



Roles and Responsibilities of Stakeholders for NDC Implementation in Ethiopia

ASSESSMENT REPORT

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Acronyms and Abbreviations

ADSC	Ablak Development Solutions Consultant
FGD	Focus Group Discussion
KII	Key Informant Interview
M&E	Monitoring and Evaluation
PRA	Participatory Rural Appraisal
QDA	Qualitative Data Analysis
RBM	Result Based Management
USD	United States Dollar
UNDP	UNDP United Nations Development Programme
USAID	United States of Agency International Development (Feed the future project)
EPA	Environmental Protection Authority
EFCCC	Environment Forest and Climate Change Commission
INDC	Intended Nationally Determined Contributions
UNFCCC	United Nations Framework Convention to Climate Change
NDC	Nationally Determined Contributions
CRGE	Climate Resilient Green Economy
GHG	Green House Gas
NAP-ETH	National Adaptation Plan

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1. Introduction and Background

1.1. Introduction

The overall goal of the assignment is to identify the role and responsibilities of actors of NDC/CRGE implementation in Ethiopia. The study has also reviewed the existing governance landscape and current institutional arrangements against the needs for implementing the revised NDC as compared to suggested requirements. Based on the assessment, the report made recommendations for the establishment and operationalization of the revised multilevel institutional governance and coordination structures.

Adopting a mixed-methods approach, the assessment tried to identify key stakeholders and their role and responsibilities for NDC/CRGE implementation, reviewed existing governance landscape and assessed major capacity gaps of key climate actor institutions.

In this assessment, major public, private and other stakeholders for NDC/CRGE implementation have been identified. The report also assessed key roles and responsibilities of identified actors and mandate and main changes as well as impact of the current restructuring following Proclamation No. 1263/2021 issued to define powers and duties of the executive organs of the Federal Democratic Republic of Ethiopia. Based on the assessment carried out on 8 NDC/NRGE implementing government institutions, the restructuring process is found at different stages in all of them. Some have made some changes to the existing NDC/CRGE units, some have made changes but not yet staffed the unit and others such as Ministry of Mines & Petroleum have not created any unit yet.

However, it is understood that even though most of the institutions are under restructuring almost all implementing entities drafted the sectoral NDC plan and submitted to the respective national coordinating body. They have been informed that, major adaptation and mitigation interventions have been identified, targets and indicators developed, baseline information compiled and estimated financial resources have been allocated for each intervention.

NDC governance structure was adopted based on the CRGE strategy. However, there is major change in the governance structure and landscape following proclamation No. 1263/2021. For instance, most of EFCCC's mandates are given to MOA and MoPD. However, during our visit to sector offices, it was not possible to get written document or evidence that define NDC governance landscape after the restructuring that has made our assessment difficult. According to the information from KII, the governance structure has changed in most sectors and in some even the number of staffs of responsible departments are highly reduced. Generally, to more than 80% of KII respondents, the current structural change at national level has changed NDC related mandate, role, and responsibility of national institutions. Responsible units have been changed, modified, downgraded and in some case, totally removed from that particular institutions.

Accordingly, the key informants believe that this may negatively affect future NDC/CRGE implementations. Only 10% of the respondents are optimist because they believe that the sector will be given due attention at MoPD since there will be a climate change and Environment desk to be established.

Major capacity challenges for NDC/CRGE implementation and future action includes, financial constraints, capacity limitation, frequent structural change, technical limitation, weak coordination between NDC implementing institutions and limited international support. In addition to this, there is also some critical challenges regarding private sector engagement and CSO involvement. There is no policy and strategy to engage CSOs and the private sector in NDC/CRGE. Recently, Ethiopia has gazette Public Private Partnership proclamation, but it is still focusing on mega projects, and it is not yet implemented at its full scale. However, it does not mean that the private sector, NGOs and CSOs do not have contribution to climate mitigation and adaptation effort in Ethiopia. They really play significant role and CRGE has considered both as one of the major NDC/CRGE sectors in Ethiopia. Recent study has shown that NGOs and CSOs are executing resilience building and adaptation enhancement projects almost in all major sectors.

1.2. Background

Since the 1992 Earth Summit public attention to address climate change issues is increasing substantially, and countries across the globe showed their commitment to global call on reducing GHG emission towards mitigating climate change. In this regard Ethiopia's response to mitigate global warming is well noted in two strategies: CRGE (climate Resilient Green Economy) and NDCs (Nationally Determined Contributions) and more other flagship programs. CRGE is an ambitious national blueprint towards reducing the country's emissions by 64% from a business-as-usual trajectory by 2030. NDCs has specific aims to reduce emission to 145 Mt CO₂e or lower by 2030 and also to reduce societal vulnerability to climate shocks by undertaking series of adaptation initiatives. The CRGE strategy has been mainstreamed and implemented in the Second Growth and Transformation Plan (GTP-2), and now it is amongst the ten pillars of the current ten-year development plan, which runs from 2021-2030.

In response to meeting Ethiopia's commitment to address climate change issues at national and global scale, Ethiopia submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC on June 2015 which later converted to Ethiopia's 1st Nationally Determined Contribution (NDC) after Ethiopia ratified the Paris Agreement in March 2017. Developed through an inclusive and participatory process, the first NDC which is aligned with the CRGE 2011-2030 depicts domestic climate change mitigation and adaptation commitments which were

implemented by mainstreaming it in the mid-term & long-term development plan. of the country. It is also one of the ambitious plans as per the provisions of the Paris Agreement and is in alignment with the long term 1.5 degree goal of the Paris Agreement.

As part of its commitment to the Paris Agreement, Ethiopia currently finalized the process of updating its initial NDC. While the country has communicated a summary of its updated NDC in the December 2020, the current NDC reveals that there is a significant ambition increment from the initial communication. The report is officially validated on July 1/2021 and the updated version is submitted to the UNFCCC on 22 July 2021. The plan will end up in 2030 and encompass ambitious targets to achieve. The updated NDC has set 2025 interim and 2030 final NDC targets and has also identified 40 adaptation interventions.

Besides, the updated NDC (FDRE 2021) targets emission reduction by 68.8 percent by 2030 which is significantly higher than the first NDC. The implementation of updated NDC requires estimated cost of 316 Billion USD, of which 63.2 billion is expected to be covered by own finance and the remaining is expected to be mobilized from international donors.

The sectors included in the updated NDC are Agriculture, Forest, Transport, Energy, Industry, Mining, Health and Urban. Ethiopia has also launched its National Adaptation Plan (NAP-ETH), which provides an overarching framework for its response to the adverse impacts of climate change. In this regard, NAP-ETH has identified 18 adaptation options and 5 strategic priorities to be implemented between 2019 and 2030. It complements other elements of the country's climate change agenda and provides a plan for building climate resilience across sectors and levels. Forty adaptation actions selected from Ethiopias' NAP and its implementation roadmap is incorporated in the updated NDC with clear baselines, indicators and targets.

1.3. Ethiopia's National Determined Contribution

In the first NDC it has been presented GHG emissions reduction target of 145 Mt CO₂e or lower in 2030. This would reduce 2030 BAU emissions by about 64% and represent absolute emission reductions of 5 Mt CO₂e relative to 2010 emissions according to the NDC.

In line with the Paris agreement Ethiopia has also submitted the updated NDC. The projections in updated NDCs are categorized into three pathways: (i) unconditional (i.e. domestically

financed, (ii) conditional (i.e. with international support) and (iii) BAU. Under unconditional pathway the absolute emissions level were estimated at 347.3 Mt CO₂-e in 2030, representing emissions reduction of 14% against the revised BAU (-56.7 Mt CO₂-e); while under the conditional pathway the absolute emissions level decrease to 125.8 Mt CO₂-e; representing emissions reduction of 68.8% of the revised BAU (-277.7) as compared to the revised BAU 2030. The updated NDCs reported that the combined impact of contributions from Ethiopia's unconditional efforts with further policy interventions and conditional on international supports represent a emissions reduction of 68.8% (-277.7 Mt CO₂-e) in comparison with the revised BAU emissions in 2030.

For implementation of updated NDCs, six set of capacity gaps were identified. These include: (i) Climate finance budgeting and tracking; (ii) MRV of climate mitigation and M&E adaptation impacts; (iii) Policy and strategy revisions; (iv) knowledge and information management; (v) Institutional arrangements (CRGE Facility optimization) and (vi) Project design and structuring. Additionally, the updated NDCs categorize prior sectors as implementing entity and verification entity; and these are EFCCC, Prime Minister's Office (PMO), Ministry of Finance (MoF) and National Planning and Development Commission (NPDC).

Implementing NDC will not be an easy task for Ethiopian government. It requires strong institutional arrangement, significant financial support from international community, and building the capacity of both implementing institutions and technical staffs. As it has been clearly indicated in the updated NDC, 80% of the financial need will be raised from conditional sources internationally. However, due lack of international climate finance and limited capacity and mechanism to track finance through off-budget channel causes limitation in the effectiveness of NDC implementation of Ethiopia.

In addition to this, the current structural change and weak institutional coordination will also be a challenge. The assessment team witness that, many of the NDC implementing institutions drafted their sectoral NDC plan. But almost all have indicated the financial and capacity limitation as a threat for future NDC implementation.

1.4. Alignment of NDCs with Developmental Priorities

The strategy has been mainstreamed and implemented in the Second Growth and Transformation Plan (GTP-2), and now it is amongst the ten pillars of the current ten-year development plan, which runs from 2021-2030.

The Paris Agreement presents an opportunity for countries to identify linkages between climate change targets and the larger developmental priorities. In this context, Ethiopia has identified potential synergies of NDC targets with SDGs, GTP II and the National 10 Years Development Plan in this updated NDC, thereby setting forth an innovative and complimentary framework to accelerate climate action. Furthermore, there are opportunities to ensure that the updated NDC

can help to identify strategic adaptation and mitigation climate actions to and inform the sectoral plan and implementation strategies.

1.5. Purpose and Objective of the Assessment

1.5.1. Purpose of the Assessment

The general objective of this assignment was to conduct identification of role and responsibilities of NDC implementing and coordinating institutions in Ethiopia. Adopting a mixed-methods approach, the assessment tried to identify key stakeholders and their role and responsibilities and make recommendations for better implementation of updated NDC.

