (DRR) is the main objective of this action. It intends to contribute to reducing the impact of natural and man-made hazards/disasters through enhancing the capacity of DRM institutions and systems within the context of sustainable development and the decentralization agenda. This action strongly consider the mainstreaming of DRM in the planning and implementation of local development activities, and the timeliness of responses to, preparedness for and prevention of disasters linked to multiple hazards and disaster risks in the country.

Other considerations if relevant

ICT / Digital technologies will be applied in several components of the action, such as in the early warning system, development of Woreda risk profiles, mitigation and adaptation plans, where they will serve for collection and dissemination of data, as well as in the water component to forecast droughts.

The action will contribute to the Great Green Wall initiative, and is aligned with European Green Deal, the European Consensus for Development, the Gender Action Plan III, the EU vision of the future Africa-EU partnership as per its Communication “Towards a Comprehensive Strategy with Africa”. It will directly respond to the 26th April 2022 “EU Food security in Horn of Africa Initiative” that aims to provide a substantial response to the devastating climate-induced drought affecting the Horn of Africa, and also to the IGAD Drought Disaster Resilience and Sustainability Initiative (IDDRSI) strategy, recognising the need to empower vulnerable groups and individuals, including refugees and IDPs, in building resilience in general, and to drought in particular.

The action is also aligned with the Sendai Framework for Disaster Risk Reduction 2015-2030 and the 2030 Agenda for Sustainable Development and will mainly contribute to SDG 1 (no poverty), SDG 2 (zero hunger), to SDG 5 (Gender equality), and SDG 13 (Climate action).

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
External environment	Weak institutional capacity	M	M	Community accountability mechanisms and the review of the regional DRR performance as part of the coordination of the humanitarian response and of the major flagship programmes should be able to address risk.
External environment	High turnover in government staffing	M	L	Capacity building measures to federal regional and Woreda staff should ensure that staff are encouraged to stay with better working conditions and environment as well that a performance contract ensuring a minimum of stay on the job
Climate-related	Local water-related conflicts under continued drought	H	M	The action will use contingency funds for timely response and expand mitigation and adaptation measures, and mainstream conflict resolution mechanisms and peace building actions.
Planning, process, and systems	Gender issues: A gender-blind, neutral, or negative context and problem analysis could reinforce existing gender inequalities and non-realization of human rights in the sector, and hinder the efficiency and sustainability of the action	M	M	Knowledge and tools of gender mainstreaming are available. Gender-sensitive monitoring, use of sex-disaggregated data, and gender-sensitive indicators. Gender mainstreaming is applied in all phases of the support services.
<p>Political instability and insecurity are the main risks for a timely and smooth implementation of the proposed action. Extreme drought conditions, particularly in the lowland (pastoral and agro-pastoral) areas is another risk which exacerbate the food insecurity situation (water and livestock feeds). The assumptions are that peace will be restored among the conflicting parties, and that timely humanitarian response will be implemented in case of prolonged drought.</p> <p>Integration of the action within a multi-donors framework programme, and their coordination, will limit the risk of weak coordination and poor governance. A robust risk management framework will be put in place to ensure appropriate mitigating measures.</p>				
<p>Lessons Learnt:</p> <p>This action is designed building up on the experiences and success achieved under the on-going EU Member States Organisations in IWRM and DDRM programmes, with positive engagement of the national and the regional</p>				

governments DRM institutions for effective and efficient implementation of decentralized DRM. One of the main lessons learnt from the water sector is that adaptation is not fundamentally different from development, for both addressing poverty as it exacerbates existing vulnerability to climate changes. The immediate priority is therefore to better prepare for unmitigated climate risk that Ethiopia already faces. Additionally, water service provision needs to be better integrated with food security and asset rebuilding efforts. Finally, building the capacity of local government offices and addressing problems of staff skills and retention are vital long term goals for the institutions to productively absorb investments⁹.

