



Ministry of Environment  
and Forest

# CRGE HIGHLIGHTS

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**CRGE Highlights** is a the newsletter of the Ministry of Environment and Forest (MEF) of the Federal Democratic Republic of Ethiopia, focusing on disseminating the lessons learned from the implementation of Ethiopia’s Climate Resilient Green Economy (CRGE).

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## Upcoming Issue ...

The Ministry of Environment and Forest organized a consultative workshop between 1 and 4 January 2014 at the Executive Hotel in Adama. More on the workshop is found on Page 2 of the current issue of the newsletter.

In its next issue, the CRGE Highlights will feature an article on this important event, following an interview session with His Excellency Ato Belete Tafere, Minister of Environment and Forest to find out more on its outcomes.

## Implementing the CRGE - Status of progress on the operationalization and implementation of the CRGE Strategy

□ Berhanu Solomon | Director of State of the Environment Reporting | MEF

### Background

Ethiopia experiences the effects of climate change, which besides direct impacts like increased temperature and change in rainfall patterns, presents the necessity and opportunity to move to a new sustainable development model. To this end, the Government of Ethiopia has developed a Climate-Resilient Green Economy (CRGE) strategy to address the adverse impacts of climate change and to build a green economy. Ethiopia is one of the first countries in Africa to embrace the green growth concept. The country’s challenge is to improve economic growth, as part of what is required to eliminate poverty, while avoiding the environmental damage that would both undermine its productive natural resource base and contribute to global climate problems.

As the overall coordinating entity of the CRGE, the Ministry of Environment and Forest (MEF) has undertaken a review on the CRGE status of progress, focusing on its operationalization and implementation in the past 3 years - following the development of the Strategy. The review:

- Provided an overview on the status of operationalization and implementation of the CRGE,
- Contributed to better informed decision-making which aimed at enhancing CRGE implementation, and
- Fostered an environment of learning-by-doing, building internal capacity for the preparation of subsequent status and review reports on the operationalization and implementation of the CRGE.

### The Effort to operationalize the CRGE Strategy

There has been strong coordinated effort of the Government of Ethiopia to establish and strengthen the required institutions and management structures to operationalize the CRGE strategy. Highlights of this are presented below illustrating the contributions of the various relevant institutions:

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## CRGE Events - Consultative workshop organized by the Ministry of Environment and Forest

The Ministry of Environment and Forest organized a consultative workshop between 1 and 4 January 2014 at the Executive Hotel in Adama (Oromia National Regional State). The workshop was organized into three sessions/forums focusing on:

- 6 month Performance Review of the environment and forest sector in the 2013/2014 fiscal year and consultation on the proposed areas of focus of the Ministry of Environment and Forest (MEF) and its proposed implementation plan,
- An awareness and consultative workshop organized for sector ministries and regional governments on the global climate change agenda, Ethiopia's national strategy, i.e. the CRGE, and the overall technical approach/mechanism for CRGE implementation,
- An awareness and consultative workshop organized for the private sector, civil society organizations, academic institutions/universities and other partners on the global climate change agenda, Ethiopia's national strategy, i.e. the CRGE, and the overall technical approach/mechanism for CRGE implementation.

### Performance Review of the environment and forest sector and Consultation on the priorities of the Ministry of Environment and Forest (MEF)

This session was attended by 128 participants from the Ministry of Environment and Forest and representatives of 9 Regional States - namely Oromia, Amhara, Tigray, Afar, Benshangul Gumuz, Somali, Gambella, Southern Nations and Nationalities, and Harari; and 2 City Administration – Dire Dawa and Addis Ababa.

The aim of this session was:

- to present and discuss the 6 month performance review of the environment and forest sector,
- to consult on the proposed areas of focus of the Ministry in 2014/2015 and the proposed strengthened engagement of Regional States in the implementation of the planned activities in the environment and forest sector,
- to get inputs from regional states and city administrations in relation to the integration of environment and forest in the second Growth and Transformation Plan (GTP II), which is the overarching national plan of the country and for which the preparatory process is already initiated.

### Awareness and consultative workshop on Ethiopia's response to climate change

The aim of this awareness and consultative session was:

- to provide awareness on the global climate change agenda and Ethiopia's response to climate change,
- to consult on the technical approach that provide the basis for CRGE implementation, and
- to present and consult on the operational guideline for the CRGE Facility, which is national financial mechanism developed to ensure the effective implementation of the CRGE

The awareness and consultative session which was organized for regional states and city administration was attended by 233 participants from MEF, and representatives of 9 regional states and two city administrations.

