



**Nile Basin Initiative
Nile Transboundary Environmental Action Project
(NTEAP)
Micro-grants Program
Ethiopia**

**ANNUAL REPORT
2006**

**November 2006
Addis Ababa**

1. Background Information

1.1. Project Background

The Nile Transboundary Environmental Action Project (NTEAP) is one of the eight SVP projects designed with the principal objective of providing a strategic framework for environmentally sustainable development of the Nile River Basin and supporting basin wide environmental actions linked to transboundary issues in the context of the NBI Strategic Action Program. Community - level Land, Forests and Water Conservation, one of the five components of NTEAP, which puts Micro Grant program at the hub. Micro Grant program (MG) basically supports community driven interventions to address transboundary environmental threats on a local scale and provides alternative sustainable livelihood opportunities to communities who may otherwise be obliged to over exploit their natural resources.

As the MG program is designed to contribute to the efforts towards sustainable development through directly funding proposals submitted by CBOs, organized women groups and community supported national NGOs has a lot of partners and stakeholders. In connection to this, EPA, the thematic focal institution for NTEAP, MoWR through its TAC member, GEF SGP as hosting the MG coordination office, National Steering Committee (NSC) through guiding the grant allocation and management, different local NGOs and CBOs coupled with the concerned Regional Governments play have irreplaceable and significant role in the implementation and progress of the Micro grant program.

1.2. Report Background

As the MG program was started relatively late compared to most NBI countries (mid August 2005), the reporting period (January –December, 2006) was made to mainly focusing on putting the MG system in place in addition to proper grant award and management activities. Hence, in this report, major program achievements, anticipated status of project activities, program associated expenditures, challenges faced as well as lessons learned will be treated in detail. Some activities planned to be done on

December are also included as accomplished considering the spelled out practical plan. The main activities in the reporting period have founded on securing four major milestones, viz;

a) Institutional and organizational activities,

- Develop, finalize and get an approved National Action Plan (NAP).
- Establishment of National Steering Committee (NSC).

b) Micro Grant projects activities

- Collect concept notes and project proposals
- Review project proposals and got approved projects
- Disbursement of grants

c) Capacity Building activities

- Awareness creation on different forums
- Organize regional workshops and national trainings

f) Regular program administration

- Property administration
- Vehicle administration
- Expenditures

2. Program Situations

It will be supportive to look in to both the internal and external project contexts that really had effect (positive/negative) on the implementation and progress of the micro grant program in the country. Sometimes in projects like NTEAP which have lots of both local and global partners and responsible stakeholders, it will be difficult to put an accurate divide line between the internal and external one. Hence, it will not be surprising to read a mix of both here and there.

2.1 The missing Ingredient

The MG program in Ethiopia started with out having the necessary institutional set up in place. In order to have the program aboard, there are important institutional arrangements that must be put in place. In line with this, instituting the National Steering Committee

(NSC) is one of the most important institutional milestones. When the program started neither the NSC was instituted nor the conducive institutional precondition was in place. The situation had both external and internal elements. It had external elements considering the responsibility of establishing the necessary institutional set up before the start of the program. It also had internal elements taking in to account the role that a country should have taken in bringing the missing ingredient, which could have contributed for a speedy program take off. Hence, every known stakeholder had role for the incident to take longer time than it should.

2.2. External factor

Considering the year long project implementation of the MG in the country, there were no much external hindrances observed. However, the budget delay occurred during July – August 2006 is worth noting regarding the situation. To be exact, the first set of MG were approved at mid June 2006 and got the authorization at the end of that same month but the WRPM PMU had a problem of having enough imprest level that could entertain all the requests, failed to effect the transfers and also COB requests on time. The authorized grant were transferred at the end of August and beginning of September 2006.

