CLIMATE CHANGE LEGISLATION IN

Ethiopia

AN EXCERPT FROM

The 2015 Global Climate Legislation Study

A Review of Climate Change Legislation in 99 Countries

Michal Nachmany, Sam Fankhauser, Jana Davidová, Nick Kingsmill, Tucker Landesman, Hitomi Roppongi, Philip Schleifer, Joana Setzer, Amelia Sharman, C. Stolle Singleton, Jayaraj Sundaresan and Terry Townshend

www.lse.ac.uk/GranthamInstitute/legislation/

Grantham Research Institute on Climate Change and the Environment

GLOBE The Global Legislators Organisation

1889 Inter-Parliamentary Union For democracy. For everyone.

Ethiopia

Legislative Process

Ethiopia is a Federal parliamentary republic. It is a bicameral system – the Upper House, known as the House of Federation (HOF), and the Lower House – the House of Peoples' Representatives (HPR). There are 550 members of the HPR who are elected every five years, with a minimum of 20 seats reserved for minority nationalities and peoples. The political party with most seats in the HPR will form and lead the executive branch.

The HPR acts as the main legislative authority by issuing laws, called proclamations. The HPR nominates the President, which is a largely ceremonial post, ratifies international agreements and appoints federal judges. The last elections to the HPR took place in 2010. The next parliamentary election is due to take place in 2015.

The HOF serves as a representative house for nations, nationalities and people – each recognised ethnic-national group has one representative and an additional representative for every million of its population. Members of the HOF are elected by State Councils in each regional state. The HOF does not have general legislative powers, but rather is dedicated to the interpretation of the constitution, issues of self-determination, disputes among states and distribution of federal and state revenues and federal subsidies among states.

In addition to the main form of legislation, i.e. HPR proclamations, the executive branch (the Council of Ministers and federal ministries) may issue decrees, regulations and directives according to a mandate issued by the HPR. Additionally, according to the constitution, international agreements ratified by the parliament are integral laws of the land.

Approach to Climate Change

The 1995 Constitution includes the principle of environmental rights, including the right to a clean and healthy environment and the principle of government responsibility to ensure this right. In 1997, the Environmental Protection Authority formulated the Environment Policy of Ethiopia, as part of a wider Conservation Strategy. The Policy defines key guiding principles, including responsible and sustainable use of non-renewable and renewable sources. It defines policy guidelines (although no instruments) on atmospheric pollution and climate change; land use; forest, woodland and tree resources; biodiversity; water resources; and energy resources. Atmospheric pollution and climate change policies include: promoting a climate monitoring programme; acknowledging commitment to mitigate emissions, even at low or even insignificant levels of contribution to global emissions; actively participating in protecting the ozone layer as a means of reducing the vulnerability of the

highlands of Ethiopia; and encouraging re-vegetation, monitoring grazing and rehabilitating degraded land to compensate for high biomass-fuel consumption.

After Ethiopia ratified the UNFCCC, in 1994, there has been capacity-building at the National Meteorological Agency (NMA), a climate change and air pollution research team that aims to provide research guidance and directives on climate related issues. The late Prime Minister Meles Zenawi, who passed away in 2012 after 21 years in power, spearheaded efforts to fight climate change in Africa and to generate green growth in the country and in the region. Zenawi played an important role in shaping the African Union position on climate change. On behalf of Africa and jointly with France, Ethiopia issued an appeal at COP15 in Copenhagen to reach an ambitious accord, including halving global CO_2 emissions by 2050 compared to 1990 levels, full transparency of commitments, and adoption of a "fast-start" three-year fund of USD10bn dedicated to adaptation and mitigation actions.

In 2011, at COP16, Ethiopia, Norway and the UK established a strategic partnership to promote collaboration on international climate change policy. The partnership focuses on strengthening efforts to avoid deforestation and forest degradation; strengthening climate adaptation in agricultural and pastoral production systems; strengthening food security and disaster risk management systems; supporting the use of renewable energy resources and increased energy efficiency; strengthening open and transparent governance of natural resources; ensuring gender equality; establishing measuring, reporting and verification systems; reducing biodiversity loss; and supporting efforts to build institutional capacity to respond to climate change.