The awareness and consultative session which was organized for civil society organizations and universities was attended by 76 participants from MEF and representatives of civil society organizations and universities.

### Focus of the next issue of the CRGE Highlights

In the next issue of CRGE Highlights, we will interview His Excellency Ato Belete Tafere, Minister of Environment and Forest to find out more on this consultative workshop and its outcomes.

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### The Prime Minister's Office

Successive Ethiopian Prime Ministers have provided strong leadership to the continental and global climate change agenda:

- For three consecutive years, His Excellency the late Prime Minister Meles Zenawi chaired the Committee of African Heads of State and Government on Climate Change (CAHOSCC).
- As the chair of the African Union (AU), H.E. Prime Minister Hailemariam Desalegn provided the overall political leadership for the continent, with CAHOSCC being one of the subsidiary bodies of the African Union.
- H.E. Prime Minister Hailemariam Desalegn has also directly engaged in the global climate change and green economy agenda, recently opening, with the Danish Prime Minister Helle Thorning-Schmidt and the French Prime Minister Jean-Marc Ayrault, the 2013 session of the prestigious Global Green Growth Forum,

To operationalize the CRGE and provide high level policy direction, the Prime Minister's Office has also established an Inter-Ministerial Steering Committee - which meets regularly and has ministerial level representation from the CRGE priority sectors.

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*Representatives of the Inter-Ministerial Steering Committee during the national launch of the CRGE strategy, ahead of the 17th Conference of Parties to the UNFCCC in Durban, South Africa in 2011– H.E. Ato Newai Gebre-Ab (Centre), Economic Adviser to the Prime Minister and Chair of the CRGE Inter-Ministerial Steering Committee, Dr. Tewolde Berhan Gebre Egziabher (right), currently Adviser to the Minister of Environment and Forest (MEF), and H.E. Ato Tadesse Haile, State Minister of Industry (Left).*

## CRGE Coordinating Entities

In the context of the CRGE, the Coordinating Entities are the Ministry of Environment and Forest (MEF) and the Ministry of Finance and Economic Development (MoFED).

MEF's effort in operationalizing the CRGE has focused on putting in place the overall technical approach and system for coordination for CRGE implementation and the monitoring of progress. To this end, MEF has:

- Undergone a comprehensive restructuring process to better aligns it to respond to priorities, including putting in place the structure to support the stronger engagement of regions and sectors in implementing the CRGE,
- Developed the Sectoral Reduction Mechanism, which serves as the technical vehicle for CRGE implementation,
- Developed a comprehensive Capacity Development Plan for CRGE Implementation which addresses the systemic, institutional and individual levels of capacity building,
- Coordinated and participated in the CRGE management and operational bodies – including in the CRGE Inter-Ministerial Steering Committee, CRGE Technical Committee, and the Informal Climate Partners Forum, among others,
- Undertook some work to improve communication and knowledge management on the CRGE.

MEF is also responsible for managing the technical aspects of the CRGE Facility - which is a national financing mechanism for CRGE implementation.

In operationalizing the CRGE, MOFED's effort has focused on the establishment of the CRGE Facility in collaboration with MEF. The Facility is fully operational and has:

- Established a Secretariat, constituting members from MEF and MoFED, with member from these institutions respectively having the responsibility to manage the technical and financial aspects of the Facility,
- Developed the CRGE Facility Operational Manual, which has undergone extensive review of key government bodies and partners (multilateral and bilateral partners) and has now been finalized.
- Attracted finance of close to 15 Million GB Pounds from the UK Department for International Development (DFID) and around 1 million USD from the Government of Austria.

Currently, there is also ongoing effort to get the CRGE Facility accredited by the adaptation fund, which will lead to the fulfilment of the requirements of international funding mechanisms, including the Adaptation Fund and the Green Climate Fund. This will enable Ethiopia to directly access finance from these international mechanisms set up to finance climate change interventions in developing countries.

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## CRGE Implementing Entities

In relation to the CRGE, the implementing entities include the CRGE priority sectors (including regions) – mainly agriculture, energy, transport, industry and urban development. The main efforts in operationalizing the CRGE at the sector level focused on the establishment and strengthening of the sector specific CRGE Units. These Units are currently established in all priority sectors and efforts are underway to strengthen them. Moreover, sectors have participated in and greatly contributed to the development of the CRGE Strategy. Currently sectors are also preparing their sector specific climate resilience strategies and are developing specific sub-sector CRGE investment and action plans.

