

Annual Report

EthioTrees Project



1 February 2023 – 31 January 2024

Annual Report

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EthioTrees Project

Annual report February 2023 – January 2024

Submitted by: EthioTrees

Date of submission: 31 – 01 – 2024

Summary

Project overview	
Reporting period	1 st February 2023 – 31 st January 2024
Geographical areas	Tigray Region, Ethiopia
Technical specifications in use	See approved PDD EthioTrees: Ecosystem Restoration and Agroforestry

Table 1: Summary table

Project indicators	Historical	Added/ Issued this period (Feb. 2023-Jan. 2024)	Total
No. smallholder households with PES agreements	144	0	144
No. community groups with PES agreements (where applicable) by Jan 2024	53	3	56
Approximate number of households in these community groups	20,805	2,051	22,856
Area under management (ha) where PES agreements are in place	11,176	354	11,530
Total PES payments made to participants (USD)	335,640 USD*	221,846 USD**	557,486 USD
Total sum held in trust for future PES payments (USD)	0	0	0
Allocation to Plan Vivo buffer (tCO ₂)	18,610	7308	25,918
Saleable emissions reductions achieved (tCO ₂)	167,490	65,774	233,264
Unsold Stock at time of Submission (PVC)			
-			-
Plan Vivo Certificates (PVCs) issued to date		167,490	
Plan Vivo Certificates requested for issuance (Feb. 2023 – Jan. 2024 Vintage)		65,774	
Plan Vivo Certificates available for future issuance		0	
Total PVCs issued (including this report)		233,264	

* see previous annual report.

** based on ETB to USD conversion (oanda.com dd. 01/06/2023)

Part A: Project updates

A0: Key events

- The project established three large tree nurseries to nurture more than 200,000 endemic and naturalized tree seedlings for agroforestry and enrichment planting during the planting season of 2024.
- The project had a successful verification audit in May 2023.
- We are bracing for a new famine, all the while the carelessness of the international community and media is (once again) beyond comprehension. Millions of Tigrayans are at risk of famine. The international food monitoring system, IPC, expects much of Tigray to be in phase 4 by the first half of 2024. This is the second most severe level of food insecurity, just before famine (phase 5). In phase 4, there is acute malnutrition and excess mortality, and people have to resort to emergency strategies to cope with extreme food shortages.
- In October 2023, the UN World Food Programme (WFP) has resumed distribution of food aid to refugees across Ethiopia after implementing extra safeguards and controls. Nevertheless, the resumption is slow and only enough to meet 20% of the needs.
- The project supported 5247 vulnerable households with cash-for-food.
- The EthioTrees project expanded this year to into Farqua, Wedigets and Endahibye areas (see further). Baseline and first-year project activities were carried out successfully.
- To extend its impact, the project continued its expansion into the neighboring Shire/We're district. Baseline and first-year project activities are ongoing and will be reported in a biannual report in August.

A1: Key impact numbers

- Up to date, the project constructed 8 primary schools (with today 1082 children attending), 7201 m³ of percolation pits, and 10 large drinking water reservoirs (11 373 m³).
- In total, 49 716 m of stone bunds have been constructed: this is more than a marathon of soil protecting stone walls.
- The total flora species richness in the project areas rose from 70 in 2016 to 99 in 2024, while the flora biodiversity index (Shannon index) rose significantly, from 2.202 in 2016 towards 2.645 in 2023.
- Based on the monitoring of 1093 field plots (20 x 20 m), the number of newly established

trees (regenerates) in the project area increased by 1901 surviving regenerates per ha (or 7.8 million surviving regenerates in total) since the project started: these are all new and surviving trees.

- Based on the household social survey of 2023, we find that the average price of frankincense received by the participating cooperatives rose from 28 ETB/kg before the project started to 150 ETB/kg in 2023 (at verification). This is related to the effect of market competition, since the frankincense resins are now sold to *traders in Mekelle*, whereas before the project started marketing trainings, resins were sold to merchants who visited the village. In real terms, the growth results in a twofold increase in the cooperative members cash income from frankincense (from 1.23 USD/kg to 2.76 USD/kg).

A2: Successes and challenges

- One of the main successes this year included the humanitarian support program using the Plan Vivo reinvestment budget. The project supported 5247 vulnerable families in the project areas. Besides the direct cash-for-food support, the program also strengthened the project community base.
- EthioTrees is proud on the impact numbers obtained (see above).
- The EthioTrees team has grown with 6 new staff members and will further grow over the coming year.
- In total, 68 trainings have taken place in 2023. The main focus of these discussions was to maintain awareness on the environmental protection of the community forests while maintaining sustainable management during a period of acute food insecurity.
- The positive impact of the project on the water table is demonstrated by observations of spring water resurgence and new spring developments downstream of the protected forest patches.
- The extreme level of food insecurity remains the biggest challenge to date.

