

**Federal Democratic Republic of Ethiopia**

**Ministry of Agriculture**

**Oromia Bureau of Agriculture**

**Federal Democratic Republic of Ethiopia**

**Index-based Crop Insurance**

**Promotion Project**

**for Rural Resilience Enhancement (ICIP)**

**Project Completion Report**

**February 2024**

**Japan International Cooperation Agency (JICA)**

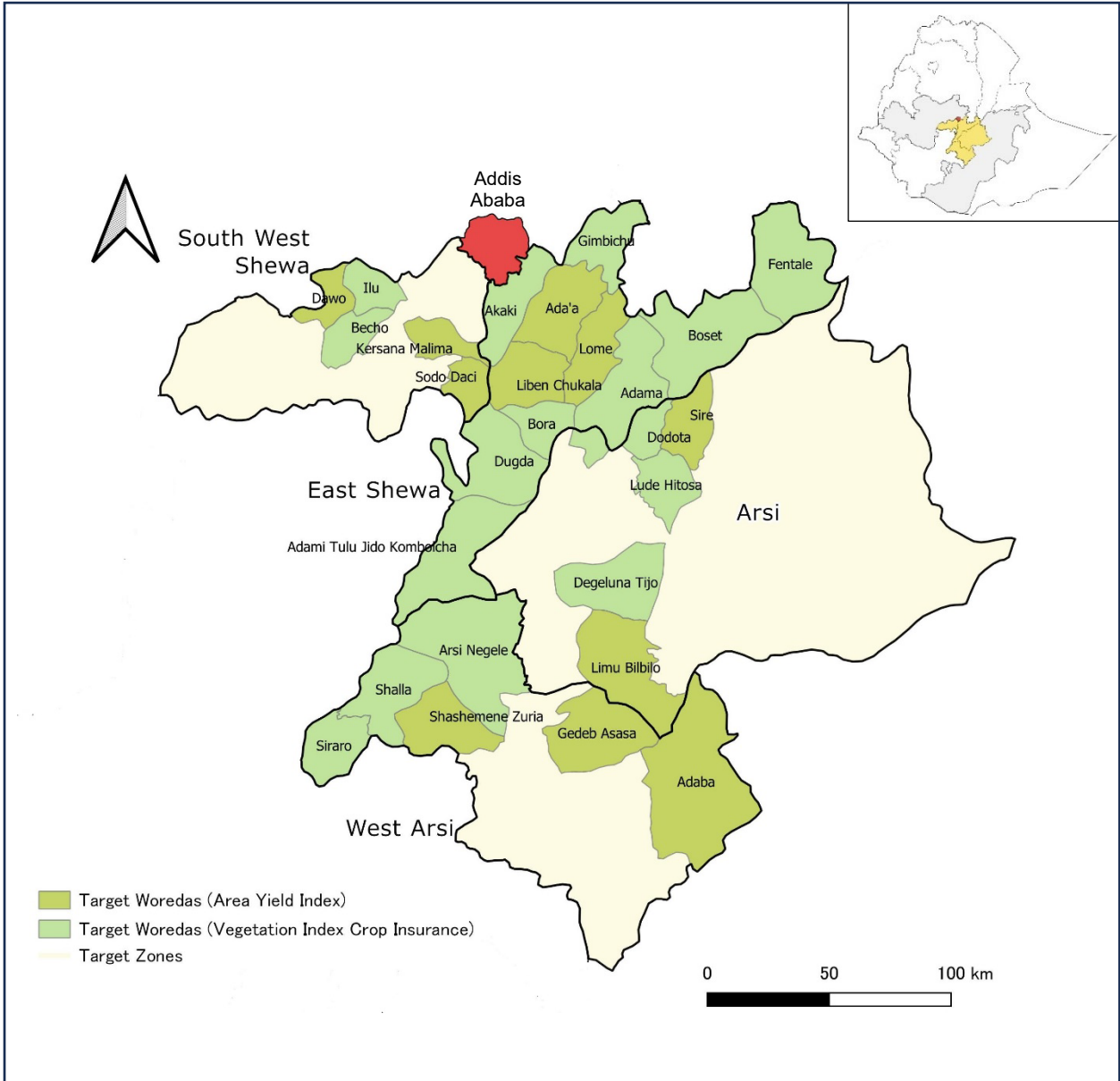
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**Sompo Risk Management Inc.**