2.3. Effects of Project the challenges on the Project Implementation

The following few points, Inter alia, are considered critical ones:

- One of the roles of the NSC is to provide overall guidance and direction to the National Transboundary Micro-grants Program, including the development, periodic revision, and implementation of the NAP. Due to its absence, the program denied that chance and contribution of NSC as an institution despite individuals had chances to comment and contribute in the process.
- It was not possible to form a separate NSC that can handle NBI-MG issues par se in SGP countries nor would it be possible to have an approved project without the existence of NSC hence had no chance of processing call for proposals and approvals even with NAP at hand. This significantly delayed the actual start up by nearly 10 months.

- Delay at the start up of the micro grant projects and also the overdue is affecting the current progress.
- Delay in the transfer of the grant to the grantee NGOs affected the timely start of each project. Considering the month of July and August are the main rainy seasons in most parts of the country, the grantees lost the chance of utilizing the advantage of the main rainy season for most conservation interventions and forced to wait for another cycle.

3. Work Accomplished during the Reporting Period

Achievements made during the reporting period will be discussed under the milestones mentioned above as follows:

3.1 Institutional and Organizational activities

The main issues treated in this section are mainly related to the development of the working document (NAP) and the establishment and role of the NSC.

3.1.1 Develop, finalize and get an approved National Action Plan (NAP)

Preparation and development of the NAP was one of the main tasks to be done during the reporting period. Although the preliminary draft was done and completed before January, subsequent bilateral and group efforts have been done to enrich the NAP. Among the efforts:

- The draft National Action Plan was completed by the LMGC office and comments from different professionals had been collected and incorporated in the document.
- Afterwards, sent to PMU for further comments. Constructive comments that enriched the NAP had been given from the RPM and MG LS and incorporated in the document, which helped the LMGC office to have a completed zero draft that was presented to the stakeholders and launching workshop held during the month of February 2006.

- The national micro grant consultative and launching workshop was held during February and attended totally by 58 participants (only 4 were women), representing several NGOs, relevant Federal and Regional Government Institutions, the private sector, bilateral and multilateral organizations and individuals.
- The negligible number of women participants calls for a special effort that really gives practical chance for participation of women on different capacity.



Participants of the NAP workshop (February 21 & 21)

- The NAP workshop report was prepared and submitted to PMU together with the final NAP document based on which, considering the delay and associated drawback, the NTEAP PMU approved the NAP out rightly despite that time the NSC was not instituted in the country. The decision was a turning point to break the deadlock on the progress.

3.1.2 Establishment of the National Steering Committee

Another milestone figured out during the reporting period is the establishment of the National Steering Committee (NSC).



Despite late compared to the expected role that NSC should play, it has been instituted with 12 members (2 women). They are from Ministry of Finance and Economic Development (MoFED), African Parks (Private Sector) Addis Ababa University (AAU), Environmental Authority (EPA),

NSC members on duty

Ethiopian Women Development Fund, UNDP, Water Resources Development Ministry, Ethiopian Agricultural Research Organization,(EARO), Organization for Rehabilitation and Development in Amhara (ORDA), Forum for Environment (FfE), Sike Women Development Association and Ethiopian Association for combating Desertification (EACD) plus the National Coordinator (NC) and the Local Micro Grants Coordinator (LMGC). The members were introduced to NBI in general and NTEAP in particular; briefed on the role of the NSC in handling MG projects.

- The National Steering Committee (NSC) met 6 times since its inception April 2006 till the end of the year. The main out puts of those meetings were an endorsed NAP, agreed rules of procedures for the NSC, SGP Country Program Strategy (CPS), and 17 approved Micro Grant projects, evaluated the annual progress, briefed on the experience of Tanzania, discussed the draft activity plan for the year 2007.
- The main out come of the establishment and functioning of the NSC is the smooth and practical progress of MG projects on the ground. Moreover, the MG coordination office has got the close guidance, assistance and leadership of the NSC which was not the case at the beginning of the program.

3.2. Micro Grant Project Activities

3.2.1 Processes

Putting MG activities on the track is at the hub of the program. In line with this, hither to:

- There were two different sets of call for proposal events. Call for the first set and second set of projects. Different approaches were used in each of the events. For the first set of projects, an official call was made through an open notice board announcements and direct invitation through e-mail requests. Almost 40 national NGOs were invited through their e-addresses in addition to cooperating with NGOs networks, which have the chance of reaching and communicating to member NGOs that are engaged in environment, natural resources, and income generation related interventions. The turn out were thirteen proposals.