A3: Project developments

Below, we give an overview of the project developments that have affected the governance, operations, contractual relationships or legal basis of the project:

- The PDD was updated to reflect the expanded project size since project start.
- The project started its first agroforestry activities and organised its first agroforestry plantings in July 2023. The high-density homegarden system was the most popular system (as it combines with and strengthens food production), while nobody opted for the woodlot system.
- The EthioTrees staff deliberated and decided to continue and expand their useful work for the citizens of Tigray/Ethiopia.
- During 2023, we constructed 36040 m of stone bunds, and 1483 (4450 m³) of percolation pits.

A4 Future Developments

- Further activities next year will focus on the existing exclosures, including trainings, seedling planting and seedling irrigation, and the installation of soil and water conservation structures such as percolation ponds, trenches and soil bunds. We aim to invest the plan vivo funds in “social recovery projects”, at the initiative of the citizen councils, or in more cash-for-food in case of famine.
- In 2024, the project objective is to further scale its impact to contribute to the post-conflict reconstruction in the region. The expansion into the adjacent districts (Shire, Enderta and Geralta) will be reported in a bi-annual report in August.

Part B: Project activities

B1: Project activities generating Plan Vivo Certificates

- We list the technical specifications being used in the project, the area covered and participants in table 2 below. We only include those areas where PES agreements have been signed.

Table 2: Project activity summary

Name of technical specification	Area (Ha)	No smallholder households	No Community Groups
Ecosystem Restoration in Tigray	11,515 ha	0	56

Agroforestry	15 ha	144	0
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B2: Project activities in addition to those generating Plan Vivo Certificates

- Together with Tesfays project, we additionally supported 180 of the most vulnerable citizens from Hagere Selam (100), Enderta (40) and Degua Tembien (40) in cash, that is 1000 ETB each. The beneficiaries include vulnerable and assaulted women, disabled children and HIV victims.
- In Kolla Tembien, we delivered 7 tons of rice to the IDP camp of Abiy Addi.
- The project supported the victim counting and the assessment of post-war impact on the environment and livelihoods in Tembien by Mekelle University and Ghent University.

Part C: Plan Vivo Certificate issuance submission

C1: Contractual statement

- This issuance is based on Plan Vivo maps and signed PES agreements with participants complying with all the minimum requirements stated in these agreements.

C2: Issuance request for project areas where issuance is made on the basis of ongoing activities on land already managed by the project (calculated *ex-post*).

Table 3: Statement of tCO₂ reductions available for issuance as Plan Vivo Certificates based on activity for reporting period 1 February 2023 – 31 January 2024 for all sites.

Area ID	Total area (ha)	Tech. Spec	Saleable ER's (tCO ₂) available from previous periods	Total ER's (tCO ₂) achieved this period	ER's minus leakage of 2%	% Buffer	No. of PVCs allocated to buffer from ER's achieved this period	Saleable ER's (tCO ₂) from this period	Issuance request (PVCs)	ER's (tCO ₂) available for future issuances
Adi Lehtsi*	412	<i>Ecosystem restoration</i>	0	3836	3759	10	376	3383	3383	-
Gidme Gestet*	46	<i>Ecosystem restoration</i>	0	428	420	10	42	378	378	-
Meam Atali*	83	<i>Ecosystem restoration</i>	0	773	757	10	76	682	682	-
May Getnet*	51	<i>Ecosystem restoration</i>	0	475	465	10	47	419	419	-
May Hibo*	53	<i>Ecosystem restoration</i>	0	493	484	10	48	435	435	-
Afedena*	81	<i>Ecosystem restoration</i>	0	754	739	10	74	665	665	-
Adilal*	148	<i>Ecosystem restoration</i>	0	1378	1350	10	135	1216	1216	-
Gemgema*	93	<i>Ecosystem restoration</i>	0	866	849	10	85	764	764	-
Zban Dake*	300	<i>Ecosystem restoration</i>	0	2793	2737	10	274	2466	2466	-
May Baeti*	46	<i>Ecosystem restoration</i>	0	428	420	10	42	378	378	-
Lafa*	45	<i>Ecosystem restoration</i>	0	419	411	10	41	370	370	-
Daero Hidag*	112	<i>Ecosystem restoration</i>	0	1043	1022	10	102	920	920	-
Togul*	36	<i>Ecosystem restoration</i>	0	335	328	10	33	296	296	-
Sesemat*	46	<i>Ecosystem restoration</i>	0	428	420	10	42	378	378	-
Adi Meles*	65	<i>Ecosystem restoration</i>	0	605	593	10	59	534	534	-

