



Oromia National Regional State Forested Landscape Program (P156475)

Eastern and Southern Africa | Ethiopia | Environment, Natural Resources & the Blue Economy Global Practice | Recipient Executed Activities | Investment Project Financing | FY 2017 | Seq No: 11 | ARCHIVED on 23-May-2022 | ISR50931 |

Implementing Agencies: Ethiopia Forest Development, Federal Democratic Republic of Ethiopia

Key Dates

Key Project Dates

Bank Approval Date: 17-Mar-2017

Effectiveness Date: 28-Apr-2017

Planned Mid Term Review Date: 31-Jan-2020

Actual Mid-Term Review Date: 31-Jan-2020

Original Closing Date: 31-Dec-2022

Revised Closing Date: 31-Dec-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Development Objective is to improve the enabling environment for sustainable forest management and investment in Oromia.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Enabling investments:(Cost \$11.54 M)

Enabling environment:(Cost \$6.46 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

Overall Progress of OFLP Grant Implementation:

- **Disbursement:** Project has disbursed 81% of the grant - on track with projected disbursement at design. It is anticipated that there will be full utilization of the grant fund by the project closure, Dec 2022.
- **Progress towards the PDO:** The project has already achieved all the Project Development Objectives (PDO) level indicators. a) the Composite Index, which provides a proxy measure of the overall enabling environment for forest management and investment, has already exceeded the end of project target (104%); b) the area afforested/reforested has already achieved the final target, reaching 9,427 hectares (104%); and c) the number of project beneficiaries already exceeds the final target (218%). Reporting of intermediate results also indicates that project exceeds the final targets for all indicators. The mission commends the team and regional government for the progress made to date, especially with regards to the accelerated progress made with reforestation and participatory forest management (PFM) activities. This is especially impressive given the constraints imposed by the continuing Covid-19 pandemic, and insecurity in parts of the Oromia region