- In the second set, official announcements were posted on both private and public news papers. As per the official announcements, a total of twenty concept papers with the associated expression of interests were received. The turnout to the call was encouraging considering the late start of the program in the country.
- Both approaches have their own advantages and disadvantages. The first approach has an advantage of completing the process in a relatively short time but is unsatisfactory and disputable considering good transparency and wide access. Therefore, found useful only for crisis management. On the other hand, official public announcement makes acceptable level of transparency as well as wide access for the required information but takes relatively longer time.

3.2.2. Reviewed and approved Micro Grant projects

- A number of applicant CBOs/NGOs were assisted iteratively to revise and submit discussable proposals. During the first cycle of proposal review and approval process the NSC approved 6 projects worth a total of US\$ 147,558.
- Among the six projects one is totally focusing on women stakeholders despite the NGO is not women NGO.
- During the review and approval of the second set of proposals 12 projects were approved worth a total of US\$ 298,242. However, one NGO whose proposal was approved with condition of being supported by field facts failed to comply with the condition. Hence the number of actual approved projects are 11 worth total of US\$ 273,242.
- The numbers of projects are not to the level of expectations at all levels. However, considering the slow process the program was forced to face and short time given for the NGOs, the outcome was positively accepted by the NSC.

3.2.3. Disbursement of grants

- Based on the approval of the NSC, so far a total of US\$78,735 is disbursed for the first set of projects. Taking the possibility of an additional US\$11944 disbursement for one of the NGOs expected to request its second disbursement, the total for the first set will be US\$ 90679.

- For the second set of projects anticipation is made to disburse a total of UD\$ 109321. This makes a 100% disbursement considering the annual allocation amount US\$200,000.

3.3 Awareness and Capacity Building

- Based on the results of the national micro grant consultative workshop, collaboration was made with PANOS Ethiopia (an international NGO) to explain
 - the overall objectives of the NTEAP and Micro grant
 - the ways of working
 - potential benefits to the people
 - transboundary interests and logicto the general public through radio program.
- Interviews both for the national television and Radio were given about NBI/NTEAP in general and MG in particular. Coverage was also given through different local news papers.
- The LMGC, SGPC and two representatives from NGOs attended different events (Capacity Building, Portal training, NRAK launching and TOT training, Finance and Administration, Water quality orientation and M&E ToT of Microgrants) as per the specific arrangements held in Cairo from 4 – 12, May, 2006.
- Short briefing about LMG has been given at different times to local NGOs and interested individuals who are engaged in conservation activities. These practitioners have good potential to organize local communities in their vicinity, so that would be ready to participate in the LMG initiative.
- Together with the SGP coordinator, meeting was arranged for local NGOs to give briefings about the importance of NSC and their representation in the committee. Based on the discussion and reached consensus, they have managed to nominate representing individuals in the NSC.
- LMGC Participated in the national training on Communication, Concepts, Types and Levels, as part of the institutional capacity building component.
- Participated in the discussion with Mr. Frank Pinto, the GEF/UNDP/SGP global Coordinator.

- In collaboration with the NTEAP PMU organized and attended the soil erosion and water shed management workshop held in Addis Ababa, Ethiopia.
- In collaboration with the NPC, a one day consultative meeting was conducted. In the meeting, the co-chair of the NSC and PSC member, NSC members, working group members and also NPC, NC and LMGC have taken part.



Participation on the regional Soil Erosion Workshop

- LMGC together with two members of the NSC attended an exchange visit and training organized in Tanzania. The aim was to share experiences from the Tanzanian colleagues on the way of working of the NSC and grant award experiences. In the visit field observation was also made on active MG supported projects. (Separate report is submitted to the PMU).



Participation in the Tanzanian NSC

- M&E TOT, financial management and proposal preparation will be given to the grantee NGOs and CBOs during 13-15 December 2006. 30 participants are expected to take part in the training event.