Chele Quot*	50	Ecosystem restoration	0	466	456	10	46	411	411	-
Katna Ruba*	44	Ecosystem restoration	0	410	401	10	40	361	361	-
Gojam Sefra*	275	Ecosystem restoration	0	2560	2509	10	251	2258	2258	-
Debremed hanit*	647	Ecosystem restoration	0	6024	5903	10	590	5313	5313	-
Hawahiwa*	199	Ecosystem restoration	0	1853	1816	10	182	1634	1634	-
Dawsira *	1319	Ecosystem restoration	0	12280	12034	10	1203	10831	10831	-
Adienkrti (AdEn)**	447	Ecosystem restoration	0	2081	2039	10	204	1835	1835	-
Adikilte (AdKl)**	171	Ecosystem restoration	0	796	780	10	78	702	702	-
Akeb hidmo (AkHd)**	42	Ecosystem restoration	0	196	192	10	19	173	173	-
Ba'ati Haile (BtHl)**	167	Ecosystem restoration	0	777	762	10	76	686	686	-
Barajira (Brjr)**	150	Ecosystem restoration	0	698	684	10	68	616	616	-
Chemate**	92	Ecosystem restoration	0	428	420	10	42	378	378	-
Chike**	452	Ecosystem restoration	0	2103	2061	10	206	1855	1855	-
Daengule**	132	Ecosystem restoration	0	614	602	10	60	542	542	-
Daerotimqet**	97	Ecosystem restoration	0	452	443	10	44	398	398	-
Da'kakwey**	66	Ecosystem restoration	0	307	301	10	30	271	271	-
Dakuakuat**	130	Ecosystem restoration	0	605	593	10	59	534	534	-
Dastenay**	91	Ecosystem restoration	0	425	416	10	42	374	374	-
Da'tsehagat**	198	Ecosystem restoration	0	922	903	10	90	813	813	-
Deguagush**	159	Ecosystem restoration	0	740	725	10	73	653	653	-
Emba**	54	Ecosystem restoration	0	251	246	10	24	222	222	-
Emba newi**	142	Ecosystem restoration	0	661	648	10	65	583	583	-
Emure**	314	Ecosystem restoration	0	1461	1432	10	143	1289	1289	-
Endahibey**	142	Ecosystem restoration	0	661	648	10	65	583	583	-
Endalibanos**	70	Ecosystem restoration	0	326	319	10	32	287	287	-
Endanebrey**	57	Ecosystem restoration	0	265	260	10	26	234	234	-
Fereqdre**	99	Ecosystem restoration	0	461	452	10	45	407	407	-
Gedmi tsitsewhiey**	51	Ecosystem restoration	0	237	232	10	23	209	209	-
Gogon-Kojejar**	134	Ecosystem restoration	0	624	611	10	61	550	550	-
Gra emba araya**	100	Ecosystem restoration	0	466	456	10	46	411	411	-
Hzaeti B'eray (HzBr)**	302	Ecosystem restoration	0	1406	1378	10	138	1240	1240	-
Jira**	123	Ecosystem restoration	0	573	561	10	56	505	505	-
Kbret**	175	Ecosystem restoration	0	815	798	10	80	718	718	-
Maekeldur**	141	Ecosystem restoration	0	656	643	10	64	579	579	-
May agualat-Enderta**	219	Ecosystem restoration	0	1019	999	10	100	899	899	-

<i>Mhdar Abuer**</i>	120	<i>Ecosystem restoration</i>	0	559	547	10	55	493	493	-
<i>Mierafchege**</i>	337	<i>Ecosystem restoration</i>	0	1569	1537	10	154	1384	1384	-
<i>Miska**</i>	90	<i>Ecosystem restoration</i>	0	419	411	10	41	370	370	-
<i>Quaya**</i>	260	<i>Ecosystem restoration</i>	0	1210	1186	10	119	1067	1067	-
<i>Sequrti**</i>	355	<i>Ecosystem restoration</i>	0	1653	1619	10	162	1458	1458	-
<i>Shegalu**</i>	121	<i>Ecosystem restoration</i>	0	563	552	10	55	497	497	-
<i>Shegere**</i>	53	<i>Ecosystem restoration</i>	0	247	242	10	24	218	218	-
<i>Sito**</i>	196	<i>Ecosystem restoration</i>	0	912	894	10	89	805	805	-
<i>Wetlaqo**</i>	65	<i>Ecosystem restoration</i>	0	303	297	10	29	267	267	-
<i>Wukro and gdmi awuhij**</i>	168	<i>Ecosystem restoration</i>	0	783	767	10	77	690	690	-
<i>Zaka**</i>	256	<i>Ecosystem restoration</i>	0	1192	1168	10	117	1051	1051	-
<i>Kurara**</i>	46	<i>Ecosystem restoration</i>	0	215	210	10	21	189	189	-
<i>Werasige**</i>	267	<i>Ecosystem restoration</i>	0	1243	1218	10	122	1096	1096	-
<i>Busha**</i>	79	<i>Ecosystem restoration</i>	0	367	359	10	36	324	324	-
<i>Tsiwtsiwa**</i>	80	<i>Ecosystem restoration</i>	0	372	365	10	36	328	328	-
<i>Farqua***</i>	93	<i>Ecosystem restoration</i>	0	866	849	10	85	764	764	-
<i>Wedigets***</i>	69	<i>Ecosystem restoration</i>	0	642	629	10	63	566	566	-
<i>Endahibye***</i>	192	<i>Ecosystem restoration</i>	0	1788	1752	10	175	1577	1577	-
TOTAL	11515	<i>Ecosystem restoration</i>	0	74573	73082	10	7308	65774	65774	-