In 2011 the government finalised its "Climate-Resilient Green Economy" (CRGE) strategy, the first of its kind in Africa. In its last report to the UNFCCC Ethiopia said that GHG emissions in 1995 were 38-48 $MtCO_2e$, depending on whether emissions from LULUCF were included, but the CRGE says that in 2010 GHG emissions rose to 150Mt CO2e, and that by 2030 they might more than double to 400Mt.

The CRGE strategy builds on the Growth and Transformation Plan (GTP), the government's ambitious development plan, which sets the aspiration for Ethiopia to reach middle income levels by 2025. The first GTP planning period is 2010/11-2014/15, and was approved by the parliament in 2010. As the highest national policy framework, it governs developmental policies, budgets and government organisations, as well as actions of development partners and foreign investors until 2015. Subsequent GTP planning periods will lead the country towards poverty reduction and middle-income status. The CRGE strategy is currently being integrated into the second Growth and Transformation Plan for 2015-2020 (GTP2).

The strategy describes a new model of development that integrates measures of economic performance, such as GDP growth, infrastructure development,

poverty reduction, job creation, and social inclusion, with those of environmental performance, such as improving resilience to climate shocks, mitigation of GHG emissions, biodiversity loss and ensuring access to clean water and energy. Strong economic development and economic inclusion objectives are addressed simultaneously with environmental and social objectives: the green economy that will lead Ethiopia to middle-income status before 2025 requires the promotion of climate resilience.

In 2014, Norway committed USD60m to support the implementation of the CRGE vision and REDD+ activities.

Energy supply

More than 80% of the country's population live in rural areas, and traditional energy sources represent the principal sources of energy. Some 95% of energy needs are derived from fuel wood, crop/animal waste, and human/animal power; and 5% comes from electricity, the majority of which is hydro-power.

The National Energy Policy, adopted in 1994, focused on research and development to build technological capacity in the sector, and on transforming the energy sector from traditional sources (especially biomass) to modern ones, while conserving and protecting the environment. This policy is still in force, though a new energy policy document is currently being drafted. The government also plans to increase access to electricity from 41% (in 2012) to 75% in 2015 and 100% in 2030 (measured as the total households in electrified towns and villages to the total households in the country).

Ethiopia, which has significant solar, wind, biomass and biogas, hydro and geothermal energy potential, aspires to become a regional power exporter and green energy hub for eastern Africa.

The CRGE strategy highlights four energy supply initiatives to help build a green economy: (i) exploit hydro-power potential; (ii) large-scale promotion of advanced rural cooking technologies; (iii) efficiency improvements to the livestock value chain; and (iv) Reducing Emissions from Deforestation and forest Degradation (REDD). It foresees an increase of up to 25,000MW in generation potential by 2030, of which hydropower would contribute 22,000MW, geothermal energy 1,000MW and wind energy 2,000MW. As rural energy usage is likely to remain dependent on traditional fuel, especially for cooking purposes, the CRGE expects emissions abatement can be achieved through improving fuel efficiency and shifting fuels.

In 2011 the government ratified its membership of the International Renewable Energy Agency and in 2012 the Ministry of Water, Irrigation and Energy and the EPA finalised a draft of the “Ethiopian Investment Plan for Scaling-Up Renewable Energy in Low Income Countries (SREP)”. The SREP is a targeted programme of the Strategic Climate Fund, one of two funds within the Climate Investment Funds framework. A Feed-in-Tariff proclamation was presented in 2011 by the

Ministry of Water and Energy Resource. However, the bill has gone through several revisions and it is not clear when it will become law.

Energy demand

The government recognises the importance of pursuing energy efficiency at the same time as promoting the expansion of renewable energy. The government aims to promote the take-up of energy efficiency measures in cement, steel, chemicals and mining. Planned measures include updating to more efficient production technologies, improving insulation, recovering waste heat and cogeneration. The CRGE calls for energy efficiency investments in the electric power generation sector to reduce domestic demand by 30% by 2030. It also notes that the take up of energy efficiency measures by households – specifically in cooking and transport activities – should increase household savings.