The analysis of the DRM situation in Ethiopia's agriculture sector (EU PRO-ACT 2018 FAO project), highlighted the sub-optimal use of Woreda disaster risk profiles and DRR plans, and recommended that Woreda risk profiles and DRR plans should inform the annual work planning of the Woreda sector offices.

Recent studies carried out by DFID, WB, USAID, etc. have identified a handful of institutional strengthening approaches that have enhanced the Government disaster preparedness and response, such as improved coordination, enhanced use of early warning information, and strengthened capacities of regional and Woreda DRM institutions. However, findings also indicated several challenges that continue to inhibit institutional strengthening gains and effective planning and implementation of DRM in Ethiopia. One of the most relevant is that early warning does not consistently trigger a response at the community level: information is not provided in a timely manner, or not consistently delivered to all relevant local administrations and communities, the quality and reliability of the data themselves is poor, leading to a lack of generated early warning information. The current insufficient capacity development investments and interventions in the DRM space need to be addressed, particularly in those regions and Woredas where significant capacity gaps exist. According to the aforementioned studies, while designing an intervention an emphasis should be put on the activities aiming at women and integrating the gender perspective through the whole action as climate change impacts as well as response to shocks in general are not gender neutral.

3.5 The Intervention Logic

This action is part of the third Individual Measure in response to conflict and drought in Ethiopia, covering food and water security, agricultural recovery and strengthening of domestic food production, addressing displacement and reintegration, gender inequalities and economic recovery of the private sector in areas affected by the conflict and/or drought.

Building the IWRM implementation capacity at different Government levels training government staff on water governance, water economics including efficient use of water and energy in solar mini-grid productive business, rangeland and environmental management, providing the necessary equipments and promoting the necessary studies if the equipments and software are used purposefully and trained staff will remain in the government institutions then the capacity of the MoWE, BCO and DBOs will not be only established but will definitely improve the institutional set up and coordination of the Integrated Water Resources Management. The condition for achieving this outcome is that the existing policies for climate resilience and IWRM will remain valid and possibly improved.

Again upgrading existing and installing new hydrologic data collection stations mapping water resources and their quality, elaborating the data using georeferential and geospatial tools, using provisional models for water use, hydrological risks and vulnerable areas to water stress if the data base and provisional models are properly maintained and integrated with a proper coordination into the Federal system reliable data access to water resources and watershed resources planning capacity at different levels will be improved. Then it will be possible to prepare the basins resources master plans in the targets basins and if available economic and human resources will be made available in order to operationalise and implement the plan.

So it can be assumed that once the Institutional set-up and coordination for Integrated Water Resources Management and basins resources master plans are ready and implemented, they definitely contribute to improve drought resilience

⁹ Achieving water security. Lessons from research in water supply, sanitation and hygiene in Ethiopia https://www.ircwash.org/sites/default/files/achieving_water_security.pdf

and reduce vulnerability to climate shocks.

The Ethiopian DRM policy is poorly mainstreamed in the lead sectors and poorly decentralized at sub-national levels, and facing several challenges in implementation due to factors related to implementation capacity, resource limitations, lack of coordination, etc.

The action intends to enhance the mainstreaming of DRM in the plans, budget and programmes for effective mitigation and response measures, and the establishment and scale-up of the contingency funds at regional level to ensure timely mobilisation of resources and to strengthen the response capacity of regional DRM institutions, thus facilitating the prompt rebuilding of household livelihood economies of (potentially) vulnerable communities.

The early warning system does not consistently trigger a response at the community level, information is not provided in a timely manner, or not consistently delivered to all relevant local administrations and communities, the quality and reliability of the data themselves is poor, leading to a lack of generated early warning information.

The action intends to strengthen the early warning information systems that can lead to accurate and timely decision-making by the government and other development and humanitarian actors. Specifically, the action seeks to ensure that disaster risk is timely forecasted and effective mitigation and response measures are undertaken, thus reducing vulnerability of households, communities and local authorities to man-made and climatic crises. It also intends to strengthen households, communities and local authorities' capacities to manage more efficiently local water consumption and distribution with particular focus on women as water and fuel collection falls primarily under the responsibility of women.