- **Participatory Forest Management (PFM):** To date, project has developed the forest management plan for 123,455 ha of natural forest through participatory process following the PFM guideline and the achievement is 103% compared to the project end target (120,000ha). All the forest areas that were established into PFM are demarcated and shapefile were produced. The project has also established 78 legally registered forest communities (28% of the members are women) responsible to manage those forests under PFM on sustainable way.
- **Safeguards Management:** Significant progress is made in implementing the agreed ESRM actions since the last mission. However, the mission noted delays in finalizing some of the key agreed activities including (a) updating of the existing ESRM instruments (SESA, ESMF, RPF & PF) for the ER program; (b) submission of a biannual E&S follow up and monitoring report; and (c) conducting an assessment on the implication of security on the ESRM implementation. Also, the mission noted some challenges that hindered the implementation of agreed ESRM actions related to the fragile security situation in few zones and many woredas, and draught in south and southeastern lowlands of the Oromia region. The key agreed actions include to: (a) conduct site specific screening for new (ANR/AR/PFM) subprojects, prepare site specific ESRM instruments, and submit a summary report to the WB accordingly; (b) finalize AR preparatory activities, including GL, with an exhaustive report under the green legacy initiative; (c) prepare security management plan for OFLP- ERPD; (d) establish GRCs in the remaining kebeles and ensure the functionality of the already established GRM to record, review, resolve, monitor and report grievances related to the project activities; and (d) finalized all the required ESRM instruments for ER program before the negotiation period.
- **Livelihood activities:** The mission noted that (a) 192 A/R (15886 members, of which 6496 female) and 78 PFM (16657 members, of which 4740 female) cooperatives registered and certified in 53 and 24 woredas respectively; and training provided for 7065 cooperative members (of which, 2552 female) on cooperative management, bookkeeping, loan management, animal rearing, and fattening. Further, socio economic baseline data collocation started for the first-round beneficiaries. Nevertheless, there is a delay in terms of expediting agreed action including (i) finalizing baseline socio-economic survey of the intended beneficiary households for the proposed livelihood interventions; (ii) screening of the IGA's activities as outlined on the project ESMF; and (iii) submission of a periodic report on livelihood activities implementation status to the WB.
- **Strategic Communications:** The mission noted that the project's activities have been well communicated through flash news and feature stories published on the website and disseminated through the quarterly e-newsletter to relevant stakeholders. Regarding printed materials, such as the brochure, the mission recommends developing also info materials more appropriate for local level dissemination. The recordings of TV and radio programs produced will be shared online. A digital version of the infographic on OFLP results will be available on the website and updated biweekly as we are approaching the project closing and targets are achieved. The mission remarks that the production of a video on A/R, PFM and nursery development has not started yet as (the hiring process of the consultant is still ongoing) and recommends drafting the storyline in the meantime. The mission reiterates the need to update relevant training and consultations data published on the website and monitor reactions and obtain feedback on disseminated info materials.
- **Joint public-private investment in managing OFWE's plantation.** OFWE has received all required funding from the OFLP grant to conduct the plantation inventory work and it has been conducting the assessment since October –November 2021. However, the mission noted considerable delays in finalizing the assessment by several branches in the Enterprise, mainly due to inadequate supply of field inventory tools, lack of experienced inventory staff and more priority given to other activities of the branches. The mission has requested OFWE and OEPA to follow up closely the field inventory activities and finalize the field assessment and deliver the inventory report before the end of June 2022.
- **Update on ERPA process:** The government has worked internally and sent its first ERPA Term Sheet in December 2021, for which it has received feedback from ISFL (Initiative for Sustainable Forest Landscapes) -FMT (Fund Management Team), in line with opinions from the ISFL Contributors. Furthermore, the government discussed and revised its proposed expectations on the volume, price and use modality of ERs (Emission Reductions) and submitted its Term Sheet for further review and feedback from the FMT. This feedback is expected to come by the end of April 2022.
- **Legal clarity on government's ER Ownership and Transfer of Titles to ERs.** he clarity of Emission Reduction ownership is expected before ERPA signing; but if it is not ready by ERPA signing, it will become a condition of effectiveness for the ERPA. For the first ERPA phase, clarity on ER ownership and title transfer is expected through the Forest Regulation approval, which is pending with the Council of Ministers since mid-2019. It is expected to be approved with in the next 3 months as has been promised by the new Ethiopian Forest Development (EFD), which is recently restructured under the MoA and considering that EFD would provide a full backstopping for the approval since it is given a policy mandate for all forestry value chains. For the second phase of ERPA, it was agreed at the previous mission in October 2021 that the WB will finance a technical assistance by hiring a local consulting firm or institution that has the relevant qualification and experience in interpreting the country's legal and policy system, to provide clear guidance to the government to be able to clarify the ER ownership and title transfer for the ER achieved from all sectors including livestock prior to ERPA signature. The selection process for this consultant is still ongoing.

Risks

Systematic Operations Risk-rating Tool



Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	High	High	High
Macroeconomic	Moderate	Moderate	Moderate
Sector Strategies and Policies	Substantial	Moderate	Moderate
Technical Design of Project or Program	Substantial	Moderate	Moderate
Institutional Capacity for Implementation and Sustainability	High	Moderate	Moderate
Fiduciary	Substantial	Moderate	Moderate
Environment and Social	High	Substantial	Substantial
Stakeholders	Substantial	Moderate	Moderate
Other	--	--	--
Overall	High	Moderate	Moderate

Results

PDO Indicators by Objectives / Outcomes

To improve the enabling environment for sustainable forest management and investment in Oromia				
► Score on composite index for tracking changes in the enabling environment for reducing deforestation and forest degradation (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.35	0.57	0.57	0.55
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	The composite index shows good results for “Incentives” and “Institutions” as the project has triggered the positive changes perceived by the respondents. However, this indicator to measure the change of the enabling environment is very subjective and the sampling of the composite index is not representative of all project stakeholders (respondents are only state level experts and government people). It was agreed that project management will conduct the next survey scientifically, including project beneficiaries in the sample of respondents and reporting in disaggregated numbers for each stakeholder			
□ Incentives (policy, laws, regulations, markets) (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.37	0.58	0.58	0.57
□ Information (generation and dissemination of information) (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.35	0.55	0.55	0.55