REDD+

Ethiopia has participated in REDD+ since 2008 as a member of the Forest Carbon Partnership Facility (FCPF) at the World Bank. REDD+ activities, including the National REDD+ Readiness process, are currently conducted as a component of the CRGE strategy, and are co-ordinated by the REDD+ Secretariat within the Ministry of Environment and Forest. Ethiopia launched a REDD+ Readiness Phase in 2013. This process, due to last three years, will put in place the policies, institution and systems necessary to operationalise REDD+. It has also established a taskforce to develop a draft REDD+ strategy. The government is implementing a small number of initial and pilot REDD+ projects, with bilateral results-based financial support from Norway for 2013 to 2020, to be channelled through the World Bank's Sustainable Land Management and BioCarbon Fund programmes. In 2014 Norway pledged up to USD50m to support the Oromia large landscape REDD+ pilot (based on verified emissions reductions).

Transport

The CRGE includes a sectoral plan to reduce carbon emissions and increase efficiency in the transport sector. It proposes a number of measures: introducing stricter fuel efficiency standards for passengers and cargo transportation; promote the purchase of hybrid and electric vehicles; construct a renewable electricity-powered rail network to replace road freight transport; introduce electric rail and enable bus rapid transit in Addis Ababa; and substitute imported fossil fuels with domestically produced bio-diesel and bio-ethanol.

Adaptation

Ethiopia is one of Africa's poorest and most vulnerable countries. The key climate hazards are flooding, drought and rainfall variability. Renewable energy is seen as important, particularly hydropower. However, plans to expand hydro are vulnerable to rainfall variability.

Ethiopia's first Climate Change National Adaptation Programme of Action (NAPA) was finalised in 2007 by the Ministry of Water Resources and the Meteorological

service. In 2010 the NAPA was updated and replaced by the Ethiopian Programme of Adaptation to Climate Change (EPACC). The EPACC outlines future climate change scenarios and their associated risks; details potential options to reduce vulnerability to climate change based on a review of projects; and reviews the commitments made to the UNFCCC and multi-lateral environmental agreements and national and regional consultation workshops.

As part of the partnership established with Norway, the Ministry of Environment and Forest received USD1.5m to protect vulnerable communities from the impacts of climate change. The grant will allow existing projects, which encourage local communities to fight food insecurity and environmental degradation linked to climate change, to be upscaled and duplicated.

The CRGE strategy integrates climate change adaptation into development planning objectives. The sectors of the economy most vulnerable to the hazards of climate change are identified as: agriculture; health; water and energy; buildings; and transportation. The government has a large-scale afforestation and reforestation project and is taking a "green cities" approach to urbanisation. Climate resilience strategies for agriculture and forestry, energy and water were developed in 2012.

Adaptation in agriculture is particularly important because a significant proportion of the economy and millions of livelihood depend on agriculture. Chronic food insecurity affects 10% of the population and even in average rainfall years these households often cannot meet their food needs. Droughts result in sharp reductions in agricultural output, while floods cause crop and infrastructure damage. The agriculture and forestry climate resilience strategy identified 41 key options, including macro-level responses (focusing on benefit to GDP), household-level responses (to protect vulnerable groups) and biodiversity-focused responses (recognising its importance for resilience).

The CRGE aims to decouple economic growth from natural resource consumption and GHG emissions. As set forth in the GTP, achieving carbon-neutral growth and middle-income status before 2025 will require increasing agricultural productivity, encouraging sustainable land use, building an industrial base, and fostering export growth and diversification. It means growing fast enough to increase GDP per capita from around USD380 to over USD1,000 (in 2011 terms), decreasing the share of GDP contributed by agriculture and creating off-farm jobs in the services and industry sectors.

The government has established the CRGE Facility to co-ordinate and manage climate finance flows – it will mobilise, access, sequence and blend domestic and international, public and private sources of finance to support the implementation of and institutional building for the CRGE strategy.