*Phase 1 site, project sites included in AR February 2016 - 2023;

**Phase 2 site, project sites included in AR of August 2023 (half annual cycle to align monitoring period with Phase 1 sites);

***Newest expansion, project sites included in AR February 2024 (this report, full cycle, will also be named under Phase 2)

C3:

C4: Agroforestry issuance

- We do not issue agroforestry PVCs in this annual report.

C5: Allocation of issuance request

- The table below details the allocation of issuances from this project.

Table 5: Allocation of issuance request

Buyer name/ Unsold Stock	No. PVCs transacted	Registry ID (if available) or Project ID if destined for Unsold Stock	Tech spec(s) associated with issuance

<i>Ethiotrees (first issuance)</i>	4,873	104000000014099	Ecosystem Restoration
<i>Ethiotrees (second issuance)</i>	5,856	104000000014099	Ecosystem Restoration
<i>Ethiotrees (third issuance)</i>	9,769	104000000014099	Ecosystem Restoration
<i>Ethiotrees (fourth issuance)</i>	5,572	104000000014099	Ecosystem Restoration
<i>Ethiotrees (fifth issuance)</i>	12,530	104000000014099	Ecosystem Restoration
<i>EthioTrees (sixth issuance)</i>	14,819	104000000014099	Ecosystem Restoration
<i>EthioTrees (seventh issuance)</i>	20,259	104000000014099	Ecosystem Restoration
<i>EthioTrees (eighth issuance)</i>	28,595	104000000014099	Ecosystem Restoration
<i>EthioTrees (ninth issuance)</i>	57,563	104000000014099	Ecosystem Restoration
<i>EthioTrees (ninth issuance)</i>	7,654	104000000014099	Agroforestry
<i>EthioTrees (tenth issuance)</i>	65,774	104000000014099	Ecosystem Restoration
TOTAL	233,264	104000000014099	

C4: Data to support issuance request

- We provide the monitoring data for areas of land and participants which support our issuance request in Annex 1.

Part D: Sales of Plan Vivo Certificates

D1: Sales of Plan Vivo Certificates

- To date, 102,273 Plan Vivo Certificates have been sold.

Table 6: Sales of Plan Vivo Certificates to date

Buyer	Year of transaction*	Credits bought (tCO2-e)	Vintage	Value per tonne (EUR)**
Carbon Sink (IT)	2018	5000	2017	Internal reporting only
Zero Mission (SE)	2018	5000	2017	Internal reporting only
Carbon Sink (IT)	2019a	5000	2018	Internal reporting only
Zero Mission (SE)	2019a	5450	2018	Internal reporting only
Carbon Sink (IT)	2019b	5000	2018	Internal reporting only

Victor Buyck (BE)	2019	162	2018	Internal reporting only
Zero Mission (SE)	2020a	550	2019	Internal reporting only
Zero Mission (SE)	2020b	5696	2019	Internal reporting only
Carbon Sink (IT)	2020a	5000	2019	Internal reporting only
Zero Mission (SE)	2020c	1660	2019	Internal reporting only
Carbon Sink (IT)	2021 (April)	10,000	2020	Internal reporting only
Carbon Sink (IT)	2021 (Feb)	941	2020	Internal reporting only
Victor Buyck (BE)	2021	159	2020	Internal reporting only
Zero Mission (SE)	2021	3800	2020	Internal reporting only
Davines (IT)	2022	9260	2021	Internal reporting only
Climate Partner (DE)	2022	11000	2021	Internal reporting only
Davines (IT)	2023	10000	2022	Internal reporting only
Climate Partner (DE)	2023	10000	2022	Internal reporting only
MyClimate	2023	8595	2022	Internal reporting only

*letters a, b and c refer to the sales of credits in spring, summer and in autumn respectively