The proposed action will directly contribute to achieving the strategic objectives of the DRM policy with more effectiveness and better risk-informed investments in prevention, mitigation and preparedness, enabling those vulnerable communities and local DRM institutions to better prepare in order to withstand future climatic stress and disasters.

The overall strategy is that greater investments in early response and DRM, such as supporting pre-agreed disaster planning, early warning system, preparedness and early response activities, will contribute to and scale up the government efforts in reducing impacts from climate-induced disaster risks, and enhance long-term resilience-building efforts. This will also contribute to reducing/avoiding conflicts that unfortunately have significantly spread over the past years in the country and one of its major consequences: forced displacement as well as will contribute to reduce inequalities and gender disparities.

Political and economic stabilisation is necessary to avoid further deterioration of the situation in country. Good governance will help strengthen the institutional grid, underlying the stabilisation efforts. Gender equality and youth involvement will not only address needs, but also reinforce advocacy and proactive contributions to peace, reconciliation and resilience building in a triple nexus approach.

3.6 Logical Framework Matrix

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To improve drought resilience reduce vulnerability to climate shocks and dependency on humanitarian assistance in Ethiopia.	1. GERF 1.4 SDG 11.5.2: Direct economic loss in relation to global GDP, damage to critical infrastructure and number of disruptions to basic services, attributed to disasters 2. % and number of people in humanitarian need (disaggregated by sex)	1. TBD in inception 2. TBD in inception	1. TBD in inception 2. TBD in inception	1 Government statistics 2 International organisation reports, UN, FEWSNET, EDRMC -- HRD (Annual appeal)	<i>Not applicable</i>
Outcome 1	To improve the Integrated Water Resources Management institutional set-up and coordination	1.1 Number of river basins offices established and equipped and operationalised by MoWE. 1.2 Status of the institutional set-up and coordination framework of MoWE, BCO and Decentralised Basin Offices.	1.1 3 water basins offices. Awash, Rift Valley and Abay. 1.2 Early institutional set-up and no coordination framework	1.1 Six water basin offices established and equipped 1.2 Institutional set-up finalised and the coordination framework endorsed by the MoWE	1.1 data from MoWE	Continuous conducive policy for climate and drought-resilient policy, Integrated Water Resources Management, including policy-funding, institutional reforms and conflict resolution
Outcome 2	To operationalize the basin resources master plans and launch the implementation of priority and high impact IWRM projects from target basins.	2.1 Numbers of river basins resources master plans endorsed and the implementation started	2.1 0 by 2022	2.1 5 by 2027	2.1 MoWE data and decision on endorsement	Necessary financial resources will be available for further implementation of priority activities.

Outcome 3	To increase resilience of local population in the target regions	<p>3.1. Number of local governments and/or communities that adopt and implement local disaster risk reduction strategies; disaster risk management plans and community development plans.</p> <p>3.2 Number of social infrastructure built or rehabilitated by the authorities following the development and DRM plans</p> <p>3.3 % of livelihoods affected by erratic weather patterns with % disaggregation into sex</p> <p>3.4 Number of staff from local authorities and basic services providers benefiting from capacity building for strengthening services delivery (disaggregated by sex)</p>	<p>3.1. TBD in the inception</p> <p>3.2 TBD in the inception</p> <p>3.3 TBD in the inception</p> <p>3.4 TBD in the inception</p>	<p>3.1. TBD in the inception</p> <p>3.2. TBD in the inception</p> <p>3.3. TBD in the inception</p> <p>3.4. TBD in the inception</p>		No major policy shift by the government relevant to the two main components; Effective implementation of the DRM policy; Government commitment for on-going development programs, PSNP and other factors that sustained resilience are adequately addressed; No high level emergency crisis situation occurred in the target area; No major exceptional social conflicts or economic crises occurred in the target area.
Output 1 relating to Outcome 1	1.1 Improved professional, methodological, technical capacities of Ministry of Water and Energy (MoWE), Basin Coordination Office (BCO) and Decentralised Basin Offices	1.1.1 Number of DBOs equipped with appropriate software for data collection and elaboration	1.1.1 0 by 2022	1.1.1 TBD in inception	1.1.1 MoWE IT department data	The equipment and software are used purposefully and efficiently and further maintained
		1.1.2. Number of staff of MoWE, BCOs and Decentralised Basin Offices trained and knowledgeable on IWRM and water basin management planning,	1.1.2. 0 by 2022	1.1.2. TBD in inception	1.1.2. Pre- and post-assessments; sign-in lists	The trained staff stay at their job