1.5.2. Objective of the Assignment

The general objective of the assessment is to identify roles and responsibilities of key stakeholders in the process of NDC/CRGE implementation and their role and responsibilities and to make recommendations for future updated NDC implementation. Accordingly, the following specific objectives will be sought

1. Reviewing the existing governance land scape and current institutional arrangements against the needs for implementing the revised NDC
2. Give recommendation for the establishment and operationalization of the revised multilevel institutional governance and coordination structures

1.6. Methodology and Approaches

The assessment report made mainly based on reviewing of secondary data and analysis of primary data collected from key NDC implementation institutions at federal level. To collect the required information from secondary source and primary data, a mix or combination of tools have been applied taking cost- effectiveness and timeliness in obtaining policy-useful assessment results in to consideration. The desk review has focused on review of policy framework and regulations on institutional mandate, NDC related studies and guidelines, country experiences and reports. Primary data is collected through stakeholder mapping, situation analysis on NDC implementing organization, group discussion with experts and Key informant interview methods using structured and semi-structured data collection tools.

Existing Governance Landscape and Current Institutional Arrangement Against the Needs for Implementing the Revised NDC

2. NDC Governance and Coordination (International Experience)

2.1. NDC Governance

According to the Oxford dictionary governance is the action or manner of governing a state or organization etc. In this document governance is to mean the system and mechanism by which NDC is led, implemented, controlled and accountability is held. It the approach used to ensure NDC is effectively implemented and reported.

All countries do not have similar type of governance arrangements or approaches and are not on the same level in doing so. This depends on level of priority given by each country and country specific contextual situations. The recommendation is for each country to have a tailored structure and approach based on their country specific realities. NDC governance of two countries; Bangladesh and Liberia is presented in the table below for comparison.

Bangladesh has well structured governance mechanism for the planning and implementation its Climate Action Pan. Responsibilities are shared among entities organized from federal to local level that incorporates different sectors.

National Environment Council: This council is headed by Chief Adviser and is responsible for giving strategic guidance and oversight on the implementation of climate action plan of the country.

National Steering Committee on Climate Change: Headed by Special Assistant to the Chief Adviser, Ministry of Environment and Forests is charged to coordinate and facilitate national actions on climate change. This committee is comprised of secretaries of all climate-affected Ministries and Divisions, and representatives of civil society and the business community. It reports to the National Environment Committee. The National Environment Committee and the National Steering Committee on Climate Change also provide guidance on international climate change negotiations, including bilateral, multilateral and regional programs for collaboration, research, exchange of information and development.

Climate Change Secretariat: The Ministry of Environment and Forests is the climate change secretariat. It is responsible for supporting the National Steering Committee on Climate Change, coordination and management and work with climate change cells in all ministries.

Climate Change Cells in all Ministries: Are established in all ministries with responsibilities of planning and implementation of activities within their remit.

The Government of Bangladesh has also established a National Climate Change Fund. Development partners may contribute to this fund, establish different funds or use other

financing mechanisms.

Liberia on the other hand has simple structure but led by the highest government body in the country, office of the president.

National Climate Change Steering Committee (NCCSC): Is established as supreme institutional body responsible for coordinating and supervising the implementation of climate change policy and other related activities in the country. It is chaired by the office of the President of the Republic of Liberia, or his/her designate.

National Climate Change Secretariat: Seated at the EPA this secretariat is responsible for supporting the NCCSC as well as to ensure the implementation of its daily activities. All other mandates are given to EPA such as collaborate with key line ministries and agencies to coordinate, integrate, harmonize and monitor, collect, and analyze data and train and build the capacity of line ministries and agencies.

However, looking at experiences and lessons learned from different countries, a platform called Climate and Knowledge Development Network (CDKN) has come up with basic elements that countries should consider during planning to ensure effective governance system is established for successful NDC implementation. According to findings of this platform, recommended NDC governance should incorporate (while country specific situation is taken into consideration) governance elements summarized in the table below.

Table 1: NDC governance elements and recommendations

No	NDC Governance Element	Recommendation based on Experience and lessons learned
1	Central NDC implementation coordination team <i>(Could be new or existing)</i>	<ul style="list-style-type: none">• Established within government and incorporates appropriate officials and experts from adaptation and mitigation• Ensure the promotion of gender equity and equal access of women to decision-making,• Clearly document the team's roles and responsibilities, if possible, in legislation to provide the team with the maximum mandate and authority. If this is not possible or desirable, consider documenting the team's roles and responsibilities within a publicly available written statement or terms of reference, to aid transparency.• Have a binding cooperation agreement with government ministries, agencies and departments that includes roles and responsibilities and sharing of NDC related information• Identify resource requirements for the central coordinating team and other responsible sectoral teams to carry out their coordination work• Build team capacities to properly carryout their mandates• Establish private sector liaison officer or team
2	Appropriate institutional arrangements	<ul style="list-style-type: none">• Integrate NDC implementation with existing primary vehicle for development• Align NDC implementation with SDG implementation process of the country to avoid duplication of efforts.

		<ul style="list-style-type: none"> • Integrate with wider ministries, agencies and sub national authorities ensure appropriate expertise and official responsibilities across adaptation and mitigation • Integrate and synergize climate action in policies and plans of sectors and themes • Individual and teams responsible for coordination of climate action are identified in government ministries and agencies • Clear line of communication established between different level of governance (local, regional, national, international) and different sectors. Include bilateral communication and/or a committee that brings together different institutions for discussion. • Develop work steams either aligned to individual modules of NDC or to individual sectors to group together linked activities under a single owner to maximize synergies between activities. Can be a cross sectoral forum for coordination of mitigation and adaptation and/or to discuss cross cutting technical and data issues <ul style="list-style-type: none"> • Consider information and engagement that has co-benefits with climate action such as health to enhance buy in from different ministries and agencies • Have information sharing and awareness raising program to increase understanding across the government
3	Capacity Building Program	<ul style="list-style-type: none"> • Capacity across government that is needed to enable NDC implementation should be identified during planning and develop a program of ongoing support. In this regard, assessment of capacity of the central coordinating team can be on: <ul style="list-style-type: none"> ▪ Good project management structures and processes, for example well-managed committees and working groups ▪ Diverse partnerships in order to manage needs across governmental and non-governmental stakeholders ▪ Expertise in using appropriate tools for project management, for example Gantt charts, critical path tools and risk registers ▪ Understanding of the Paris Agreement and developments at international climate negotiations ▪ Understanding of wider government policy, for example economic and development plans, and sectoral master plans • Develop skills and capabilities across government, including core departments and committees coordinating NDC implementation within specific sectors, as well as national climate change funds. Capacity required across government includes: <ul style="list-style-type: none"> ▪ Experience and expertise in reporting policy implementation to senior officials and ministers ▪ Capacity-building on gender mainstreaming for implementing ministries, departments and agencies ▪ Basic knowledge of climate policy across key ministries,

		<p>in particular an understanding of how their core work areas link with the climate agenda, and what this might mean in the light of the SDGs</p> <ul style="list-style-type: none"> ▪ More coordinated working across key ministries to drive a national climate agenda jointly and operate at scale • Establish processes to retain knowledge within institutions, including the robust archiving of data and the recording of decisions taken and the rationale for them
4	Engaging External Stakeholders	<ul style="list-style-type: none"> • Map the key national stakeholders and their potential roles in NDC implementation and engage them starting from planning stage. Including the private sector, academia and civil society including women's organizations • Responsibility of coordinating stakeholder's engagement is assigned to an individual or unit. This could be part of the role of the central coordinating team • Clear stakeholder engagement plan is developed and implemented. The plan includes what engagement will be carried out and with whom and also how this will feed into policy decisions and practical actions. Creating a policy dialogue between policymakers faced with climate change issues and women's organizations charged with mainstreaming gender is important.
5	Legal Framework	<ul style="list-style-type: none"> • Issue legislation to strengthen political will and formalize governance processes. This could include: <ul style="list-style-type: none"> ▪ A mandate for the central NDC coordination team ▪ Roles and responsibilities of relevant government ministries and agencies ▪ Decision-making and coordination processes ▪ Long-term mitigation and adaptation targets to guide discussions about ambition ▪ A process for the five-yearly NDC updates powers to obtain information or data relevant to climate policy ▪ Powers (specific or generic) to make secondary legislation to achieve climate actions, for mitigation or adaptation.

2.2. Organizational Structure

Countries need to have well defined organizational framework during planning or review to successfully implement NDC. An institutional framework definition used in this document is the set of formal organizational structures, rules, and informal norms that enable a government to manage climate change. Establishing a coordinating body to manage and enhance cooperation for a whole-of-government approach from the beginning is the first recommendation commonly included in different literatures reviewed by the team. The second common recommendation is to

ensure that there are laws which mandate the stable and transparent operation of the institutional framework. Similar weight is given to integrating NDC in existing government structure.

While integrating NDC in existing structure, reviewing and, if necessary, strengthening the institutional framework is a precondition for successful implementation, changes in roles and responsibilities within existing institutional structures may be necessary. Well-developed organizational framework has mechanisms for public participation to facilitate dialogue among stakeholders and promote coordination; incentives, avenues, and accountability mechanisms for the cooperation and participation of line ministries, regional authorities, elected bodies (including parliaments and municipal councils), and nongovernmental actors, including women's organizations and integrates gender and minority perspectives.

According to UNDP and UN Environment, organizational framework of NDC typically involves a lead oversight body (responsible for coordination and quality control), independent regulators (nongovernmental body entrusted with supervisory tasks), and executive and legislative bodies. Such framework is created within existing government structure that countries faces challenges of overcoming existing deep-rooted policy directions that may trump efforts to implement common policies under NDC. The recommendation is to examine trade-offs and conflicting policy objectives to address them.

As already discussed, stocktaking of existing institutional arrangements should be one of the first steps in reviewing the appropriateness of its institutional framework for NDC implementation. This stocktaking involves three core steps:

1. Mapping existing institutions and ministries relevant to NDC implementation (e.g., climate change authorities, sectoral line ministries, planning and finance ministries, gender and social inclusion ministries, ministries charged with SDG implementation, steering mechanisms, subnational governments, etc.).
2. Identifying the current responsibilities of these institutions.
3. Identifying current mechanisms for coordination among them.