**Numbers may not exactly add up due to fluctuations in exchange rates between EUR and USD

Part E: Monitoring results

E1: Ecosystem services monitoring

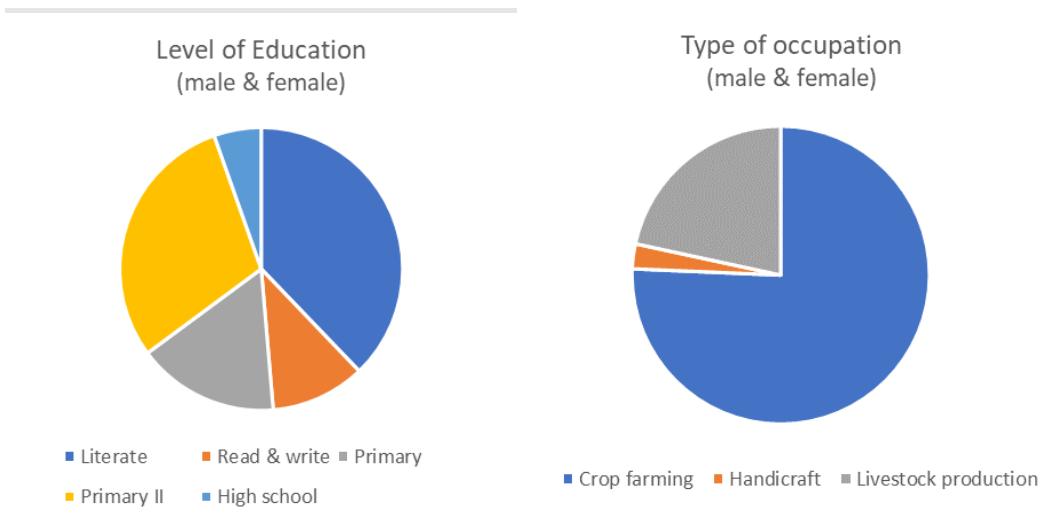
- We provide annual monitoring results that support the request for new issuances in Annex 1.

E2: Maintaining commitments

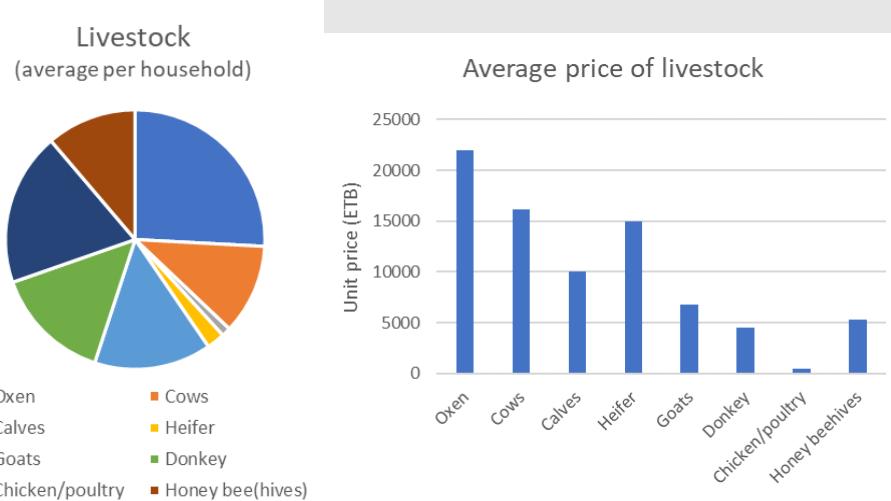
- No participants have resigned or been removed from the project, or had Plan Vivo Certificates allocated against their activities.

E3: Socioeconomic monitoring

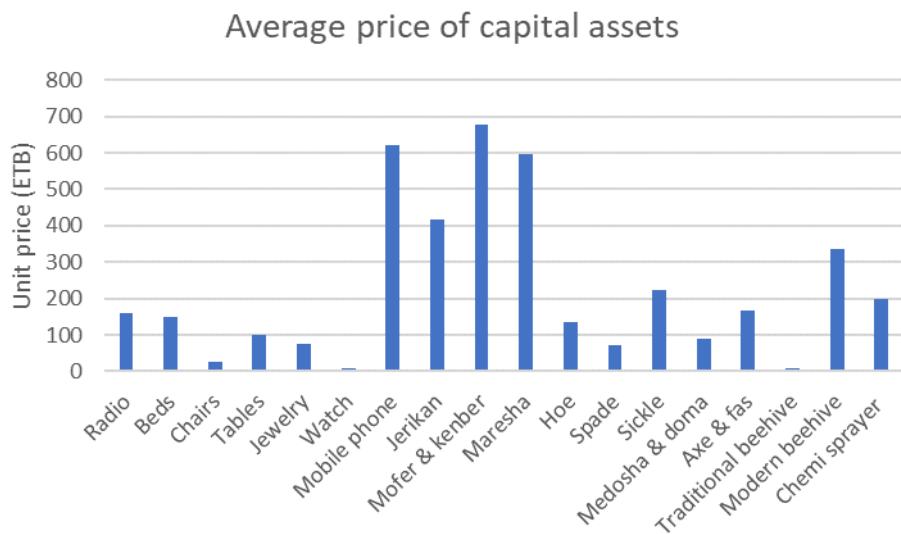
- Based on the interviews of 2023, we can preliminarily re-examine the socio-economic conditions and compare with the baseline in 2016. Note that the questionnaire was extended in comparison to the baseline survey, which allowed us to add more data to better understand the livelihood conditions in the project areas.
- The average household counts 3.95 people and the head of the family is on average 37.9 years old. In comparison with 2016, there is a drop in the average household size with 0.85 people (which might be due to youngsters leaving for the city and because of the famine). All of the interviewees are Orthodox (100%) and 90% are married.
- The primary educational level of the interviewees is generally low, 38% of the respondents are literate and only 30% obtained a primary II grade. The males are dominantly crop farmers (95%), whereas the main occupation of females is divided between crop farmers (56%) and livestock production (44%).