		disaggregated by sex, institution and location				
		1.1.3. Number of BMOs equipped with vehicles and other equipment for their operations	1.1.3. 0 by 2022	1.1.3. TBD in inception	1.1.3. Equipment hand-over certificates	
		1.1.4. Status of a draft framework for coordination and water management by the MoWE, BCO and DBOs	1.1.4. None existing in 2022	1.1.4. The draft is elaborated on and discussed with the stakeholders	1.1.4. the draft plan and discussion minutes	The coordination system is implemented
		1.1.5. Status of the drafts of the basin resources master plans	1.1.5. Basin resources master plans – with poorly performed economic analysis and weak for basin water management	1.1.5. Basin resources master plans with advanced economic analysis and water management improvement options	1,1,5 Basin resources master plans and the minutes of discussion with the stakeholders	The plans are further maintained, used and funded / implemented
Output 2 relating to Outcome 1	1.2. Improved capacities of local water – energy dependent businesses in lowlands	1.2.1. Number of businesses in lowlands trained and prepared for more efficient use of water and energy and for being prepared for disaster risk management	1.2.1. 0 by 2022	1.2.1. TBD in inception	1.2.1. Sign-in lists, satisfaction survey	Lessons and good practices are collected and disseminated
Output 1 relating to Outcome 2	2.1. Improved access to an accurate information on the water resource availability, variability, and quality	2.1.1 Status of the hydrological water basin information database Number of instruments installed and providing data	2.1.1 None existent in 2022 TBD	2.1.1 Physical monitoring infrastructure, info systems established, and the database linked to the central database of MoWE TBD	2.1.1. Engineering and IT reports on works completion and handover to MoWE BCO and DBOs Progress reports and MoWE data	The database is maintained, used and integrated into federal database
		2.1.2. Draft description of coordination system for water pollution data collection and exchange	2.1.2. None by 2022	2.1.2. Drafted, discussed and agreed with the MoWE, BCO and DBOs and other	2.1.2. Proposal and the discussion minutes	The coordination system is implemented