The Green Economy Strategy of the CRGE, developed in 2010, follows a sectoral approach and identifies more than 60 initiatives that could help limit 2030 GHG

emissions to today's levels. The plan is based on four pillars: improving crop and livestock production practices for higher food security and farmer income; protecting forests and promoting reforestation; expanding electricity generation from renewable sources; and leapfrogging to energy-efficient technologies in transportation, industry and buildings.

Ethiopia: Executive Portfolio

Name of policy	**Proclamation creating the Ministry of Environment and Forestry**
Date	4 July 2013
Summary	The proclamation creates the 'Ministry of Environment and Forestry'; and amends the designation 'Ministry of Urban Development and Construction' and 'Ministry of Water and Energy'. It considers that to expand farm land and increase forest coverage it is necessary to separate the Forest area from the Ministry of Agriculture. Therefore, the provision gives to the Ministry of Environment and Forest the powers and duties previously given to the Ministry of Agriculture with respect to matters relating to forestry issues. In its preamble, the proclamation states that industrialised nations will help Ethiopia to decarbonise its economy. It also says the EPA must be elevated to an executive level in order to promote a green economy and climate change resiliency.

Name of policy	**Climate-Resilient Green Economy (CRGE) Strategy**
Date	September 2011
Summary	The Climate-Resilient Green Economy (CRGE)'s vision is achieving middle-income status by 2025 in a climate-resilient green economy, outlining four pillars: • Agriculture: Improving crop and livestock production practices for higher food security and farmer income while reducing emissions • Deforestation: Reducing emissions by protecting and re-establishing forests for their economic and ecosystem services including as carbon stocks • Power: expanding electricity generation from renewable energy for domestic and regional markets • Transportation, industrial sectors and buildings: Leapfrogging to modern and energy efficient technologies The strategy targets climate change mitigation and adaptation. It sets a target to limit 2030 emissions to 150 Mt CO_2e (level of 2010 emissions), approximately 250 Mt CO_2e less than in the business as usual scenario. It also establishes a target to increase generating capacity by 25,000MW by 2030 – hydro 22,000MW, geothermal 1,000MW and wind 2,000MW. There are programmes to replace wood fuel for domestic use with less polluting fuels, such as biogas. There are plans to distribute 9m stoves by 2015 and 34m by 2030. The initiative establishes a national financial mechanism called the "CRGE Facility" to mobilise, access, sequence and blend domestic and international, public and private sources of finance to support the institutional building and implementation of the strategy. The CRGE initially relies on existing institutions, notably the Environmental Protection Authority (which in 2013 was replaced by the Ministry of Environment and Forest), the Ethiopian Development Research Institute, six ministries, and several government agencies. Subsequent phases will strengthen institutions to implement the strategy.

Name of policy	**Ethiopian Programme of Adaptation to Climate Change (EPACC)**
Date	2010
Summary	The EPACC calls for the mainstreaming of climate change into decision-making at a national level and emphasises planning and implementation monitoring. It identifies 20 climate change risks, mainly in the following areas: health risks (human and animal); agriculture production decline; land degradation; water shortages; biodiversity; waste; displacement; distributive justice. The EPACC also identifies institutions responsible for mitigating these risks. Specific adaptation objectives include: • Reducing impacts of droughts by cloud seeding to induce rain • Establishing building and construction codes that ensure structures withstand extreme weather events • Storing food and feed in good years for use in bad years • Ensuring transportation access to disaster prone areas • Developing insurance schemes for weather damage compensation • Organising local communities for quick response to extreme weather events • Preparing to cater for refugees driven out of their homes by climate change • Mapping and delineating areas likely to suffer from climate change and extreme weather events • Developing an accessible information network on climate change • Developing an early warning system to alert people of impending extreme weather events