<input type="checkbox"/> Institutions (capacity to implement & coordinate) (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.33	0.58	0.58	0.54
► Area reforested (Hectare(Ha), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	9,427.00	9,427.00	9,000.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	The mission noted that the project has already exceeded the end year target by 4%. During this fiscal year, the project is planning to afforest extra 3000ha using the resource already allocated to this activity.			
► Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	34,634.00	54,557.00	25,000.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	As redefined this indicator during the mid-term review, it encompasses daily laborers employed at the nursery site, experts and community trained at all level, and the beneficiaries of livelihoods interventions. The communities' members consulted will not be reported under this indicator, but reported separately and posted on a regular basis on the OFLP website.			
<input type="checkbox"/> Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	20.00	33.42	30.00

Intermediate Results Indicators by Components

Enabling investment				
► Forest area brought under management plans (Hectare(Ha), Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	121,215.00	123,455.00	120,000.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	The mission understood that the project has already exceeded the project end year target one year ahead of the end year as documented during the last mission, October 2021. However, the PIU has planned to put 50,000ha of natural forest under PFM during this fiscal year, which is an additional to the target set for the project period. Since last mission, the PIU has been working to meet this new target and the			



achievement is 2224 ha. This would make the to date PFM achievement 123,455ha, which is 103% compared to the project end target (120,000ha)

► Forest users trained (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	33,699.00	39,313.00	25,000.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	30-Jun-2022

Comments: This indicator was defined to include the # of woreda/kebele experts and community members trained in the application of PFM, land use planning, extension practices and safeguard trainings and exclude the woreda and kebele level experts from future reporting on this indicator.

Forest users trained - Female (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	6,638.00	8,324.00	7,500.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022

► Land users adopting sustainable land mgt. practices as a result of the project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	54,558.00	54,558.00	18,000.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022

Comments: This indicator reports on the members of PFM and A/R groups who have adopted the sustainable land management practices through PFM and A/R activities.

Land users adopting sustainable land management practices as a result of the project - Female (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	21.39	21.39	30.00

► Beneficiaries that feel project investments reflected their needs (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	78.00	78.00	90.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022

Comments: This indicator measures the extent of satisfaction reflected by the project beneficiaries. It requires a formal survey to be conducted every two years (notwithstanding different targets for each year). First survey conducted in June 2020.

Beneficiaries that feel project inv. reflected their needs - female (Number, Custom Supplement)



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	5,592.00	5,592.00	6,750.00
<input type="checkbox"/> Beneficiaries that feel project inv. reflected their needs - male (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	21,422.00	21,422.00	14,000.00
<input type="checkbox"/> Total beneficiaries - female (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7,169.00	7,169.00	7,500.00
<input type="checkbox"/> Total beneficiaries - male (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	27,465.00	27,465.00	17,500.00

Enabling environment				
► Reforms in forest policy, legislation or other regulations supported (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Yes	Yes	Yes	Yes
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	This indicator measures the extent to which the OFLP supports sector reforms, TA support on policy fora, PFM policy harmonization, community bylaws, forest community tenure rights, forest governance support, policy briefs etc. OFLP cannot be held accountable for the change in law, policy and regulation as it is beyond its control. However, OFLP should provide inputs into the government policy process.			
► Grievances registered related to delivery of project benefits addressed (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	100.00
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	1,157 grievance redress committee (GRC) established since last mission comprising 8,332 members (of which 1,507 female), which increased the cumulative to 6310 GRCs across Oromia; and 19 cases are registered in Nekemte, Liben, and Southwestern clusters, of which 11 of them have been resolved, and 8 cases are pending. Issues related to livelihoods intervention and A/R and PFM activities are the main causes of reported grievances			
► <input type="checkbox"/> MRV system established and maintained at national and Oromia levels (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	No	Yes	Yes
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	An MRV system has been established and it is adequately operational for the stage of the project.			
► Benefit Sharing Mechanism (BSM) approved (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	Advanced BSP prepared and endorsed by the government, however it still needs to go through the Bank review process. DM expected after completion of the ERP.			
► Safeguards system established and maintained (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	Yes	Yes	Yes
Date	31-Mar-2017	07-Oct-2021	11-Apr-2022	31-Dec-2022
Comments:	The system was set up in November 2018. The team is on board, training is taking place (continuously), safeguards instruments are being prepared, and currently the safeguards plans are being implemented. To date training has been completed in more than half the target kebeles.			