4. Field Assessment

- Field assessment was done and report submitted in collaboration with the SGP coordinator as per the direction given by the NSC. The duty was conducted during 29 July – 6 August and 8-24 October 2006. In the assessment:
 - Feedback to proponents on NSC's observations to their project proposals was given.
 - Views of the proponents on the observation of the NSC were collected.
 - Consistency of project level situation with the project proposal submitted for grant was checked.
 - Proponents were assisted to refine their proposals by incorporating observation of NSC for resubmission.
 - Possibilities were assessed for the cooperation and activity integration between SGP and MG interventions.
 - Awareness created at local level development stakeholders about SGP and MG.
 - Details on the field out puts can be seen from the separate report submitted to PMU.
- During the last week of October, MTR mission also two of the active MG sites and one newly approved site were visited by Professor Hassan Osman as part of the Mid Term Review activities.
- Monthly progress reports and also biannual report were prepared and submitted in addition to the field and workshop/training attendance reports.

5. Main Challenges

- In order to have the program onboard, establishment of the NSC was a very important and irreplaceable institutional arrangement that must be put in place. Because SGP has started later than MG, relevant stakeholders engagement in the process of NSC formulation was not to the interest of MG's schedule. That was

- the actual, daunting and frustrating challenge the program faced. Now with a recent establishment of the NSC, the challenge is just left as a remembered cliché.
- Another anticipated challenge is reluctance of NGOs to submit proposals due to speculations on the size of money that SGP is giving per grant. AS the program is new to the country, some prefer to wait for the SGP grant than applying to NTEAP, with 50% lesser than the SGP equivalent.
 - Lack of information at all levels also can be considered as among the main impediments for the reaction of NGOs/CBOs and support from other stakeholders. We need to promote the MG opportunity through different means and mechanism so that will reach the needy, genuine and capable NGOs/CBOs.
 - Delay in the transfer of grants can also be considered as one of the main challenges faced.

6. Project Implementation Arrangements

- The main institutional Arrangement pertaining to the MG is the National Steering Committee (Detail is in section 3.1.2).
- As to the project implementation arrangements, MGC office used to be housed in the EPA, supporting office facilities, communication and vehicle till the project acquired its own vehicle at the beginning of this year.
- Later, in order to create strong synergy and working bond with SGP, starting from March 2006, the coordination office has just moved to the new office rented by SGP (costs were supposed to be shared by both programs but the modality is not yet solved).
- Considering depth of experiences of the NSC in their own field of service and also the support as well as collaboration they rendered till now, that area doesn't look to be the source of any glitch.
- As the entire project interventions are proposed with a strong support of the local people and administrations, activities will be reflected in the annual development plans of their respective weredas (districts). That will give the primary ground for sustaining the implementation of proposed activities.

7. Administrative Issues

7.1 Procurements

- By now the MG office has no expectations of additional furniture and equipments except few supporting materials that need to be procured through the COB when the need arises, like external hard disk to have a back up of all the data we have in our computers and digital voice recorder for field assessments. (See annex A).
- Received the project vehicle from UNDP and the insurance and related processes have also been completed.

7.2 Personnel

- The MG driver has been recruited and started his duty as of 15 May 2006. The contract both for the MG coordinator and the driver will expire at the end of December,2006.

Annex A

**INVENTORY LIST For Ethiopia LMGC Office – Addis Ababa (24
November 2006)**

No:

Purchase Date	Budget line	Tag number	Description	Make/model	Serial Number	Location	Status of equipment	Purchase Price
			Laptop and Printer					
18/10/2005		NBI/NTEAP-ET/016	Acer Lap top extensa 6600 60GB HDD,1.6Ghz centrino processor, 512MB memory with all necessary accessories including carrying bag,	Acer Travelmate 2501, LC	LXE29050025320D11 0EM00	LMGC Office	Delivered and on Use	ETB 14,500 (1670.5 USD)
18/10/2005		NBI/NTEAP-ET/017	All in one Laserjet Printer (Printer – Scanner – Photocopier – Fax)	HP 4215	CN559GJ6WG Q5600A	LMGC Office	Delivered and on Use	2200 ETB (253.45USD)
18/10/2005		NBI/NTEAP-ET/013	HP LaserJet 4250, Up to 45ppm, letter 1200DPI, 460Mhz,Black and White,48MB of RAM expandable to 512MB,100Sheet multipurpose tray1.	HP Laserjet 4250		LMGC Office	Delivered and on Use	11,000ETB (1267 USD)
			SONY 5.1MP	DSC-W5		LMGC	Delivered	