- The majority of the respondents own livestock units (85%), most common is ownership of oxen (80%) and donkeys (65%). The average price of oxen is highest (21,938 ETB), followed by cows (16,167 ETB) and heifer (15,000 ETB).

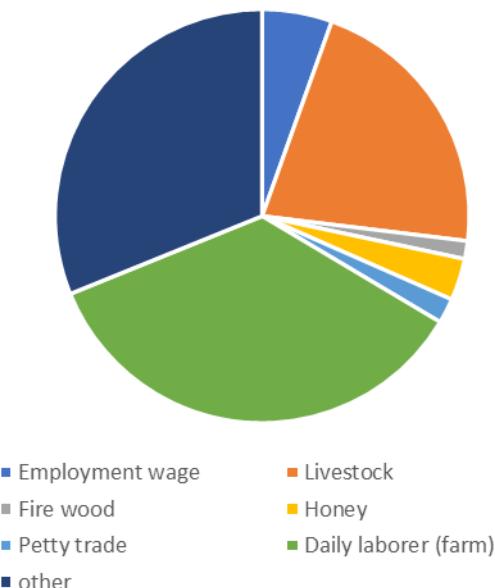


- At current market prices, the total livestock assets per household represent on average 49,005 ETB. This is more than double the market price in 2016 (17,230 ETB), but carefulness is needed in the interpretation because of high inflation rates. The main source of livelihood for all households are still crop farming, honey, frankincense and livestock production.
- The capital assets represent on average 4,057 ETB, which is lower than in 2016 (5,993 ETB). The farming material Mofer, Kenber and Maresha (35%) and mobile phones (15%) form the bulk of the capital assets.



- Household access to the nearest drinking water source is on average 125 minutes walking. Access to services such as road, health clinic and market is on average 192 minutes walking, while the nearest bank is on average 343 minutes away. Households have on average 3 hours a day access to solar electricity.
- Sales from agricultural products deliver an average yearly household income of 1770 ETB, which is higher as compared to the income from agricultural products in 2016 (829 ETB). Note however that only 40% of the interviewees receive income from selling cropping products, whereas 60% produces solely for self-subsistence.
- Revenues from the sales of non-agricultural production is on average 12,815 ETB, of which most important is daily labouring, sharecropping and other activities. Livestock sales deliver an average yearly household income of 2750 ETB per household. This is much higher than in the baseline (970 ETB) (note however that only 10% of the interviewees received income from selling livestock). Revenues from the sales of honey products deliver an average yearly household income of 1,680 ETB per household participating in this activity.

Non agricultural income streams



- As mentioned in 2016, the key challenges at village level remain water access, which was mentioned by all interviewees, and road access mentioned by 80% of the respondents.
- There is a shared agreement by all the interviewees that exclosure establishment was important to (i) to decrease deforestation and erosion, (ii) to provide income streams for the cooperatives and (iii) to enhance biodiversity.
- The key challenges mentioned are illegal tree cutting and charcoal harvesting. However, 85% see no such challenges today and 75% of the interviewees mention today that they would be in favour of expanding the exclosure area.
- The impact of the project on the socioeconomic situation of the participating communities is influenced by the devastating impact of the Tigray Conflict, we refer the reader to the Techspec Agroforestry (See Part G2 of the Ethiotrees PDD) for a description of the socioeconomic impact.
- Nevertheless, the value of non-timber forest products such as frankincense and honey (harvested by 50% of the interviewees) increased. From the interviewees, 20% are involved in frankincense harvesting. The frankincense resins are sold to traders in Mekelle at an average price of 150 ETB per kg, whereas in 2016 resins were sold to merchants visiting the village at an average price of 28 ETB per kg.
- Honey products are harvested by 35% of the interviewees, the honey is sold at the local market at an average price of 429 ETB per kg, whereas in 2016 the average price was

210 ETB per kg.

E4: Environmental and biodiversity monitoring

- The project expanded with 354 ha in Farqua, Wedigets and Endahibye (see Annex 3).
- No other changes to the monitoring plans or protocols of the project need to be reported in the updates section of this report.