Based on this mapping, institutions and ministries relevant to the implementation of the NDC can be identified. Following the initial mapping of existing institutions and roles, countries should assess where the institutional framework may need to be strengthened to respond to the needs of NDC implementation. This may include strengthening existing mandates for information sharing and data collection, coordination, monitoring of progress and budgeting, or creating new mandates that are specific to NDC implementation.

Countries can have different kind of organizational structure for NDC implementation depending on their contexts. The most common organizations and units recommended in different literatures mainly those written based on lessons learned from countries incorporate the following.

NDC Coordinating Unit/Lead Body

According to UNDP and UN Environment recommendation, given the crosscutting nature of NDC implementation and need for political buy-in at the highest levels, it may be beneficial to consider attributing such responsibilities to the prime minister or president's office and/or ensuring joint responsibility of finance and planning ministries. Engaging the ministry of finance is key to ensuring alignment of national budget frameworks with both the NDC and SDG agendas and to developing fiscal, regulatory, and financial incentives that can spur private actors to shift toward sustainable investments. It should also have the authority to address coordination dysfunctions, including duplication of activities, inequitable distribution of national and international resources, and poor access to information and knowledge.

To promote transparency and help set expectations, the roles and responsibilities of the coordinating/leading body charged with oversight and coordination should be documented and publicly accessible or set through explicit legislation. Responsibilities for NDC coordination may include the following:

- Preparing, when necessary, an NDC implementation plan and monitoring its implementation.
- Attracting international financial support for implementation of the NDC.
- Establishing means of coordination and identifying areas of coordination (e.g., implementation of actions, transparency, finance, capacity-building, technology transfer, gender equality, etc.).
- Creating adequate enabling conditions for actions.
- Setting up procedures for decision-making and stakeholder engagement.
- Maintaining strong political will at the highest levels by providing leadership for the implementation of the NDC.
- Engaging national statistics institutes to centralize and authorize data, identify and collect gender-disaggregated data, and manage information related to climate change.
- Ensuring coordination with the National Appropriate Plan (NAP) steering mechanism and SDG coordination frameworks, as applicable.
- Guiding and monitoring progress toward NDC goals.

Central NDC Coordination Team /Multiple Organizations/

The team will typically be within government and could be a new unit, an existing unit with an expanded remit, or a unit that already exists and is already carrying out a similar function. The team shall incorporate appropriate expertise and official responsibilities across adaptation and mitigation; promotion of gender equity and development and delivery of SDG 13 on climate action or other relevant SDGs. The team's roles and responsibilities should be documented, if possible, in legislation, to provide the team with the maximum mandate and authority or publicly accessible written statement or terms of reference. Organizing such team will help in understanding interests and potential roles of different organizations in relation to NDC implementation. The team should have capacity on:

- Good project management structures and processes, for example well-managed committees and working groups diverse partnerships in order to manage needs across governmental and non-governmental stakeholders
- Expertise in using appropriate tools for project management, for example Gantt charts, critical path tools and risk registers
- Understanding of the Paris Agreement and developments at international climate negotiations
- Understanding of wider government policy, for example economic and development plans, and sectoral master plans

NDC Coordinating Teams/Individual Organizations/

Relevant government ministries, departments and agencies need to identify individuals and teams with a specific mandate to coordinate climate action for their policy areas. This may overlap with individuals tasked with SDG implementation and ensuring gender equality in policy making. Individuals assigned for this assignment need to have capacity and skill on the following:

- Experience and expertise in reporting policy implementation to senior officials and ministers
- Capacity-building on gender mainstreaming for implementing ministries, departments and agencies
- Basic knowledge of climate policy across key ministries, in particular an understanding of how their core work areas link with the climate agenda, and what this might mean in the light of the SDGs
- More coordinated working across key ministries to drive a national climate agenda jointly and operate at scale

NDC Coordinating Committee and Forums

A committee that brings together different stakeholders from the same level of governance – ministerial, district, municipal or from different levels of governance – to discuss the coordination of climate policy between the different levels.

Work streams can be developed either aligned to individual modules of NDC implementation, or to individual sectors. These can include a forum for cross-sectoral coordination of mitigation and adaptation policy for analysts to discuss cross-cutting technical and data issues and/or a forum that discusses cross-cutting MRV methodological issues.

3. Governance, Organizational Structure and Coordination of NDC in Ethiopia

3.1. Existing NDC Governance Landscape

Countries are not expected to follow the same NDC governance system as there is no “one size fits all” type of recommendation. It depends on level of priority given by each country and country specific contextual situations. As discussed in the literature part of this report, the recommendation is for each country to have a tailored structure and approach based on their country specific realities. But based on experiences and lessons learned from different countries some basic elements (See figure 1) are recommended against which the team has compared to evaluate NDC governance in Ethiopia.

The basic elements of NDC governance that the team have used to analyze the Ethiopian case are availability of Central Coordination Team, appropriate institutional arrangements, capacity building program, engaging external stakeholders and legal framework. Data has been collected from secondary sources such as policies, strategies, legal documents, plans and report and primary data which is gathered from experts and leadership of 8 (eight) government organizations using FGD and KII to check whether the basic NDC governance elements are considered in the Ethiopian case. The assessment has come up with findings summarized here under.

Key to successful NDC implementation is good governance and coordination among sectors, different stakeholders and government and civil society, so that activities at different level will be able to effectively contribute to achievement of the updated NDC which is aligned with the 10 Year Development Plan.

The CRGE Facility is Ethiopia’s primary institution mandated to give effect to the CRGE Strategy and to manage Ethiopia’s efforts towards its 2030 CRGE targets. Following the development of the CRGE strategy, CRGE facility was established to address financial and technical issues. Before the new restructuring, the Facility’s functions are bifurcated between EPA and the Ministry of Finance, however, this will change as EPA will be directly reporting to MOPD. Thus, programmatic, and technical aspects of CRGE implementation are vested with the EPA or MOPD, and financial and budgetary aspects of CRGE implementation are vested with the latter.

CRGE directorates/units or case teams were established in almost all relevant line Ministries. However, due to the new restructure and change most of the directorates/units or case teams has been demolished, degraded, or staffed with small number of technical staffs which may hinder the successful implementation of NDC/CRGE.

At the national level the CRGE strategy is coordinated by Inter-Ministerial Steering Committee answerable to the Prime Minister's office. All ministers of sectoral institutions are members of the steering committee. Under the Inter-Ministerial Committee there is also a CRGE management committee, co-chaired by EPA and Ministry of Finance, where the sectoral Ministries are represented by their state ministers or assigned representatives. Another body the sub steering committee is responsible for the management of the CRGE within the sectoral institutions.

EPA reorganized its structure and put in place CRGE planning, implementation and verification coordination, technology transfer, resource mobilization, negotiation and other relevant directorates for the overall coordination of CRGE in the country each having their own role to play in the implementation of CRGE.

According to the 2020 CRGE Assessment review though a great deal of attention has been invested in developing institutional structures, procedures, operating manuals, guidelines and tools to help give effect to the CRGE, less attention has been paid to the actual operationalization, management, and periodic performance evaluations of the systems and knowledge platforms. There are also structural elements of the CRGE Facility that appear to contribute to fragmentation and increased transaction costs in the coordination of activities in particular the bifurcation between the Ministry of Finance and EPA.

Similarly, the climate governance study lately conducted by CAT has reported that, though the country has established coordination mechanisms at the national and sub-national levels, challenges remain in the operationalization and effectiveness of these mechanisms. For instance, the Inter-Ministerial Steering Committee is responsible for overall coordination of the CRGE, but it has only met four times since its establishment while it should meet at least twice per year (FDRE, 2018a; The World Bank et al., 2020).

Coordination between national and sub-national governments is also limited; though again there is variation amongst the sectors (Climate Action Tracker, CAT Climate governance series. ETHIOPIA December 2020). At national level the NDC/CRGE governance and coordination includes the following key high level decision makers for effective NDC/CRGE implementation.

Advisory Board: The Advisory Board will consist of development partners (including those capitalizing each of The Facility's Windows), representatives of multilateral organizations, international NGOs and civil society, private sector and academia. It will review and comment project and program proposals, provide advice on procedural and process related issues. However, the Advisory board will not be part of the decision-making process.

Inter- Ministerial Steering Committee: The Inter-Ministerial Steering Committee is chaired by the Prime Minister's Office, which will provide direction and guidance on overall NDC/CRGE matters in the country and sets the overarching priorities for their implementations.

Management Committee: A standing committee co-chaired by the State Minister of External Economic Cooperation of MOF and State Minister of MOPD comprising state ministers from line ministries plus representatives of two donors and UN-RC with observer status. It is responsible for providing general oversight for the CRGE initiative as well as determining the optimum allocation of available funds to approved actions.

Implementing Entity: Any of the Ministry of Agriculture, Ministry of Water and Energy, Ministry of Irrigation and Lowland, Ministry of Transport and Logistics, Ministry of Industry, Ministry of Urban Development and Infrastructure, Ministry of Tourism, Ministry of Mines, Ministry of Health, and other institution, Agencies the CRGE included in the future as needed. The Implementing Entities are involved both in the development of Sector NDC/CRGE programs and in attracting, coordinating and formulating responsive proposals in close collaboration with their respective sectoral institutions in all regions and two city administrations, submitting proposals to the facility and receive funding for implementation.

Executing Entity: Any of the government institutions at Federal, Regional, Zonal and Woreda levels. It also refers to private sector enterprises, parastatals, micro green enterprises, community associations, non-governmental organizations, research organizations, professional societies, academic institutions, consultancy firms, financial institutions, insurance companies that are involved in the preparation and implementation of concrete reduction actions. The Executing Entity is the body contracted and responsible for executing an Approved Action.