Name of law	**The Growth and Transformation Plan (GTP)**
Date	2010
Summary	The GTP is the government's development plan for 2010–2015. It sets some targets for energy – generation of an additional 8,000MW electricity from renewables for domestic use and export, expansion of the electricity customer base from 41% to 75%, and expansion of transmission and distribution systems (which suffer from a high loss rate). It also sets out targets with regards to biofuels to minimise the gap between supply and demand - Increasing bio-ethanol production to 194.9m litres and bio-diesel usage to 1.6bn litres and increasing the number of ethanol blending facilities to 8, and biodiesel to 72. The GTP focuses on building institutional capacity, enhancing energy development and management capabilities and awareness. The electric power company is to undergo complete restructuring and regulation is to be developed and strengthened. A policy matrix helps to integrate the GTP, tracking the progress of key indicators in several sectors of the economy. The system provides the government with mechanisms to measure the efficiency of government actions and the effectiveness of public policies in achieving the objectives stated in the GTP. This policy matrix compares the annual targets against the indicators in the GTP. Each target and indicator is also linked with the Millennium Development Goals (MDGs). The GTP explicitly addresses the sustainability of growth, stating that "environmental conservation plays a vital role in sustainable development. Building a 'green economy' and on-going implementation of environmental laws are among the key strategic directions to be pursued during the plan period.

Name of policy	**National Disaster Prevention and Preparedness Fund Establishment Proclamation**
Date	2000
Summary	The proclamation establishes a disaster management fund, to maintain a readily available cash reserve to combat disasters, and to assist the implementation of Employment Generation Schemes (EGS) that would support the achievement of National Food Security.

Name of policy	**Environment Policy of Ethiopia**
Date	1997
Summary	The policy's stated goal is to "improve and enhance the health and quality of life of all Ethiopians and to promote sustainable social and economic development through the sound management and use of natural, human-made and cultural resources and the environment as a whole…" This is done through several sectoral policies as well as some cross-sectoral policies. One sectoral policy specifically addresses climate change and atmospheric pollution, through: • promoting a climate monitoring programme • acknowledging a commitment to mitigate emissions, even at low or even insignificant levels of contribution to global emissions • actively participating in protecting the ozone layer, as a means to reduce vulnerability of the highlands of Ethiopia • encouraging re-vegetation, monitoring grazing and rehabilitating degraded land to compensate for high biomass-fuel consumption Other sectoral policies include: • soil husbandry and sustainable agriculture • forest, woodland and tree resources • genetic, species and ecosystem biodiversity • energy resource • water resources • mineral resources • human settlement, urban environment and environmental health • control of hazardous materials and pollution from industrial waste • cultural and natural heritage

Name of policy	**The Electricity Proclamation (No. 86-1997)**
Date	1997
Summary	The proclamation establishes the Ethiopian Electricity Agency (EEA) as an autonomous federal government organ (later changed to Ethiopian Energy Agency). The Agency's mandate is to regulate the operation of the energy sector on technical and economic issues – from standards, efficiency and reliability, to tariffs.

Name of policy	**Disaster Prevention and Preparedness Commission Establishment Proclamation**
Date	1995, amended 2004 and 2008
Summary	The proclamation establishes a federal commission to oversee the management of national human-made and natural disasters. Climate change is not mentioned specifically. The Commission was originally established as an autonomous public institution of the Federal Government, but later proclamations transferred its rights and obligations to the Ministry of Agriculture and Rural Development.

Name of policy	**Ethiopia Energy Policy**
Date	1994
Summary	The Policy aims to increase availability of reliable and affordable energy supplies and ensure their use in a rational and sustainable manner in order to support national development goals, mostly by increasing energy supply to meet needs by developing and utilising hydro-electric power, natural gas and oil exploration, and providing alternative energy sources for the household, industry, agriculture, transportation and other sectors – naming coal as the main alternative to the popular biomass.

	It aims to introduce energy conservation and energy saving measures in all sectors. The plan also discusses community participation, with a focus on women, and promotes legal and institutional frameworks to deal with energy issues. Transportation is mentioned briefly, with the objective of introducing conservation measures to reduce fuel consumption.