Part F: Impacts

F1: Evidence of outcomes

- We report research outcomes, patterns or trends from ongoing monitoring or other information which supports the impacts – socio-economic, environmental or cultural – which the project has had every 5 years after baselining. Resampling data has been collected last year. We refer to the verification report for the evidence of outcomes.

Part G: Payments for Ecosystem Services

G1: Summary of PES by year

- We used the following formula to allocate PEServices to n villages (see PDD):
$$\text{PES allocation} = 1/n * 50\% \text{ PES} + \text{Size}(\%) * 50\% \text{ PES}$$
- In 2023, a total of 12 132 600 ETB or 221 846 USD (oanda.com dd. 01/06/2023) was allocated to payment for ecosystem services.
- The funds were allocated to 5247 vulnerable households from the project zones who got direct cash-for-food support.
- There are no funds being held in trust by the project coordinator at reporting period end and there are no withheld payments at reporting period end.
- All payments are made in line with the terms of PES agreements signed.
- The allocation of PES funds to Phase II sites will be reported in the August 2023 – July

Table 7: Breakdown of reinvestment budget per enclosure

Site	ETB*	Currency
Adi Lehtsi	891016	ETB
Gidmi Gestet	356101	ETB
Meam Atali	410177	ETB
May Getnet	363409	ETB
May Hibo	366332	ETB
Afedena	407254	ETB
Adilal	505643	ETB
Gemgema	424208	ETB
Zban Dake	727326	ETB
May Baeti	356043	ETB
Lafa	354596	ETB
Daero Hidag	452634	ETB
Togul	341486	ETB
Sesemat	356101	ETB
Adi Meles	383563	ETB
Chelaqot	361947	ETB
Katna Ruba	353178	ETB
Gojam Sefra	690788	ETB
Debremedhanit	1234472	ETB
Hawahiwa	579713	ETB
Dawsira	2216611	ETB
Total	12132600	ETB

Part H: Ongoing participation

H1: Recruitment

- Recruitment of the associations / focus groups of all enclosures was completed before the earliest stage of the vintage period. All sites comply with the eligibility criteria set out in the PDD.

H2: Project Potential

- No participant or area under management is on the project's 'waiting list' i.e. where a PES agreement is not yet signed but a *plan vivo* is in use.

H3: Community participation

- We briefly report on the community meetings held throughout the reporting period and attach the pictures of these to Annex 2.

Part I: Project operating costs

I1: Allocation of costs

- We completed the table below summarizing project costs during the reporting period and the sources of income used to meet these costs. Private donations and limited subsidies covered 18% of the costs, while the remainder of the costs was covered by the sales of PVCs.

Table 8: Allocation of costs (for the Feb 2023 – Jan 2024 reporting period).

Description of the expenditure	Head office		KoT & KyT		Enderta & DT		Sum	
	ETB	USD	ETB	USD	ETB	USD	ETB	USD
1. Investments*								
1.1 physical activities*								
2. Functioning*								
2.1. Movements and maintenance of vehicle(s)*								
2.2. Office rent, utilities and office supplies*								
2.3. Field materials and inputs*								

2.4. Logistical field work costs (food, materials, accomodation, copies, didactic materials, ...) *							
3. Staff (human resources) - pay-roll*							
3.1. Coordination*							
3.2 Project staff*							
3.3. Rangers*							
Grand total Expense*							
Total Yearly (2023) Expense*							

*Reported for internal monitoring purposes only

Annexes

Annex 1. Monitoring results that supports the issuance request

Ecosystem Services Monitoring

Activity	Activity Indicator (measure annually)	Annual Targets			Results
		Full Target Achievement	Partial Target Achievement	Missed Target	
Restoration activities	Area of each enclosure undergoing active restoration activities	>10%	=10%	<10%	All project areas are undergoing restoration
Tree Planting	Number of seedlings	>=10000 seedlings	<10000 and >=5000	<5000 seedlings	6000
	Survival Rate	>=60%	<60 and >=40	<40%	92%

* If one or more of the indicator values is below its performance target for one monitoring period, the full issuance is received but corrective actions must be implemented. In 2024, extra seedlings will be planted.

Socioeconomic Monitoring

Activity	Activity Indicator (measure annually)	Annual Targets			Results
		Full Target Achievement	Partial Target Achievement	Missed Target	
Capacity-Building	Number of organized trainings for landless farmers (M/V) per year per enclosure	1		0	68 trainings have been organised in 2023
	Participants from more vulnerable groups (women, youth, elderly people)	>25%		<25%	Average participation was 31%
Availability of grass fodder	Beneficiaries of grass fodder per enclosure	>=3	<3 and >=2	0	Cut and carry system implemented everywhere
Countering displaced grazing	Index for number of observations of displaced grazing	<2	2	>2	At all sites <2

	mentioned during the yearly meeting of association, other NTFP users and the village council and corroborated in the field by EthioTrees staff(*)				
Countering timber harvesting on public lands	Index for number of observations of timber harvesting on public lands mentioned during the yearly meeting of association, other NTFP users and the village council and corroborated in the field by EthioTrees staff(*)	<2	2	>2	At all sites <2

* The indexes are categorized in five scores with 2 being medium pressure. A category 2 for grazing pressure agrees with little presence of livestock dung and hoofmarks, soil not compacted and grasses abundantly available. A category 2 for harvesting pressure agrees with little evidence of illegal stem or branch cuttings.