## **Implementing the CRGE Strategy**

The overarching five year development plan of the Country, i.e. the Growth Transformation Plan 2010/11 -2014/15, has set ambitious targets that have also relevance to the attainment of CRGE goals. Several CRGE specific initiatives are also ongoing. Highlights of the planned and ongoing initiatives with relevance to the CRGE include:

- **Agriculture** - Over eight major initiatives, with total investment value of 250 Million USD and focusing on climate resilience and natural resource management are ongoing. These include:
  - *Ethiopia's Agriculture Sector Policy and Investment Framework (PIF)*, which refers to climate change in its strategic objective 3 (Natural Resource Management) and Strategic Objective 4 (Disaster Risk Management). The activities under these objectives support resilience work – including farm level climate resilience.
  - *The Agricultural Growth Project* which provides clear resilience benefits through addressing nutrient, pest/diseases and land management; provision of improved seed, breed and planting material; community level soil and water conservation measures (bundling, gully protection, check dams, water harvesting and watershed management).
  - *Disaster Risk Management Strategic Programme and Investment Framework (DRM-SPIF)*, which gives emphasis on risk management, prevention and mitigation, and early warning and planning elements of preparedness. The SPIF also promotes the scale up of classic adaptation options, including community early warning systems, contingency and response planning.
  - *Productive Safety Net Programme*, which sets out a range of activities that support improved resilience. Subsequent phases of the programme also incorporate a systematic disaster risk management and climate adaptability agenda into the social safety net programme of Ethiopia.

- *Strategic Investment Framework for Sustainable Land Management (SLM)*, which includes a number of components with resilient benefits including promoting locally appropriate SLM activities, such as soil management practices, harvesting and storage of water, and increasing carbon sequestration. The framework also has components relating to the provision of capacity building and micro-finance support to improve resilience.
- **Energy** - Several ambitious clean energy initiatives are ongoing.
  - *Hydro-Power* - Fifteen hydropower plants are in operation, plans to establish 14 additional plants, with 4 already under construction. In this regard, the most important investment is the Grand Renaissance Dam in the Western part of Ethiopia which when completed will generate 6,000 MW of energy. Other ongoing projects include the Gilgel Gibe III in South West Ethiopia, and Genale III and Genale IV in South East Ethiopia, respectively generating 1,870 MW, 254 MW and 246 MW of energy.
  - *Wind Energy* – There are also major investments in this sector, including –
    - the recently completed Ashegoda wind farm in Tigray Region in Northern Ethiopia, which will generate 120 MW of energy,
    - the Adama Wind Farm in Oromia Region in the South Eastern part of Ethiopia (approximately a 100 KM from Addis Ababa) – with its first phase (Adama I), which generates 51 MW of energy recently completed and the second phase, which generates 153 MW in progress,
    - the Aysha wind Farm in the Afar Region in the North Eastern part of Ethiopia, which will generate 300 MW of energy, and
    - the Assela Wind Farm in the Oromia Region in the South Eastern part of Ethiopia, which will generate 100 MW of energy

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- **Geothermal Energy** – This includes –
  - The agreement between the Ethiopian Government and a U.S.-Icelandic firm to develop a 1,000 MW geothermal power plant, Africa's largest, in the Ethiopian Rift Valley, with 4 billion USD investment from the private sector,
  - Scaling Up Renewable Energy Programme (SREP), in the context of which an investment plan has been developed to implement -
    - a project on the Aluto Langano Geothermal Field (USD 900,000)
    - a project on the Assela Wind Farm (USD 1,700,000); and
    - a project on entitled Clean Energy SMEs Capacity Building and Investment Facility (USD 400,000)
- **Clean Cook Stove Programme** - The programme aims to significantly scale up the distribution of improved stove technology in Ethiopia over the next years.
- **Methane Capture and Flaring from Addis Ababa Reipi Land Fill** – Addis Ababa City Administration (AACAA) has developed a project to put in place a gas collection and flaring system which will in due course be funded through revenues from Clean Development Mechanism (CDM) and the carbon credit system
- **Transport** - In the transport sector there are several ambitious projects being implemented including:
  - **The Addis Ababa light rail transit network** – which involves the construction of the 34.25 km double track electrified light rail transit to provide transportation service to 60,000 people per hour. The project is expected to be completed in 2015.



*3D Simulation of the Addis Ababa Light-Rail Transit System - which involves the construction of the 34.25 km double track electrified light rail transit. The transit system which is to be completed in 2015 will provide transportation service to 60,000 people per hour.*

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- *The Sebeta-Miesso-Dewelle electric rail network* – which will be the main rail network to Djibouti. The project is expected to be completed in 2015.
- *The Electric Taxi Initiative* - The Electric Taxi initiative aimed to locally design, manufacture and market electric cars as alternatives. As a pilot phase, the project imported six electric cars for testing in four towns in Ethiopia, namely Adama in Oromia National Regional State; Sekota and Debre Markos in Amhara National Regional State; and Mekelle in Tigray National Regional State.
- *Industry* – In the industry sector, there are several resource use efficiency and cleaner production initiatives that aim to reduce pollution and at the same time increase productivity.