				stakeholders		
Output 2 relating to Outcome 2	2.2. Improved watershed and land planning capacities of MoWE, BCO, DBOs and communities	2.2.1. 2 draft watershed development and rehabilitation plans supported	2.2.21.0 by 2022	2.2.21.TBD in inception	2.2.21.Draft plans and minutes of discussion	The plans are further maintained, used and funded / implemented
		2.2.2. Number of draft land management plans	2.2.2. 0 by 2022	2.2.2. TBD in inception	2.2.2. Draft plans and minutes of discussion	Same as above
		2.2.3. Number of MoWE, BCO, DBOs representatives trained and knowledgeable on protection and conservation of land and water resources, disaggregated by sex, institution and location	2.2.3. 0 by 2022	2.2.3. TBD in inception	2.2.3. Pre- and post-assessments; sign-in lists	The trained staff stay at their job
Output 3 relating to Outcome 2	2.3. Improved resilience capacity of economic actors depending on water energy	2.3.1. Number of economic actors participating in solar-based mini-grid installed	2.3.1. 0 by 2022	2.3.1. TBD in inception		Lessons and good practices are collected and disseminated
		2.3.2. Status of a financing facility for economic actors participating in solar mini-grid	2.3.2. 0 by 2022	2.3.2. TBD in inception		Access to existing financial facilities
Output 1 relating to Outcome 3	3.1. Improved capacities of regional and Woreda administration Disaster Risk Management (DRM) institutions in efficient early warning systems (EWS) and management enhanced.	3.1.1 Number of woredas with draft development plans	3.1.1. 0 by 2022	3.1.1. TBD in inception	3.1.1. Draft development plans and minutes of discussion with woredas	The plans and profiles are further maintained, used and funded / implemented at all levels
		3.1.2 Number of staff from local authorities benefitting from capacity building for strengthening the early warning system, disaggregated by sex, institution and location	3.1.2. 0 by 2022	3.1.2. TBD in inception	3.1.2. Pre- and post-assessment; sign in lists	The trained staff stay at their job
		3.1.3 Number of woreda risk profiles and DRM plans developed	3.1.3. 0 by 2022	3.1.3. TBD in inception	3.1.3. Draft plans and discussion	

					minutes with woredas	
Output 2 relating to Outcome 3	3,2 Restored and disaster-prepared livelihoods and communities.	<p>3.2.1 Number of disaster risk reduction regional Contingency Funds (DRR-CF) established jointly with EU DDRM intervention</p> <p>3.2.2 Number of people receiving food security related assistance (disaggregated at least by sex and location) with direct support of the Action (** GEF 2.1, 2.32 and 2.33)</p> <p>3.2.3 Number of people having improved access to basic services (disaggregated at least by sex and location) with direct support of the Action (** GEF 2.3, 2.38)</p>	<p>3.2.1. 0 In 2022?</p> <p>3.2.2. 0 by 2022</p> <p>3.2.3. 0 by 2022</p>	<p>3.2.1. TBD in inception</p> <p>3.2.2. TBD in inception</p> <p>3.2.3. TBD in inception</p>	<p>3.2.1. Federal and regional government statistics</p> <p>3.2.2. and 3.2.3. Woreda relevant sector office records/statistics</p> <p>3.2.3. Internal monitoring reports</p>	

4 IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the Federal Democratic Republic of Ethiopia.

4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out, and the corresponding contracts and agreements implemented, is 60 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3 Budget Support

N/A

4.4 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.4.1 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

The Increased resilience capacity of vulnerable communities, with an emphasise on women as a disproportionately affected part of the population, to cope with climate-induced disasters, including food security crises, by enhancing local DRM institutions in the early warning system and planning and implementation of timely responses (Specific Objective 3: Increase the resilience of local population in the target regions), will be achieved through grants.

(b) Type of applicants targeted

Regional governmental entities

The part of the action under the budgetary envelope reserved for grants may, partially or totally be implemented in indirect management with a pillar assessed entity, which will be selected by the Commission's services using the following criteria:

- Institutional mandate to plan, implement, coordinate and monitoring disaster risk management activities in the region.
- Administrative power and capacity to identify and select targetet beneficiaries.

4.4.2 Direct Management (Procurement)

The purpose of the contract is to ensure efficiency and effectiveness in the implementation of the specific objective 3 in the different regions and secure consistency of the overall programme. A Technical Assistance will be deployed under a contract managed directly by the EU Delegation in support to the specific objective 3 “Increase resilience capacity of vulnerable communities, with an emphasis on women as a disproportionately affected part of the population, to cope with climate-induced disasters, including food security crises, by enhancing local DRM institutions in the early warning system and planning and implementation of timely response.”

4.4.3 Indirect Management with an entrusted entity

A part of this action may be implemented in indirect management with the Netherland’s Ministry of Foreign Affairs (Directorate General for International Cooperation – DGIS).