						Office	and on Use	
			Vehicle					
11/01/2006			Double Cabin 4 Wheel Drive, White Pick-up truck	Nissan Hardbody,	Chassis No: ADNJ920000EO16692 Engine No: QD32-207734	LMGC Office	Delivered and on Use	150,164ETB (USD 17,300)
			Furniture					
18/10/2005		NBI/NTEAP-ET/023 (Two Cabinets)	Imported High quality wooden and glass Executive Four doors Cabinet, with LOWER two lockable doors wooden and upper two glass –size 200*80*42CM	TSB-209AS-CabM		LMGC Office	Delivered and on Use	9000ETB (1036.9USD) For two
18/10/2005		NBI/NTEAP-ET/021 (Two chairs)	Imported high quality fabric guest/conference chair without Arm rest, with metal leg. Col. #Venus 19	TSC-UT211#SV19		LMGC Office	Delivered and on Use	3600 ETB (414.7USD)
18/10/2005		NBI/NTEAP-ET/020	Managerial Chair with arm , imported, black,			LMGC Office	Delivered and on Use	2950 (399.9 USD)
18/10/2005		NBI/NTEAP-ET/022	Glass Coffee table Imported			LMGC Office	Delivered and on Use	1550 (178.6)
18/04/2005		NBI/NTEAP-ET/024	Imported High quality wooden 4 drawers filing cabinet with two keys for each two drawers, color grey,	TSFC-FD400G		LMGC Office	Delivered and on Use	1650ETB (190.1USD)
18/04/2005		NBI/NTEAP-ET/018	Nova Telephone Apparatus (2)	NOVA	0403013202 and 0403013039	LMGC Office	Delivered and on Use	680 ETB

Nile Transboundary Environmental Project**Micro grant National Coordination Office****Annual Financial Report****Country:** Ethiopia**Month of Reporting:** Annual (January – December), 2006**Date of submission:** 26 November 2006**Prepared by:** Menberu Allebachew (LMGC)

Activity	Authorizations			Disbursement in US\$
	Date of request	Date of receipt	Amount in US\$	
Grants*	21 June, 2006	28 June 2006	78,735	78735
Disbursement on COB	20 May 2006	25 May 2006		
1. Training workshop**	“”	“”	3500	3500
2. Local Travel NSC/LMGC			500	500
2. Vehicle operation costs			1200	536.17
3. Telephone and Communication)			800	560
4. Office rental, utilities			900	0.00
5. Costs for NSC meetings			150	150
3. Stationary, white board, flash disk, etc			700	500.23
Sub Total			7750	5746.4

Other authorizations				
<ul style="list-style-type: none"> For previous (2005) office and related expenses 	May 19,2006	20 June 2006	1035.48	1035.48
<ul style="list-style-type: none"> NAP workshop 	8 February 2006	9 February 2006	5148	4344.96
<ul style="list-style-type: none"> Vehicle insurance 	April 25,2006	April 28, 2006	511.3	511.3
<ul style="list-style-type: none"> CB Workshop - Cairo 		April 18, 2006	8210	2241.98
<ul style="list-style-type: none"> Soil Erosion Workshop 		August 29, 2006	36382	34493.7
<ul style="list-style-type: none"> Driver's Uniform 		April 28, 2006	517	516.23

- *Considering the recently signed MOA and second disbursement from one of the grantees of the first set a total of 121,265 USD will be disbursed before the end of December 2006.*
- *Training workshop and the TOT is scheduled for Mid December to be held back to back and in collaboration with SGP.*