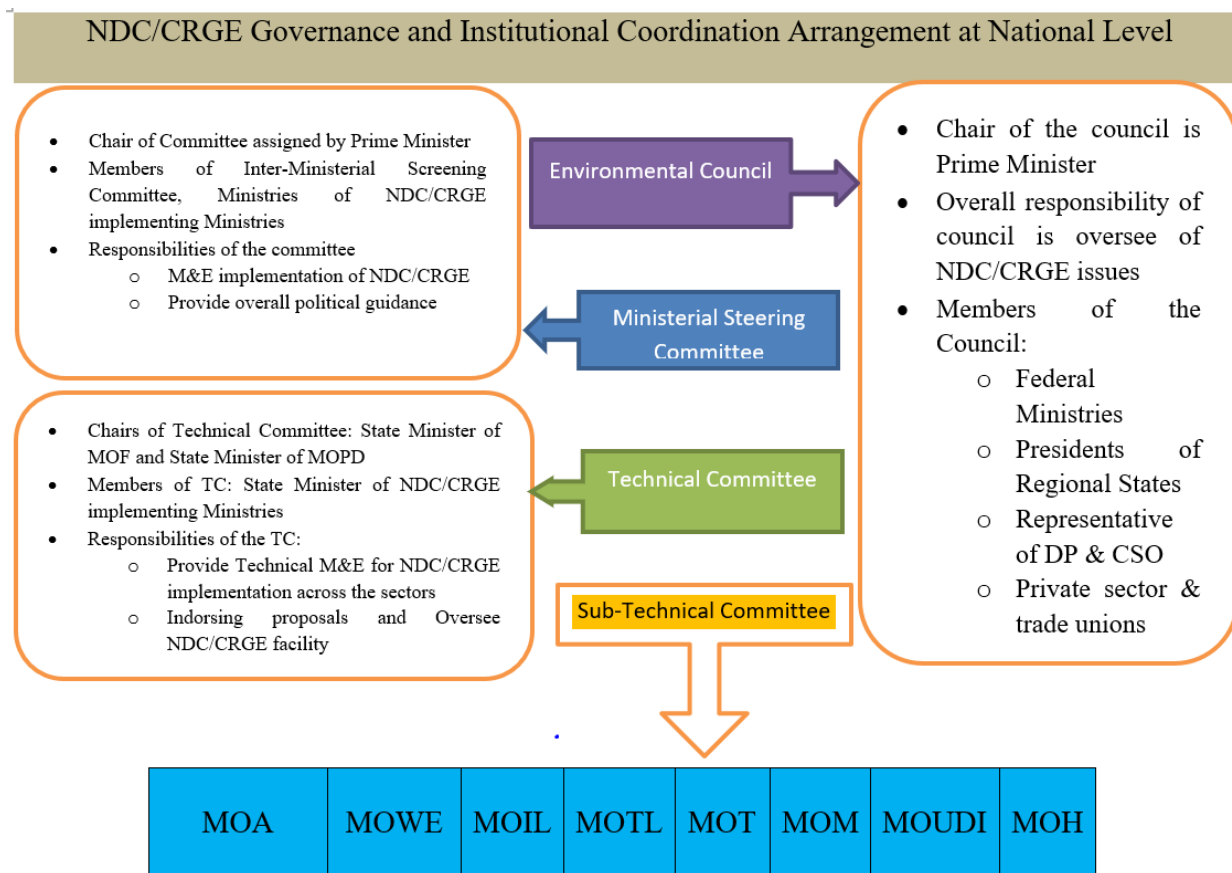


Figure 1: NDC/CRGE Governance at National Level

3.2. Institutional Arrangement for NDC/CRGE Implementation

Institutional structures have mostly been established to facilitate coordination between ministries and, to a lesser extent, between other levels of government structures; however, these are limited by insufficient staffing and resources. Institutional learning may be affected by repeated restructuring of the lead climate institution. Ethiopia makes use of both domestic and international knowledge infrastructure. Efforts to improve staff retention and capacity would strengthen the established structures.

There are five tiers of government in Ethiopia, each with different roles and responsibilities with regards to policy making and implementation: the federal government, the regions, zone administrations, woreda, and kebele are the lowest administration unit in Ethiopia. The federal government is responsible for the formulation and implementation of national policies, strategies and plans. The regions design socio-economic development plans that meet national-level targets and aligned with national plans.

Therefore, Ministry of Agriculture and Environmental Protection Authority are the mandated entities/organizations for climate change adaptation and mitigation priority actions planning and implementation in the land use and agriculture sectors at the national level. Similarly, Bureau of

Agriculture, Bureau of Water and Energy and Regional Environmental Protection Authority and Regional Agricultural Research Institutes are the mandated for climate change adaptation and mitigation planning and implementation in the land use and agriculture sectors at the regional and local levels. To govern and coordinate NDC/CRGE priority adaptation and mitigation options implementations across the entities, a multi-sectoral coordination structure has been established at national and sectoral levels.

3.3. Organizational Structure of NDC/CRGE implementation

Organizational framework has to be clearly defined during planning or review to successfully implement NDC. The recommendation while defining the framework is to integrate NDC in existing government structure. Changes in roles and responsibilities within existing institutional structures may be necessary in doing so. Well-developed organizational framework has mechanisms for public participation to facilitate dialogue among stakeholders and promote coordination; incentives, avenues, and accountability mechanisms for the cooperation and participation of line ministries, regional authorities, elected bodies (including parliaments and municipal councils), and nongovernmental actors, including women's organizations and integrates gender and minority perspectives.

Organizational structure of Ethiopia for NDC implementation is analyzed based on recommended structure identified from lessons and practices of different countries. Availability of functional NDC coordinating unit/lead body, central coordinating team, organizational coordinating individual or team and coordinating committee and forum are some of the recommended units in NDC organizational structure. Secondary data collected from different literatures and primary data collected through FGD and KII are used for this analysis.

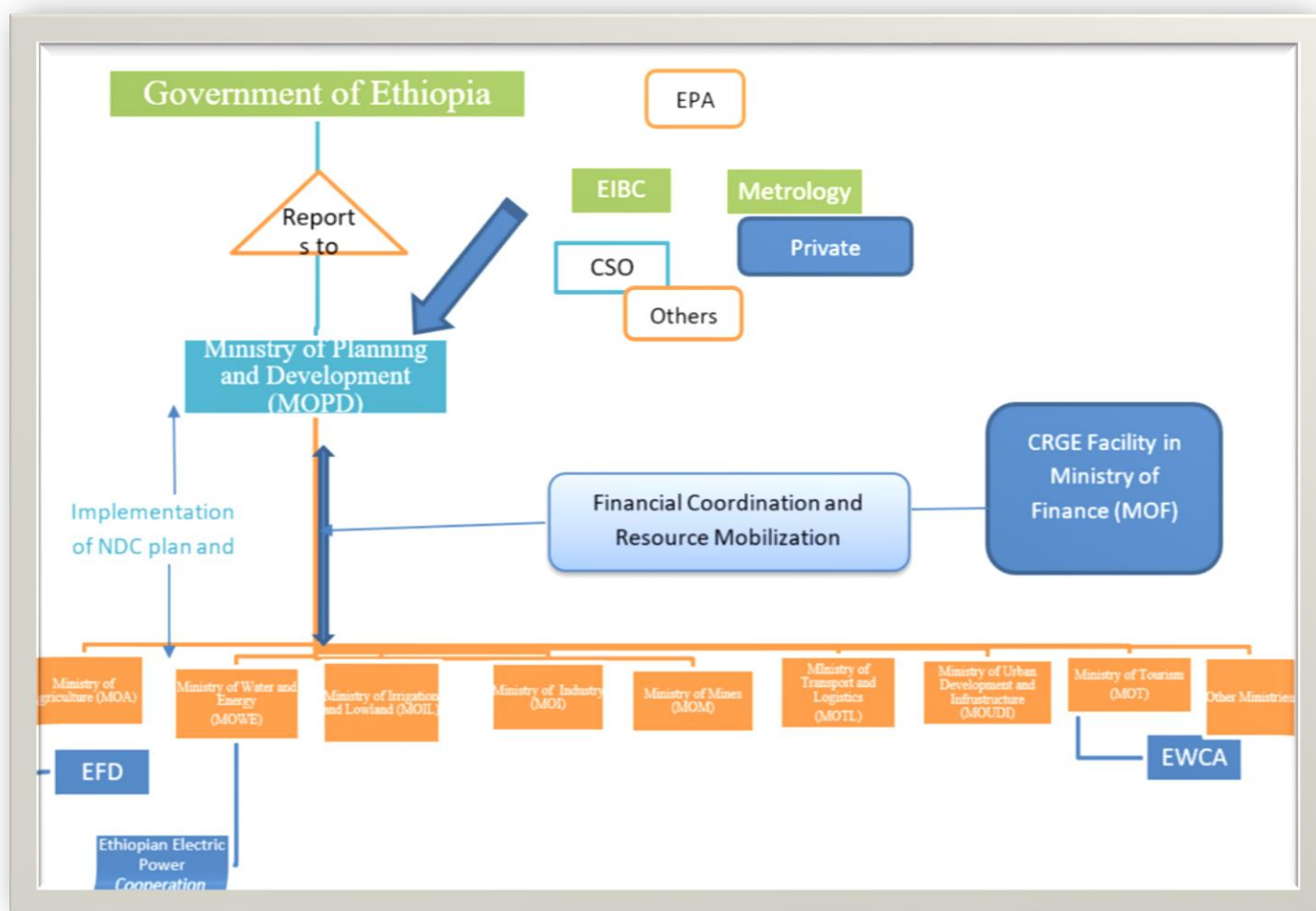


Figure 2: NDC/CRGE Organizational coordination and Structure

The new structural reform which is still under progress has affected intuitional arrangement and coordination at sectoral level. The study team found that CRGE governance and institutional coordination arrangement at sectoral level has been changed in most respondent institutions.

At this stage, it was very difficult to see the full picture of NDC/CRGE governance and coordination institutional arrangement at sectoral level because of the reform process. The reform by itself may not be a problem, due to its lengthy process it was difficult to understand the fate of NDC implementation, governance and coordination institutional arrangement at sectoral level.

In addition to this, the new CRGE governance structure which is under development by Ministry of Plan and Development is not yet finalized. Once the governance structure review finalizes, it may indicate the new institutional arrangement and how NDC will be governed and coordinated at sectoral.