This implementation entails specific objectives 1 (Improve the Integrated Water Resources Management institutional set-up and coordination) and 2 (Operationalise the Basin Resource Master Plans and launch the implementation of priority and high impact IWRM projects from target basins): the Integrated Water Resources Management, and more specifically the strengthening of the technical, managerial and regulatory capacities of the MoWE and the selected river basin offices and concerned regional bureaus in integrated water and land resources management, as well as the support in the preparation of basin resource master plans and their operationalization by supporting the implementation of priority and high impact IWRM projects in target basins. The areas of intervention are the following: Tekezen, Upper Awash, Central Rift Valley and Omo Gibe river basin.

The envisaged entity has been selected using the following criteria: EU Member State Organisation in order to implement the action in a Team Europe spirit, have a substantial technical experience and human resources working in the water sector in Ethiopia. The entity must have implemented projects with own resources, and has a plan to continue working in the water sector in Ethiopia for the future, with allocation of additional financial resources.

In case the envisaged entity would need to be replaced, the Commission’s services may select another replacement entity. If the entity is replaced the decision to replace it needs to be justified.

4.4.4 Indirect Management with an entrusted entity

A part of this action may be implemented in indirect management with the Agenzia Italiana per la Cooperazione allo Sviluppo (AICS).

This implementation entails specific objectives 1 (Improve the Integrated Water Resources Management institutional set-up and coordination) and 2 (Operationalise the Basin Resource Master Plans and launch the implementation of priority and high impact IWRM projects from target basins): the Integrated Water Resources Management, and more specifically the strengthening of the technical, managerial and regulatory capacities of the MoWE and the selected river basin offices and concerned regional bureaus in integrated water and land resources management, as well as the support in the preparation of basin resource master plans and their operationalization by supporting the implementation of priority and high impact IWRM projects in target basins. The areas of intervention are the following: Danakali, Lower Awash, Wabe Shebele river basin.

The envisaged entity have been selected using the following criteria: being an EU Member State Organisation in order to implement the action in a Team Europe spirit, have a substantial technical experience and human resources working in the water sector in Ethiopia. The entity must have implemented projects with own resources, and have a plan to continue working in the water sector in Ethiopia for the future, with allocation of additional financial resources.

In case the envisaged entity would need to be replaced, the Commission’s services may select another replacement entity. If the entity is replaced the decision to replace it needs to be justified.

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Third-party contribution, (amount in EUR)
Implementation modalities – cf. section 4.4		
<p>Specific objective 1: Strengthen the technical, managerial and regulatory capacities of the MoWE and the selected river basin offices and concerned regional bureaus in integrated water and land resources management. (Improve the Integrated Water Resources Management institutional set-up and coordination)</p> <p>Specific objective 2: Support the preparation of basin resource master plans and initialise their operationalisation by supporting the implementation of priority and high impact IWRM projects from target basins. (Operationalise the Basin Resource Master Plans and launch the implementation of priority and high impact IWRM projects from target basins) composed of</p>		
<p>Indirect management with:</p> <ul style="list-style-type: none"> Netherland's Ministry of Foreign Affairs (Directorate General for International Cooperation (DGIS)) – cf. section 4.4.3 Agenzia Italiana per la Cooperazione allo Sviluppo (AICS) – cf. Section 4.4.4 	<p>15 000 000</p> <p>15 000 000</p>	15 000 000
<p>Specific objective 3: The Increased resilience capacity of vulnerable communities, with an emphasise on women as a disproportionally affected part of the population, to cope with climate-induced disasters, including food security crises, by enhancing local DRM institutions in the early warning system and planning and implementation of timely responses (Increase the resilience of local population in the target regions) composed of</p>		
Grants (direct management)– cf. section 4.4.1 .	17 000 000	
Procurement (direct management) - c.f. section 4.4.2	3 000 000	
Grants – total envelope under section 4.4.1	17 000 000	
Procurement – total envelope under section 4.4.2	3 000 000	
<p>Evaluation – cf. section 5.2</p> <p>Audit – cf. section 5.3</p>	may be covered by another Decision	