Environmental Monitoring

Activity	Activity Indicator (measure annually)	Annual Targets			Result and mitigating actions
		Full Target Achievement	Partial Target Achievement	Missed Target	
Water Management	Number of Percolation Ponds per enclosure	>=2	<2 and >=1	0	1483 ponds installed in 2023

There are the following consequences for certificate issuance and corrective actions that will be implemented if the yearly performance targets are not met:

- (i) If the values for all indicators meet or exceed their performance target, the full issuance is received;
- (ii) If one or more of the indicator values is below its performance target for one monitoring period, the full issuance is received but corrective actions must be implemented;
- (iii) If one or more of the indicator values is below its performance target for two consecutive monitoring periods, certificate issuance is withheld until corrective actions have been implemented and the performance target(s) have been reached.

Annex 2. Project photo report

Below, we present a general overview of some of the 2023 activities. Much more (thematic) photographs are available upon request.



Photo 1: Meeting with the rangers, farmers and and tabia leaders of Emnenkelalu.



Photo 2: Meeting with the Adikeshi committee and rangers.



Photo 3: Meeting with the rangers, farmers and and tabia leaders of Aynbrkekn.



Photo 4: Meeting with the Endaslasie committee at the tabia building.



Photo 5: Setting up the nursery in Ruba Bich Debrenazret tabia (Enderta woreda).



Photo 6: Partial view of 3876 mango and 1252 orange seedlings being grown in the Tanqua fruit nursery site, Kola Tembien woreda.



Photo 7: Nursery activity in Begasheda tabia of the Kola Tembien woreda.



Photos 8: Plan vivo map preparation at Endahbey Kafta.



Photos 9: Meeting with the beneficiaries at Tukul and Hagere Selam.



Photo 10: GIS and watershed management training for EthioTrees staff.

Photo 11: Transport and delivery of food aid to the IDP camp in Abiy Adi (7 tonnes rice)



Meeting Topics: Strengthening Collaboration and Addressing Exclosure Management Challenges

Positive Feedback:

- Participants expressed appreciation for Ethio Trees' innovative approach, particularly the follow-up system that addresses the issue of previously neglected tree-planting projects.
- The financial compensation and capacity-building initiatives provided by Ethio Trees were well-received.

Tabia Level:

- **Exclosure Management:** The primary focus was on strategies for:
 - **Protection:** Implementing effective measures to safeguard exclosures.
 - **Benefits:** Identifying ways for communities to derive sustainable benefits from the exclosures.
 - **Moisture Harvesting:** Constructing structures to collect and conserve water.
 - **Biomass Enhancement:** Strategies to increase the amount of organic matter within the exclosures.

Challenges and Questions Raised:

- **Security Concerns:** Participants expressed apprehension due to potential mines near the exclosures, making comprehensive assessments challenging. They inquired about Ethio Trees' assistance in addressing these security issues. The project has taken-up the security concern to the Woreda and follows-up on the resolution actions.
- **Community Participation:** Lower community involvement in protection efforts was attributed to a sense of siege just after the war. Solutions to encourage active participation were sought. To tackle this, awareness workshops have been organised.
- **Basic Needs Shortage:** A lack of basic necessities was identified as a factor hindering community engagement in exclosure protection. Participants requested extra help on Ethio Trees' support in this regard. On request of the community, the project uses the PES budget for food aid.
- **School Construction Delays:** Concerns were raised regarding the delay in completing school construction due to material scarcity and high costs. A timeline for resolving this issue was discussed. On request of the community, the project supports the construction of schools with the PES budget.
- **Irrigation Expansion:** Participants inquired about Ethio Trees' potential involvement in expanding irrigation systems to improve water availability. The feasibility study to initiate irrigation is ongoing.
- **Open communication** channels between Ethio Trees staff and local authorities are crucial for fostering collaboration and addressing concerns effectively. The project works closely with the local authorities.

Strengthening Relationship with Ethio Trees Staff:

- Discussions also focused on fostering better communication and understanding between local authorities and Ethio Trees staff. This aims to ensure effective collaboration in exclosure management and the PV initiative.
- Building capacity for woreda experts, tabia leaders, and development agents (DAs) was highlighted as a key aspect. This will equip them with the necessary knowledge and skills to implement Ethio Trees' activities successfully.

Annex 3. Baseline of Farqua, Wedigets and Endahibye

Baselining is completed, we refer to the Excel files attached.