### **The Way Forward**

On the side of the Ethiopian Government, there is the urgency, strong will and effort to move from the design and operationalization stages of the CRGE to its mainstreaming and implementation. In this context, there are several ongoing ambitious projects and initiatives that show the commitment of Ethiopia to attain the CRGE and GTP objectives. However, to sustain this effort, the CRGE coordinating entity (particularly MEF) would need to (i) strengthen the involvement of Regional States, (ii) develop systems to track progress, share knowledge, avoid duplications and further enhance the results attained.

The effort to strengthen the engagement of regional states in the CRGE process has already been initiated. In relation to this, MEF has conducted a consultative workshop in Adama in the Oromia National Regional State between 1 and 4 Jan. 2014. The aim of the workshop was to introduce the 'new' MEF, its priorities and its planned stronger partnership and engagement with its regional counterparts and other stakeholders in implementing the CRGE.

### **Implementing the CRGE – “Ethiopia is spearheading Green Energy”**

Belete Geda | Director of Community Awareness Development and Information Outreach | MEF

In recent years, Ethiopia has invested substantively in the green energy sector. Beyond these investments, Ethiopia is also engaging at the highest level of government on green energy issues. The two examples presented below illustrate the Country's commitment in this regard:

#### **Engagement at the highest-level of Government**

The Ethiopian delegation led by Prime Minister Hailemariam Desalegn attended the 7<sup>th</sup> World Future Energy Summit, which is the world's foremost event dedicated to renewable energies, energy efficiency and clean technologies. The event this year was held in Abu Dhabi on 20- 21 January 2014.

While taking part in the panel discussion on renewable energy, Prime Minister Hailemariam noted that Ethiopia and the African continent had ample opportunities to develop renewable energy and investors should be strongly encouraged to engage in the sector and use the opportunity to develop this resource.

The Prime Minister also explained Ethiopia's efforts to use and expand renewable energy resources including hydroelectric power as well as wind and geothermal power sources which would benefit the region and beyond. He stressed that Ethiopia encouraged private sector participation in these efforts and called on investors from the Gulf region to invest in the sector.



*His Excellency the Prime Minister of Ethiopia, Hailemariam Desalegn (right) and Senegal's President Macky Sall (left) during the main group discussion which was part of the opening session of the World Future Energy Summit on 20 January 2014 in Abu Dhabi*

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## **Green energy investments on the ground**

With its multi-billion dollar projects in wind, hydropower, solar and geothermal energy, Ethiopia is pioneering in the green energy sector, with the primary aim of supplying power to its 91 million people and boosting its economy through exporting power to neighbouring countries. Current energy production capacity stands at 2,177 megawatts (MW), with ambitions to reach 10,000 MW by 2015.

These green energy investments are part of the ambitious plan of Government to transform Ethiopia to a climate resilient green economy, with middle-income status and zero-net carbon emission by 2025. For Ethiopia heavy investment in the green energy sector extends beyond economics, as the country is keen to avoid the mistakes of countries that experienced rapid economic growth, but with grave environmental costs.

One of the main investments in the wind energy sector is the Ashegoda Wind Farm, which was recently completed and inaugurated by His Excellency Prime Minister Hailemariam Desalegn on 26 October 2013.

Ashegoda is situated in the Tigray Regional State in Northern Ethiopia, 775 km from Addis Ababa. The Ashegoda turbines have a total capacity of 120 megawatts, making it the biggest such project in Sub-Saharan Africa. The project was built through French support and is the first of several planned wind farms in the country, which include:

- The Adama Wind Farm in Oromia Region in the South Eastern part of Ethiopia (approximately a 100 KM from Addis Ababa) – with its first phase (Adama I), which generates 51 MW of energy recently completed and the second phase, which generates 153 MW in progress,
- The Aysha wind Farm in the Afar Region in the North Eastern part of Ethiopia, which will generate 300 MW of energy, and
- The Assela Wind Farm in the Oromia Region in the South Eastern part of Ethiopia, which will generate 100 MW of energy



*The Ashegoda Wind Farm, which at 290 Million USD is the largest investment in the wind energy in Sub-Saharan Africa. The wind farm is expected to generate 120MW of electricity, easing Ethiopia's dependence on hydropower.*



# CRGE HIGHLIGHTS

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