Totals	50 000 000	15 000 000
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4.7 Organisational Set-up and Responsibilities

The implementation of the Integrated Water Resources Management will be coordinated under the Water working group of the Development Partner Group, with the Chairing position held by the Water State Minister and the co-chair by development partners on rotational basis. The implementing partners will provide the budget for the secretariat of the working group in order to secure a smooth coordination and an effective functionality of the water-working group. The Netherlands' Directorate General for International Cooperation and the Agenzia Italiana per la Cooperazione allo Sviluppo will be responsible for the management of the budget and the implementation of activities as per the Delegation Agreement.

The Ethiopian Disaster Risk Management Commission (EDRMC) created in 2016 to implement the National DRM Policy by coordinating with government agencies at Federal and regional state levels. The EDRMC is the formal focal government institution responsible for coordinating disaster response, risk management, preventive measures, and recovery programmes in Ethiopia. The EDRMC is also responsible for the coordination of humanitarian relief and provision of support to people displaced by disasters and conflict. The role of the EDRMC is essential to guide the DRR investments, and ensure that existing early warning systems, preparedness and response systems harmonized between Region and Federal and between Government and Donor's funded system operated by non-governmental organisation. The EDRMC has among others the following key powers and duties to: i) ensure that DRM mainstreamed into Government development policies, strategies, development plans and programs, and in the plans of the private sector as well as in the school curricula; b) provide support, as may be necessary, to concerned bodies in relation to DRM relevant tasks; coordinate, follow up and evaluate DRR, disaster response and rehabilitation programs of disaster victim; c) implement, lead and coordinate responses in the event of disasters that either do not fall under the responsibility of any one of designated lead sector institutions or a sudden disaster that is beyond the capacity of the lead sector institution; and hold and administer disaster response fund, relief food and non- food stock;

The EU, under the on-going DDRM programme, is currently supporting the EDRMC covering SNNP and Somali regional DRM commissions, and the regional DRM bureau of Oromia and Amhara with operational grants that aim at ensuring harmonisation, effective disaster preparedness and timely, accountable and coordinated disaster response as per the country's decentralized structure. The EDRMC and regional DRM commissions will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

Coordination mechanisms lead by the EDRMC is in place for the planning and implementation of DRM actions (DRM Technical Committee, etc.) with members from DP's, UN Agencies, NGO's, etc. Reinforcing of the existing coordination mechanism foreseen including with the WB long-term support 'Integrated DRM programme'.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

5 PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

All monitoring and reporting shall assess how the action is considering the principle of gender equality, human rights-based approach, and rights of persons with disabilities including inclusion and diversity Indicators shall be disaggregated at least by sex.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

Some of the data will be drawn from regular surveys made by UN Agencies, while other data will have to be provided by the EDRMC and the respective region DRM commissions. Details referred to in the log frame.

5.2 Evaluation

Having regard to the importance of the action, a final evaluation may be carried out for this action or its components through a joint mission contracted by the Commission.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that progress on issues tackled under this Action are part of an ongoing process.

The evaluations will assess to what extent the action is taking into account the human rights-based approach and how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least one month in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 [“Communicating and Raising EU Visibility: Guidance for External Actions”](#), it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

Appendix 1 REPORTING IN OPSYS

A Primary Intervention (project/programme) is a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

Articulating Actions or Contracts according to an expected chain of results and therefore allowing them to ensure efficient monitoring and reporting of performance;

Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);

Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

Primary Interventions are identified during the design of each action by the responsible service (Delegation or Headquarters operational Unit).

The level of the Primary Intervention chosen can be modified (directly in OPSYS) and the modification does not constitute an amendment of the action document.

The intervention level for the present Action identifies as;

Action level (i.e. Budget Support, blending)		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action