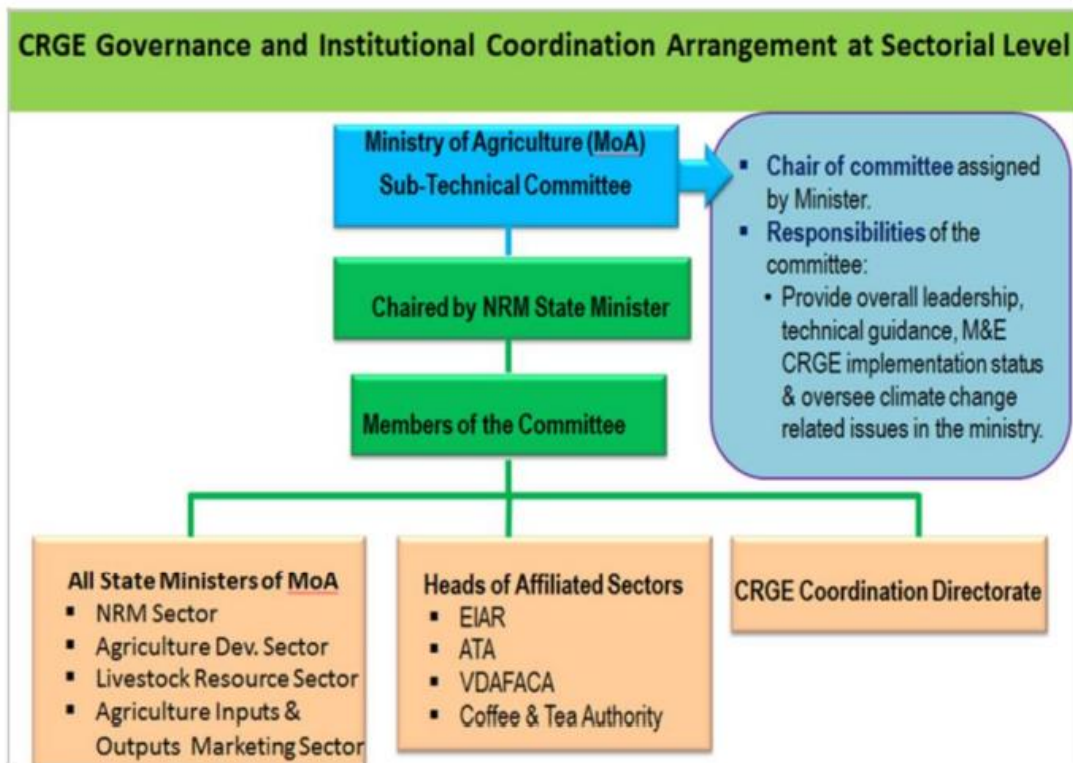


Figure 3: NDC/CRGE governance and coordination at sectorial level (MOA sample)

Following the new restructure and sectoral arrangement, at sectorial level, NDC governance and coordination varies from institution to institution. Based on the CRGE governance structure most of the institutions were equipped with CRGE director or department to implement the strategy. However, after the restructure, it is not yet clear as some of the institutions are yet finalize the reform issue. NDC governance, institutional arrangement, and coordination at sectorial level need additional study once the reform and internal restructuring is completed and validated. Therefore, this assessment is unable to figure out what will be the governance and structural and coordination arrangement for NDC implementation at sectorial level.

3.4. Changes on Governance, Organizational Structure and Coordination of NDC in Ethiopia Post Proclamation No. 1263/2021

Government of Ethiopia has issued a Proclamation No. 1263/2021 “To provide for the definition of the powers and duties of the executive organs of the Federal Democratic Republic of Ethiopia” that introduced a number of changes to organizations responsible for NDC coordination as well as sectors mandated on climate resilience building and adaption. The proclamation should be followed by regulation that will be issued by the Council of Ministers to

define duties and responsibilities of the organizations which is not yet done. Despite of the delay in issuing the regulations, internal restructuring is being undertaken in all organizations that could potentially affect units responsible for NDC/CRGE. The team has reviewed the proclamation and collected primary data through FGD and KII to analyze the change and its potential impact on NDC/CRGE related performance of the organizations.

3.5. Changes Made Due to Proclamation No. 1263/21

The assessment to review NDC governance landscape, institutional structure and coordination in Ethiopia is carried out based on recommended guidelines. This includes review of key documents, such as national and sectoral low-emission development strategies, National Adaptation Plans, National Communications, Biennial Update Reports, sectoral master plans and national planning documents. The team has tried to answer questions such as to what extent do any existing structures support both adaptation and mitigation? To what extent is the NDC either collating what is already in place, or setting goals which now need additional planning?

Taking the recommendations on assessment as a guide to the particular assignment, focus has been given to impact of changes in powers and responsibilities of government organizations following proclamation No. 1263/2021 on NDC governance and coordination. As discussed in this report, there is a significant change in organizational setups as a result of the proclamation which can be categorized in to four; down scaling/up scaling of organizational mandate, change in alignment, change in responsibilities and creation/dissolving of organization. This has created change in NDC related mandates as summarized in table 2.

Table 2: Changes due to Proclamation No. 1263/2021

No	Organization prior to 2021	Organizational Role in NDC	Organizational Changes post Proc. No 1263/2021	New Role in NDC
1	EFCCC incorporates -Environmental Protection -Climate Change including CRGE -Forest -Biodiversity -Wildlife Conservation	<ul style="list-style-type: none"> • EFCCC is the lead agency for the coordination of Ethiopia's response to climate change • Is focal for UNFCCC • Formulates environmental laws and standards • Develops, coordinates and guarantees the implementation of sectoral programs and plans • Reducing residents biomass use • Reforestation • Area restoration • Working with the private sector • Coordinates reporting to UNFCCC • Host national MRV system • Establish MRV system for sectors • EFCC is responsible for technical elements, day to day administration and developing guidance and rules for CRGE implementation 	<p>EFCCC is disintegrated in to</p> <ol style="list-style-type: none"> 1. Environmental Protection Authority which is now under Ministry of Planning and Development 2. Ethiopian Forest Development is shifted to Ministry of Agriculture 3. Ethiopian Biodiversity Institute is Shifted to Ministry of Agriculture 4. Ethiopian Wildlife Conservation Authority is shifted to Ministry of Tourism 	<p>According to Article 59/2 of this proclamation the powers, duties and organization of the Authority is yet to be determined by Council of Ministers Regulation. The regulation is not issued when this report was compiled. However, article 106/37 states the rights and obligations of Environment, Forest, and Climate Change Commission are hereby transferred to Environmental Protection Authority. Accordingly, the new roles of EPA will be:</p> <ul style="list-style-type: none"> • Is focal for UNFCCC (informed now is under MoPD) • Formulates environmental laws and standards • Develops, coordinates and guarantees the implementation of sectoral programs and plans • Working with the private sector • Coordinates reporting to UNFCCC (informed now is under MoPD) • Host national MRV system • Establish MRV system for sectors • EPA will be responsible for technical elements, day to day administration and developing guidance and rules

No	Organization prior to 2021	Organizational Role in NDC	Organizational Changes post Proc. No 1263/2021	New Role in NDC
				for CRGE implementation (informed now is under MoPD)
2	Ministry of Finance	<ul style="list-style-type: none"> Ministry of Finance is responsible for financial aspect of CRGE facility Mobilize resource from various sources for adaptation and mitigation 	No change	Will continue with its former role
3	Ministry of Agriculture	<ul style="list-style-type: none"> Sustainable agriculture, Grassland improvement, Dairy, red meat and poultry intervention Agriculture mechanization Increase share of poultry Oil seed feeding 	Ministry of Agriculture has now incorporated -Ethiopian Forest Development -Ethiopian Biodiversity Institute -Ethiopian Meteorological Institute	In addition to its former roles, Ministry of Agriculture will have NDC related roles of the newly incorporated institutions. <ul style="list-style-type: none"> Sustainable agriculture, Grassland improvement, Dairy, red meat and poultry intervention Agriculture mechanization Increase share of poultry Oil seed feeding Reducing residents biomass use Reforestation Area restoration Roles of Ethiopian Meteorological Institute
4	Ministry of Water, Irrigation and Electricity	<ul style="list-style-type: none"> Reducing residential biomass use Energy efficiency Industry fuel switches Waste management 	Ministry of Water, Irrigation and Electricity is changed to Ministry of Water and Energy. Irrigation is out and established as Ministry of Irrigation and Low Land	The change does not affect NDC related role of the ministry
5	Ministry of	<ul style="list-style-type: none"> Transport electrification 	Ministry of Transport has added	The change does not affect NDC related

No	Organization prior to 2021	Organizational Role in NDC	Organizational Changes post Proc. No 1263/2021	New Role in NDC
	Transport	<ul style="list-style-type: none"> Public transport 	another segment to become Ministry of Transport and Logistics	role of the ministry
6	Ministry of trade and Industry	<ul style="list-style-type: none"> Industry fuel switches Clinker substitution 	Ministry of Trade and Industry is separated in to two; Ministry of Trade and Regional Integration and Ministry of Industry.	Due to the change, the ministry will not continue with its former NDC related roles.
7	Ministry of Urban Development and Construction	<ul style="list-style-type: none"> Waste management 	Ministry of Urban Development and Construction is changed to Ministry of Urban and Infrastructure. Construction is separated and established as Ethiopian Construction Authority	The change does not affect NDC related role of the ministry
8	Ethiopian Institute of Biodiversity Conservation (IBC)	Conservation and sustainable utilization of Biodiversity	Ethiopian Institute of Biodiversity Conservation (IBC)	The change does not affect NDC related role of the institute
9	National Meteorology Agency	Collect, exchange and disseminate meteorological data	National Meteorology Agency is changed in to Ethiopian Meteorology Institute. It is now under Ministry of Agriculture.	<p>In addition to its former role, the new organization might have addition NDC related roles pertaining to its new duties and responsibilities as indicated in Article 72/2-5.</p> <p>2/ lead national climate services; conduct study and research on meteorological and climate change; 3/ Execute the international obligations signed by Ethiopia with respect to meteorological and climate change; implement supports; 4/ Lead and coordinate Ethiopian</p>