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

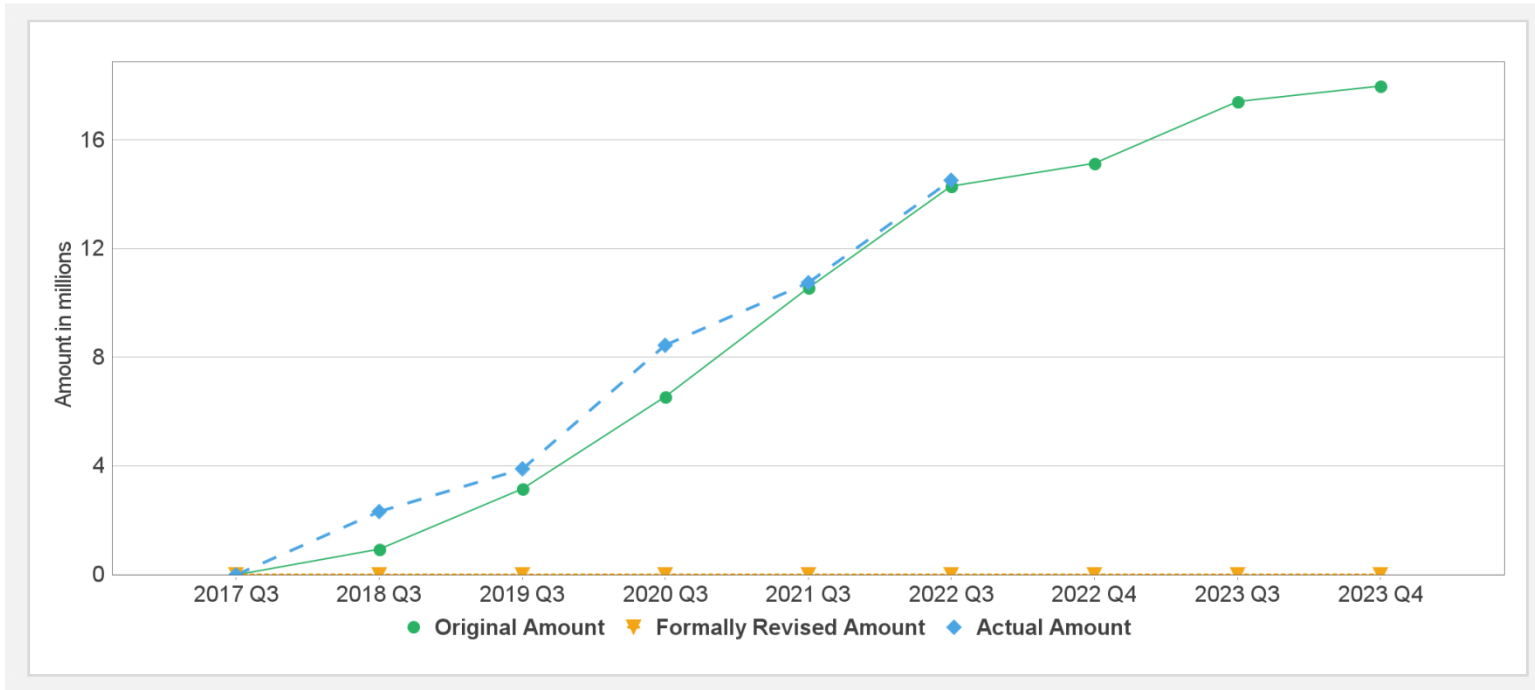
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P156475	TF-A4442	Effective	USD	8.55	8.55	0.00	6.96	1.59	81%
P156475	TF-A4467	Effective	USD	9.45	9.45	0.00	7.57	1.88	80%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P156475	TF-A4442	Effective	23-Mar-2017	23-Mar-2017	28-Apr-2017	31-Dec-2022	31-Dec-2022
P156475	TF-A4467	Effective	23-Mar-2017	23-Mar-2017	28-Apr-2017	31-Dec-2022	31-Dec-2022



Cumulative Disbursements



Restructuring History

Level 2 Approved on 19-May-2020

Related Project(s)

There are no related projects.