Sources

Climate Investment Funds, n.d., Scaling-Up Renewable Energy in Low Income Countries Program – Ethiopia [URL: https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/SREP_Ethiopia.pdf]. Accessed 26 March 2015.

CNCRE mission statement: how Ethiopia is responding to climate change to build a carbon neutral climate resilient economy [http://theredddesk.org/sites/default/files/ethiopia_how_respond_to_cc_to_build_a_carbon_neutral_climate_resilient_economy_2.pdf]

Ethiopian Environmental Protection Authority, 2013. CRGE Highlights. Volume 1, No. 1, May 2013 [http://cdkn.org/wp-content/uploads/2013/05/CRGE-Highlights-NL-Final-May-2013.pdf]

Ethiopian Environmental Protection Authority, 2013. CRGE Highlights. Volume 1, No. 2, June 2013 [http://cdkn.org/wp-content/uploads/2013/07/CRGE-Highlights-NL-Final-June-2013.pdf]

Ethiopian Environmental Protection Authority, 2013. CRGE Highlights. Volume 1, No. 3, July 2013 [http://phe-ethiopia.org/admin/uploads/attachment-1655-CRGE-Highlights-NL-Final-July-2013.pdf]

The Ethiopian Herald, 2013. "New ministry and its overarching tasks ahead" [http://www.ethpress.gov.et/herald/index.php/herald/development/4055-new-ministry-and-its-overarching-tasks-ahead#!]

Federal Democratic Republic of Ethiopia, The House of Peoples' Representatives, 2013. [http://www.hopr.gov.et/HPR/faces/c/more.jsp?type=news&id=501]

Federal Democratic Republic of Ethiopia, 2011. Ethiopia's Climate-Resilient Green Economy: Green economy strategy. [http://www.undp-aap.org/sites/undp-aap.org/files/Ethiopia%20CRGE%20Strategy%20Final.pdf]

Federal Democratic Republic of Ethiopia, Ministry of Water and Energy, 2012. Scaling-Up Renewable Energy Program Ethiopia Investment Plan. [http://www.oecd.org/env/cc/TADELE_FDRE%20Ethiopia%20Scaling%20-%20Up%20Renewable%20Energy%20Program%202012.pdf]

Ethiopia, Norway and UK joint Communiqué on strategic partnership, 2011 [http://www.regjeringen.no/upload/UD/Vedlegg/energi/Ethiopia_Norway_UK_communique.pdf]

Ministry of Environment and Forest, ND, REDD+ Process in Ethiopia and Status of REDD+ Readiness, [URL: http://www.moa.gov.et/documents/93665/2027219/Status+of+REDD%2B%20Readiness+Phase_CRGE_REDD%2B_+Awareness+Workshop.pptx/a16e9a9e-d103-4038-82f0-f89bcfeaabc3]. Accessed 30 November 2014.

Norwegian Embassy to Ethiopia, 2014, The Norwegian Government pledges additional USD60 million for the implementation of Ethiopia's green growth strategy [http://www.norway.org.et/News_and_events/DevelopmentCooperation/environment/The-Norwegian-Government-pledges-additional-USD-60-million-for-the-implementation-of-Ethiopias-green-growth-strategy-/]. Accessed 26 March 2015.

REDD+ Secretariat, Ministry of Environment and Forest, 2014, Overview of REDD+ Process in Ethiopia, [URL: http://www.moa.gov.et/documents/93665/2027219/MINISTRY+FOREST+FINAL+1.pdf/2523d6a1-480d-4497-94fa-fa4112b7353f]. Accessed 30 November 2014.

REDD+ Secretariat, Ministry of Environment and Forest, 2014, REDD+ Annual Country Progress Reporting, [URL: https://www.forestcarbonpartnership.org/sites/fcp/files/2014/september/Ethiopia%20Country%20Report%20FCPF_Ethiopia%202014_final.pdf]. Accessed 30 November 2014.

Reegle, 2014, Policy and Regulatory Overviews – Ethiopia [URL: http://www.reegle.info/policy-and-regulatory-overviews/ET]. Accessed 26 March 2015.