No	Organization prior to 2021	Organizational Role in NDC	Organizational Changes post Proc. No 1263/2021	New Role in NDC
				climate change adaptation and mitigation activities; 5/ collect, analyses and forecast meteorological, air pollution and climate change information; According to this article, roles of former EFCCC looks have overlap with roles of the institute.
10	Agricultural Transformation Agency (ATA)	Support MoA in transforming agriculture	Agricultural Transformation Institute (ATI)	No change to the role of the agency
11	Ethiopian Wildlife Conservation Authority (EWCA)	Protection, conservation and proper utilization of wildlife and forest	Ethiopian Wildlife Conservation Authority (EWCA) is now under Ministry of Tourism	No change to the role of the Authority
12	Ethiopian Cleaner Production Center (ECPC)	Conserve raw materials, eliminate toxic raw materials, reduce toxicity of emission and waste	Ethiopian Cleaner Production Center (ECPC)	No change to the roles of the center
13	Ministry of Industry		Ministry of Industry	The newly formed Ministry of Trade will have the following NDC related roles. <ul style="list-style-type: none"> • Industry fuel switches • Clinker substitution
14	Planning and Development Commission		Ministry of Planning and Development	Following the reform and internal restructuring Ministry of Plan and Development will has more role and responsibilities on <ul style="list-style-type: none"> • Climate negotiation, • Will be UNFCCC focal, • Most of the former EFCCC roles and responsibilities will go to

No	Organization prior to 2021	Organizational Role in NDC	Organizational Changes post Proc. No 1263/2021	New Role in NDC
				MOPD, <ul style="list-style-type: none"> Will chair CRGE governance in collaboration with MOF, All NDC implementation and coordination will be lead by MOPD
15	Ministry of Irrigation and Lowland	Is new ministry	Is formed as new ministry	<ul style="list-style-type: none"> Initiate policies, strategies, laws, plans, programs, implement, expand etc. with respect to irrigation development, lowland and drought prone areas; Encourage irrigation projects to be supported by innovative technologies that will enhance productivity and to adopt mechanisms for effective use of water; Facilitate the utilization of ground water and surface water resources of the country Facilitate conducive conditions to enable local communities to participate in and benefited from in irrigation development projects; Formulate irrigation development plan to develop agricultural land in lowland areas.
16	Ministry of Mining	Ministry of Mining and Petroleum is split in to two; Ministry of mining and Petroleum and Energy Authority	Responsibilities are shared among the two institutions based on the new restructuring	<ul style="list-style-type: none"> Implement NDC sector specific activities and based on the NDC sectoral plan which is updated and submitted in 2022
17	Petroleum and	Newly created	Newly created	<ul style="list-style-type: none"> Implement NDC sector specific

No	Organization prior to 2021	Organizational Role in NDC	Organizational Changes post Proc. No 1263/2021	New Role in NDC
	Energy Authority			activities and based on the NDC sectoral plan which is updated and submitted in 2022

3.6. Changes Due to Internal Restructuring

Following the proclamation No. 1263/2021 most of the NDC implementing institutions are undertaking internal restructuring. Similar to the impact of changes in organizational setup, the internal re-structuring too will affect the governance and coordination mechanism of NDC implementation in Ethiopia. In this study, Key Informant Interview and Focus Group Discussion have been employed with responsible bodies to collect primary data from 8 NDC implementing institutions so as to understand how the re-structuring will affect NDC implementation and coordination in each organization. In almost all organizations, the restructuring is not yet completed. As a result, the consulting team was unable have a clear picture on what CRGE/NDC governance and institutional arrangement looks like in each institution. But, looking at organizations those have gone through some steps in re-structuring, the team has understood that there are two types of changes: re-assigning of people and downscaling/upscaling of units responsible for CRGE/NDC implementation. The findings are summarized below.

Table 3: Changes due to the re-structuring

No	Organization	Changes made due to restructuring
1	EPA (Former EFCCC)	<ul style="list-style-type: none"> Re-structuring is not yet undertaken. Therefore, it is difficult to get any information, The former EFCCC now EPA will have few departments only which will be significant change in NDC implementation, Forest Development will be under Ministry of Agriculture, Climate change negotiation and some departments will not be under EPA, this will be under MOPD which reduces the role and responsibility of EPA, EPA will focus only on policy and regulation of Environmental protection instead of other climate change and related issues. This will be clear after the reform and CRGE governance restructuring completed by MOPD,
2	MoA	<ul style="list-style-type: none"> The restructuring is not yet finalized as a result mandate of the unit responsible for CRGE/NDC is not yet defined. The role and responsibilities of MOA will not be changed; however, the new structure will have small number of staff, Number of staff has been reduced from 18 to 6 including the director which can affect effective delivery of the role and responsibilities of the institution, Some of the staffs are re-assigned to other departments, Team reduced into two, MRV and Environmental protection, At this stage of the study, most of the CGRE team re not yet familiar with the new structure and how they are going to manage the change with limited staff and shrink structure,
3	Ministry of mines	<ul style="list-style-type: none"> There is no new restructuring undertaken that could affect CRGE/NDC related unit, NDC/CRGE will be managed under environment and

		<p>community development directorate, however, it has been overlooked in the existing NGC/CRGE</p> <ul style="list-style-type: none"> • There is no legal document outlining the roles and responsibilities, sharing information related to the implementation of the NDC, and providing coordination on disputed issues. Therefore, it has been found difficult to evaluate how the new reform and restructuring affects the NDC implementation. However, sectoral NDC plan is under draft stage which may create an opportunity to set up new roles and responsibilities in this regard,
4	Ministry of Water and Energy	<ul style="list-style-type: none"> • The size of NDC/CRGE implementation team highly reduced which definitely affect the implementation at all levels, • In addition to this, governance and coordination arrangement at ministry level will be changed following the new reform and internal restructuring • Regarding budget allocation for the department will reduce which affects its performance directly,
5	Ministry of Plan and Development	<ul style="list-style-type: none"> • Following the reform and internal restructuring Ministry of Plan and Development will has more role and responsibilities on • Climate negotiation, • Will be UNFCCC focal, • Most of the former EFCCC roles and responsibilities will go to MOPD, • Will chair CRGE governance in collaboration with MOF, • All NDC implementation and coordination will be led by MOPD
6	Ministry of Transport and Logistics	<p>The new structure and reform will not affect the NDC governance and coordination negatively at sectoral level, instead, it will help the sector to strengthen NDC implementation and coordination and partnership with MOPD, and other institutions.</p>
7	Ministry of Urban Development and Infrastructure	<ul style="list-style-type: none"> • The reform and internal restructuring is not yet completed, currently the old or existing structure is managing NDC. CRGE/NDC implementation was managed under two directors (greenery and sanitation) but now it will be managed under the new structure called disk with small number of workforces, • The role and responsibilities in NDC implementation will going to be reduced or changed as the staff reduced from 26 to 10 which can affect significantly • There is CRGE focal in each city administration, but still we need to clarify the role and responsibilities and what is expected from each city focal person.

3.7. Potential Impact of the Post Proclamation No. 1263/2021 Changes on NDC/CRGE

In order to understand the potential impact (negative or positive) as a result of changes made due to proc. No. 1263/2021, the team has reviewed and analyzed the proclamation which was followed by conducting Focus Group Discussions and Key Informant Interviews with more than 18 experts and government leadership from 8 organizations using the guiding question annexed to this report.

The proclamation has introduced changes to mandates of almost all of the organizations that intern changes organizational NDC related responsibilities as well. The proclamation should have been followed by a regulation that clearly defines roles and responsibilities of the newly re-organized institutions. But such regulation is not yet issued for some of them until this report is organized. Similarly, internal re-structuring is not yet finalized in almost all of the organizations. Both developments have constrained well informed analysis on how the changes will potentially affect NDC/CRGE implementation in Ethiopia. But from the respondent's personal judgement as well as looking the changes made so far, potential impact of the new development on NDC is summarized here under.

1. **Halting progress:** due to the delay in issuing the regulations, NDC related organizational mandates is not yet clearly defined. For instance, NDC coordinating role is not yet assigned to any organization though the proclamation gives clue it might be with Ministry of Planning and Development. The same is true with the internal re-structuring that has yet defined units responsible for NDC/CRGE. This will result in delay of activities from undertaking as scheduled to effect NDC related commitments Ethiopia has entered.
2. **Overlapping of roles and responsibilities:** all of the respondents have said that they don't know any study conducted on organizational structure gaps prior to the proclamation and NDC/CRGE is not a priority during the internal restructuring process. This will lead to overlapping of organizational roles and the uninformed decision might lead to establishment of NDC/CRGE units that are not effective to carry out their responsibilities.
3. **Loss of Organizational memory:** the team has understood from the discussions that there is no well-established system to capture NDC/CRGE related information in all institutions. As a result, individuals are the only memory in the organizations. Therefore, the change in organizational setup and re-shuffling of people following internal restructuring will end up in lose of organizational memory.
4. **Lower achievement:** most of the respondents have said that the unit responsible for NDC/CRGE coordination is downsized both in terms of human resource and status of the unit. Moreover, the respondents feel that less attention is given to NDC/CRGE during the restructuring process to the extent that it was totally forgotten in one of the organizations. This might lower NDC/CRGE related achievement of the country.

4. Stakeholder Engagement and Conditions for NDC Implementation in Ethiopia

4.1. Identifying Key Stakeholder Engagement

According to different studies, the target groups for NDCs implementation index are two: one side that comprise the government, while the other side comprises the private sector, civil society, service providers, and other stakeholders such as development partners that are involved in financial support, technical support, training, and capacity building.

Tracking the NDCs performance indicators horizontally and vertically in a linear form will be implemented in the context of the roles and actions by the government policymakers (national, sub-national, and local levels); financial support and investment in tracking NDCs performance indicators; technology and innovations in the realm of tracking NDCs performance indicators; roles and activities of stakeholders involved in tracking the various NDCs performance indicators and the role of Civil Society as well as other Non-State Actors (NSAs).

NDC is economy wide long-term development strategic policy document and the Ethiopian updated NDC document also have the same economic wide nature which involves most of the national public sectors at federal level. Thus, development of such an important national development document requires strong inter-agency coordination within government institutions including all climate actors and public private sector in Ethiopia. In addition to this, the national policy makers, research institutions, academia and other institutions should be part of the development process.

Of course, it has been tried to involve most of the national institutions and public and private sector in the process of NDC update in the form of stakeholder consultation. A number of consultation meetings have been done to incorporate the expertise and says of such an important institutions and person.

Like the updating and planning process, NDC/CRGE implementation has been mainstreamed in each sectoral plan and currently almost all NDC implementing institutions have drafted and submitted their sectoral plan for coordinating body for final compilation.

4.2. Public Sector Engagement

Currently Ministry of Plan and Development (MOPD) has been assigned as focal point for UNFCCC and expected to coordinate and lead NDC/CRGE implementation at national level. Of course, at this stage of this assessment, most of the restructuring process and most importantly the CRGE governance structural revision was not yet finalized to know overall institutional and arrangement coordination.

However, based on the new proclamation, only few organizations have been affected mean that some of their roles and responsibilities have been assigned to other institutions like the former EFCCC is dissolved and become EPA with minimized roles and responsibilities. According to the new reform and restructure, the Government of Ethiopia has put the responsibility for environment and climate change issues on the Ministry of Plan and Development and has made it the National Focal Point to the UNFCCC. Thus, MOPD will lead and coordinates the country's macro level environment and climate change planning including CRGE/NDC and CRGE strategy. However, since the new CRGE governance structure is not yet completed, it is difficult to understand the final role and responsibilities of each NDC/CRGE implementing institutions both at federal and sectoral level. Mandate of the public sector is summarized bellow to introduce the reader with roles of each organization on NDC/CRGE.

Environment Protection Authority (EPA)	Now responsible to MoPD formulates environmental laws and standards, and develops, coordinates and guarantees the implementation of its own NDC plan. In addition to this, MRV remain the responsibility of EPA, however, much is not yet known at this stage about the role and responsibilities of EPA since all the reform process is not yet finalized.
The Ethiopian Institute of Biodiversity Conservation (IBC)	Conserves and promotes the development and sustainable utilization of Ethiopia's biodiversity. The new reform and internal restructuring has not affected its mandate and all roles and responsibilities remain the same.
The National Meteorological Agency (NMA)	Collects, exchanges, and disseminates information and advice on meteorological data as well as adverse effects of weather and climate in Ethiopia.
The Ministry of Agriculture (MoA)	Is tasked with creating a modern and highly productive agricultural system that uses advanced technology to reduce poverty including conservation, development and sustainable use of natural resources.
The Agricultural Transformation Agency	Is tasked with rapidly transforming Ethiopian agriculture through adapting new technologies and innovative approaches including climate smart agriculture in support of the MOA.
The Ethiopia Wildlife	Is responsible for the proper protection, development, rational

Conservation Authority (EWCA)	utilization and management of wildlife and forest resources as well as for the establishment of National Parks and Game Reserves.
The Ministry of Transport and Logistics	Is tasked with planning, construction, and maintenance and contract administration for road construction. Its objectives include improving and expanding the road networking an environmentally friendly manner. The Environmental Monitoring and Safety Branch is an integral part of the ministry. It is responsible for environmental monitoring activities for contract and own workforce projects of the Ministry.
The Ethiopian Electric Power Corporation (EEPCO)	Oversees the development of Ethiopia's energy infrastructure and the provision of hydroelectric power. Its Environmental Monitoring Unit has published Environmental Guidelines for the Power sector as well as the Environmental and Social Management Framework (ESMF) which deals with potential impacts and mitigating measures to be taken in electric power generation projects.
The Ministry of Water and Energy (MoWE)	Is striving for the achievement of the GTPs' targets for the water and energy sector.
The Ministry of Industry	Has several institutions which are responsible for different subsectors (e.g. leather, textile, chemical, metal, food, beverage and pharmaceutical industry). Environmental Impact Assessments are required for the establishment of new industries, environmental audits in already operational industrial plants.
The Ethiopian Cleaner Production Centre (ECPC)	Under the standards agency, ensures cleaner production projects supporting industries to conserve raw materials, eliminate toxic raw materials and reduce toxicity of emissions and wastes.
The Ministry of Finance	Houses a CRGE facility which ensures financial coordination among all sectors implementing the CRGE Strategy and is tasked with establishing a national climate fund to mobilize finance from varied sources.

4.3. Private Sector Engagement

Engaging private sector in the process of NDC implementation is highly important and help to create synergy with public private partnership for effective NDC/CRGE implementation. According to many studies, engaging private sector in the process of NDC implementation can help bridge part of financing gap, support sustainable economic growth, social inclusion and environmental conservation by:

- Aligning long-term public and private strategies
- Mobilize domestic and international private capital and technical capacities,
- Create numerous job opportunities,
- Leverage the effort of governments, engage civil society and community efforts,
- Develop innovative climate adaptation and mitigation technologies,

The government of Ethiopia has proclaimed public private partnership (PPP) proclamation in 2019 and at ministry of finance General Directorate Director has been established to lead PPP at national level. On top this, implementation strategy has been published and a number of mega projects have been on bid. Despite of the PPP proclamation and engagement strategy however, national level small and micro enterprises, and domestic private sector engagement is still limited. This requires to extra mile to go to enhance domestic private sector engagement and participation in the process of NDC/CRGE implementation. On the other hand the CRGE has taken the private sector as one of the major actors and there is an ongoing endeavor to study the engagement of private sector in the implementation of the strategy which can be taken as positive development.

4.4. Civic Society Organizations (CSO) Engagement

Civil Society Organizations (CSOs) are a key stakeholder and can play significant role in NDC/CRGE implementation process. It is believed that CSOs can play a crucial role in contributing to bringing ground-level vulnerabilities into decision-making processes, providing technical support and research, advocating for ambitious action, creating awareness, building capacities, and enhancing resilience of the most vulnerable community.

According to International Center for Not-Profit-Law, 2022, as of July 2021, there are a total of 2,953 CSOs registered by the Agency for Civil Society Organizations in Ethiopia. 2,460 of these CSOs are local organizations, while 422 are foreign-founded CSOs. There are also 61 consortiums and ten committees (ICNL, 2022).¹

¹ International Center for Not-for-Profit Law, January 2022.

CSOs are playing several critical roles in realizing sustainable development goals in Ethiopia. First, as service delivery agents, CSOs play an important role in contributing to the reduction of poverty and the delivery of basic services. Second, they participate in the development of sustainable development laws and policies. Third, CSOs play a representational role they are the voice of the poorest and most marginalized citizens, whose rights and environments are often trampled in the pursuit of development and growth. During this study it has been tried to assess if there is policy or any kind of strategy to engage CSO in the NDC implementation process, but it wasn't easy to get any type of CSO engagement strategy in Ethiopia.

Even though there is no legal platform to engage CSO, many national and international non-governmental organizations are engaged on climate action. Recent study has shown that many NGOs and CSOs are executing resilience building and adaptation enhancement projects almost in all major sectors. International organizations such as SNV, Oxfam, Farm Africa, WRI, GGGI and others have been engaged in NDC/CRGE implementation process. Some of them like GGGI and WRI support NDC update and other critical technical and financial support in this regard. In addition to this, there are many local non-governmental organizations that play critical role in climate action and sustainable development of Ethiopia.

4.5. Other Basic Conditions for NDC Implementation in Ethiopia

Implementation Capacity: Availability of the required capacity across government is needed to enable NDC implementation that should be identified during planning and develop a program of ongoing support. Different types of skill and knowledge is required at different level of the NDC structure. The central coordinating team needs to have capacity of project management, partnership building, understanding of the Paris Agreement and developments at international climate negotiations as well as understanding of wider government policy. Whereas, capacity required across core departments and committees coordinating NDC implementation includes experience and expertise in reporting, gender mainstreaming, basic knowledge of climate policy across key ministries and coordinated working across key ministries to drive a national climate agenda jointly and operate at scale. In this regard, capacity gaps are already identified during the NDC review process in Ethiopia. However, it lacks organized implementation plan and systematic capacity building actions according the information gathered from key informants and group discussions.

Finance/Budget: Assessment on availability of funding for NDC implementation includes two areas of intervention. The first and of course the major part is the budget required for implantation of mitigation and adaptation interventions actions. But equality important is the fund required for capacity building, systems establishment, monitoring and reporting related activities. The updated Ethiopian NDC requires huge amount of finance for both adaptation and mitigation actions. In connection with this, each sector has drafted sectoral NDC implementation

plan which has also an ambitious financial plan. However, since there is no strategy for resource mobilization and climate finance tracking, financial resource limitation will remain critical challenge. On the other hand, finding organized document for the second type of expenditure such as capacity building is difficult. However, output of the KII and FGD indicates there is not enough budget for such activities.

MRV and Result Based Management: Monitoring, Reporting and Verification and Result Based Management are integral part of successful NDC implementation. Availability of the system and capacity to operate the system are mandatory. NDC implementing institutions have indicated that there is no strong MRV and RBM system in each institution and sectors. It is also mentioned that at national level there is no strong data base system or active CRGE registry to access the required information, as well as to promote the status and results of NDC in particular and climate action in general. It is difficult to access and utilize climate data in Ethiopia.

Knowledge Management System: Existence of knowledge management platform is one of the requirement for effective and efficient NDC implementation which is well informed by lesson learned from past experiences. Information communication, database management, and performance auditing system in all institutions in particular and in the country in general has been found very weak. This will affect the performance of NDC implementing institutions and NDC implementation performance at all levels.

Legal Framework: Availability of legislation to strengthen political will and formalize governance processes is necessary for NDC implementation. This could include legislations the define mandate of the central NDC coordination team, roles and responsibilities of relevant government ministries and agencies, decision-making and coordination processes, long-term mitigation and adaptation targets and NDC updating powers to obtain information or data relevant to climate policy. The Ethiopian CRGE and NDC had clearly defined the governance, institutional arrangement and coordination mechanisms. Following the issue of proclamation No. 1263/2021 that has introduced changes to organizational mandates, the former arrangement is no more relevant at this time. All documents related to NDC/CRGE governance, arrangements and coordination mechanisms have to be revised again by adopting it to the new roles and responsibilities of the public sector.

Powers (specific or generic) to make secondary legislation to achieve climate actions, for mitigation or adaptation. According to the information collected and analyzed from contacted key sectors and focal persons in each institution, there are several challenges that limits the engagement and contribution of stakeholders in general in the process of NDC/CRGE implementation. There are also gaps in governance, institutional arrangement and coordination mechanism, resource and capacity in implementing NDC. Analysis on reviewing different documents and primary data collected through KII and FGD indicates the following could be bottlenecks to effectively implement NDC and achieve its goals.

Governance, Institutional Arrangement and Coordination for NDC implementation:

The general recommendation here is to have well defined organizational framework during planning or review to successfully implement NDC. There should be a coordinating body that manage and enhance cooperation for a whole-of-government approach and laws which mandate the stable and transparent operation of the institutional framework. Organizational framework of NDC typically involves a lead oversight body (responsible for coordination and quality control), independent regulators (nongovernmental body entrusted with supervisory tasks), and executive and legislative bodies.

Moreover, NDC has to be integrated in existing structure of organizations by reviewing and, if necessary, strengthening the institutional framework for successful implementation. Changes in roles and responsibilities within existing institutional structures may be necessary. The organizational framework should have mechanisms for public participation to facilitate dialogue among stakeholders and promote coordination; incentives, avenues, and accountability mechanisms for the cooperation and participation of line ministries, regional authorities, elected bodies (including parliaments and municipal councils), and nongovernmental actors, including women's organizations and integrates gender and minority perspectives.

The Ethiopian CRGE and NDC had clearly defined the governance, institutional arrangement and coordination mechanisms. Following the issue of proclamation No. 1263/2021 that has introduced changes to organizational mandates, the former arrangement is no more relevant at this time. All documents related to NDC/CRGE governance, arrangements and coordination mechanisms have to be revised again by adopting it to the new roles and responsibilities of the public sector.

Organizational restructuring has followed the changes in mandates of government organizations. The internal restructuring is at different stage in all organizations. Based on the current status however, respondents from almost all implementing institution mentioned that the reform and restructuring will reduce the manpower and resources to be allocated for the specific department or unit that is responsible to lead and coordinate the NDC/CRGE implementation in each sector. Most importantly, the new NDC/CRGE governance structure review and update process is not yet completed. Due to this, it was difficult to evaluate the associated challenge with NDC governance.

CSO and Private Sector Engagement Strategy: It has been indicated in the CRGE strategy that CSO engagement strategy and platform will be established to enhance CSO engagement in the process of NDC implementation. However, so far Ethiopia has no CSO engagement strategy and there is no formal engagement platform to enhance the participation and involvement of private sector and CSOs in the NDC implementation process.

5. Conclusion and Recommendation

5.1. Conclusion

Governance, Institutional Arrangement and Coordination are basic factors for proper NDC implementation so that countries can achieve their committed targets. The general recommendation here is to have well defined organizational framework during planning or review the existing structure to successfully implement NDC. There should be a coordinating body that manage and enhance cooperation for a whole-of-government approach and laws which mandate the stable and transparent operation of the institutional framework. Organizational framework of NDC typically involves a lead oversight body (responsible for coordination and quality control), independent regulators (nongovernmental body entrusted with supervisory tasks), and executive and legislative bodies.

Moreover, NDC has to be integrated in existing structure of organizations by reviewing and, if necessary, strengthening the institutional framework for successful implementation. Changes in roles and responsibilities within existing institutional structures may be necessary. The organizational framework should have mechanisms for public participation to facilitate dialogue among stakeholders and promote coordination; incentives, avenues, and accountability mechanisms for the cooperation and participation of line ministries, regional authorities, elected bodies (including parliaments and municipal councils), and nongovernmental actors, including women's organizations and integrates gender and minority perspectives.

The Ethiopian CRGE and NDC had clearly defined the governance, institutional arrangement and coordination mechanisms. Following change on national government political leadership and management however, Ethiopia has undertaken organizational restructuring. Proclamation has been issued (proclamation No. 1263/2021) that has introduced changes to organizational mandates, and therefore the former arrangement is no more relevant at this time. All documents related to NDC/CRGE governance, arrangements and coordination mechanisms have to be revised again by adopting it to the new roles and responsibilities of the public sector.

Internal restructuring has followed the change in mandates of government organizations. The internal restructuring is at different stage in all sectors included in the assessment. Based on the current status however, respondents from almost all implementing institution mentioned that the reform and restructuring has reduced the manpower and resources to be allocated for the specific department or unit that is responsible to lead and coordinate the NDC/CRGE implementation in each sector. Most importantly, the new NDC/CRGE governance structure review and update process is not yet completed. As a result, it was difficult to evaluate the associated challenge with NDC governance.

Based on the interviews and analyses conducted, it was found out that Ethiopia has a strong legal framework which serves as a foundation for implementing the NDC. The Law on Environment Protection, which is the main law for the NDC implementation, is supported by the National

Action Plan to Respond to Climate Change, the National Action Plan to Implement NDC (Paris Agreement), and the National Action Plan for Green Growth, and other laws and local action plans.

Despite the presence of these legal instruments, the existing legal instruments and strategies are effective only for implementation at the national level. Hence, MOPD, EPA, and the other agencies involved in implementing the NDC plan, still has a long way to go in terms of downscaling activities and plans at the regional and sub-sector levels.

5.2. Recommendation and Suggestions

Organizational structure of Ethiopia for NDC implementation is analyzed based on recommended structure identified from lessons and practices of different countries. Availability of functional NDC coordinating unit/lead body, central coordinating team, organizational coordinating individual or team and coordinating committee and forum are some of the recommended units in NDC organizational structure. Secondary data collected from different literatures and primary data collected through FGD and KII are used for this analysis.

Due to the changes in organizational set ups following proc. No. 1263/2021 the coordination responsibility has to be given to the appropriate organization which should be determined after regulations to determine roles and responsibilities of each is issued. According to the recommendations discussed in this report, Ministry of Finance and Ministry of Planning and Development Commission are good candidates to take this role. Under the Ministry of Planning and Development, Environmental Protection Authority can the lead as long as CRGE remains under its mandate because resource plays a big role for successful NDC implementation.

The proclamation has also changed roles and responsibilities of government organizations. This implies climate changed adaptation and mitigation responsibilities of the organizations will be changed depending on what their new roles are. Therefore, re-establishing the Central Coordination Team by nominating individuals based on criteria indicated in report is recommended.

Due to the changes in organizational set up and internal restructuring, new people will be assigned for climate change and CRGE related responsibilities. Staff and leadership who were already aware about NDC and skilled to carryout related responsibilities many no more be in their former position. The Coordinating Unit therefore should have a wide range of capacity building programs to ensure skilled and knowledgeable experts and leadership are available for effective NDC implementation.

Form the focus group discussion and Key Informants Interview with experts and leadership of 8 government organizations, we have understood that units responsible for CRGE/NDC are downsized and their staff reduced. All of the respondents have said that there was no any consultation or study while such decision is made. The coordinating unit therefore should undertake a study on appropriateness of the actions taken by these organizations. It also has to

make sure that units responsible for CRGE/NDC are established in the newly formed organizations.

Roles and responsibilities of organizations is changed due to proc. No 1263/2021 which is followed by internal restructuring. This will change the NDC related roles and responsibilities of the organizations as well as units responsible for CRGE/NDC planning, implementation and reporting. Therefore, the coordinating unit has to plan to review and make changes on NDC/CRGE related policy, legal documents, strategies, plans, guidelines and agreements to align with the change like CRGE governance which is under review.

Due to the change in roles and responsibilities, organizations are expected to develop new policy, strategy and plans to align themselves with their new mission. The coordinating unit is therefore advised to involve and inform or if possible, to develop a guiding document so that CRGE/NDC is fully integrated in their documents.

The current CRGE governance review and regulations to define roles and responsibilities of the organizations is not yet issued by the Council of Ministers which is the responsible body in Ethiopia. There might be an overlapping in NDC/CRGE related roles and responsibilities which will be known only after the regulations are issued. The coordinating unit should therefore be cognizant of such possible scenarios to make correction on time so as to avoid duplication of efforts and ensure efficient resource utilization.

In addition, implementers' attention should be drawn towards establishing context specific regional NDC/CRGE plan with a clear set of instructions for implementation at the regional, zonal and woreda level and sub-sectors.

Apart from this, they still have to overcome several challenges to guarantee a smooth and effective implementation of the NDC plan. For instance, the awareness of some government officials and key experts as well as the communities on climate change mitigation measures and NDC still remains low. Moreover, there is a lack of policies framework and strategy for CSO and private sector to actively participate in climate change response activities in general and NDC/CRGE implementation in particular.

The financial, technical and infrastructure limitations and the lack of human resources will also hinder effective NDC/CRGE implementation and Measuring, Reporting and Verifying as well as monitoring of NDC performance as well as monitoring GHG emissions as an outcome. Resolving the knowledge gap among stakeholders is one of first steps in successfully implanting NDC and mobilizing human and financial resources to resolve issues in other key areas of implementation.

Resource Mobilization Strategy One of the critical challenges is financial resource to implement NDC/CRGE. However, there is no strong resource mobilization strategy at national level and there is limited capacity to mobilize climate finance from global climate finance institutions. Therefore, MOPD and MOF in collaboration other institutions need to have strong resource mobilization strategy as well as strong technical team to utilize and access the available climate finance sources.

Capacity Development All implementing institutions and staffs under each unit need to be capacitated for effective NDC/CRGE implementation. Moreover, higher official, community and other stakeholders also need to be aware to resolve major capacity and knowledge gap for successful achievement of the plan.

MRV system and Data Base Management System Database management, and Performance auditing system in all institutions in particular and in the country in general need to be established and strengthen. has been found very weak. This will affect the performance of NDC implementing institutions and NDC implementation performance at all levels. It is highly difficult to access and utilize climate data in Ethiopia. NDC implementing institutions have indicated that there is no strong MRV and RBM system in each institution and sectors. It is also mentioned that at national level there is no strong data base system or active CRGE registry to access the required information, as well as to promote the status and results of NDC in particular and climate action in general.

CSO engagement policy framework So far there is no policy regulation that can allow CSO engagement in the process of NDC planning and implementation in Ethiopia. Therefore, MOPD and MOF as well as other responsible institutions need to give due attention in this regard.

Knowledge Management, NDC Communication and dialogue: NDC/CRGE implementation requires participation and full engagement of all stakeholders at national and worldwide. Their roles and responsibilities are not limited to a specific sectoral but also its should include horizontal and vertical integration and coordination for effective NDC/CRGE implementation at all level. Thus, Communication and dialogue platform is highly important to bring all the stakeholders into one page for the implementation of NDC as well as to reduce effort duplication in this regard. There are a number of national and international organizations in Ethiopia that are involved in climate action.

6. Annexes