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# Project Location Map





**Federal Democratic Republic of Ethiopia**  
**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)**  
**Project Completion Report**

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## Acronyms and Abbreviations

AOSS	Agricultural One Stop Shop
ATA	Agricultural Transformation Agency
ATI	Agricultural Transformation Institute (formerly ATA)
AYII	Area Yield Index Insurance
CCE	Crop Cutting Experiment
CEC	Cation Exchange Capacity
CP	Counterpart
DA	Development Agent
DG	Development Group
EIC	Ethiopian Insurance Corporation
EORC	Earth Observation Research Center
FSC	Farm Service Center
FTC	Farmers Training Center
GIACIS	Geodata for Innovative Agricultural Credit Insurance Scheme
GAS	Green Agro Solution PLC
IbCI	Index-based Crop Insurance
ICIP	Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement
IVS	Input Voucher System
JCC	Joint Coordination Committee
JICA	Japan International Cooperation Agency
MFI	Microfinance Institution
MoA	Ministry of Agriculture
MOU	Memorandum of Understanding
NBE	National Bank of Ethiopia
NDVI	Normalized Difference Vegetation Index
NMA	National Meteorological Agency
OBoA	Oromia Bureau of Agriculture (formerly OBoANR)
OBoANR	Oromia Bureau of Agriculture and Natural Resources
OCPA	Oromia Cooperative Promotion Agency
OIC	Oromia Insurance S.C.
PA	Promotion Agent
RCT	Randomized Controlled Trial
R/D	Record of Discussion
REPs	Resilience Enhancement Packages
RREP	Rural Resilience Enhancement Project
RuSACCO	Rural Saving and Credit Cooperative
SACCO	Saving and Credit Cooperative
VICI	Vegetation Index Crop Insurance
WASASA	WASASA Microfinance S.C.

Unit: 1birr = 2.632600JPY (As of February 2024)  
1qt = 100 kg



## CHAPTER 1 CONTENTS OF THE RPROJECT

### 1.1 Background of the Project

Agriculture is the main industry in Ethiopia, contributing approximately 37% share in the Gross Domestic Product (GDP), and approximately 70% of the working population is engaged in agriculture. With this importance, agricultural productivity and production is being improved, through long-standing agriculture and rural development programs implemented by the Government of Ethiopia (GOE) and the development assistance agencies.

However, Ethiopia is one of the most drought prone countries in the World. Particularly, droughts severely affect livelihoods of rural farmers dependent on rain-fed agriculture and cause serious food shortage in the country. It was reported that as many as over 4.5 million population fell into food crisis due to the prolonged drought having taken place in 2010/2011. Additionally, shortage of rainfall in kiremt season caused by the El Nino in 2016 influenced to more than 10 million populations.

One of the most common measures to cope with the drought prone situation is to conduct emergency assistance. On top of this urgent measure, resilience itself should be built in the societies bridging over to mid and even long-term future, thus resilience in their societies towards sustainable future is now sought.

In response to the above situation, JICA has implemented a pilot project titled “Rural Resilience Enhancement Project (RREP)” for 4 years from 2012 to 2016. One of the components of the RREP was Weather Index Insurance Promotion to protect farmers from shortage of rainfall as well as droughts risk. One of the remarkable findings of the Weather Index Insurance pilot project was farmers’ behavioral change, and it reveals that Weather Index Insurance potentially contributes to enhancing rural resilience through reducing drought risk and increasing agricultural productivity. Recognizing this result, GOE requested Government of Japan (GOJ) for the technical cooperation to develop index-based Crop Insurance further, and to scale up beyond the RREP pilot areas.

## 1.2 Outlines, Outputs and Activities of the Project

The outlines of the Project are as follows:

### 1) Overall Goal

Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably

### 2) Project Purpose

The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed

### 3) Outputs

Output-1: Resilience Enhancement Packages (REPs) meeting local needs are developed

Output-2: Human resources for promoting the REPs is developed in the Oromia Region

Output-3: The REPs are promoted in the Oromia Region

Output-4: A basis for promoting IbCI nation-wide is established

### 4) Activities

<Activities for Output-1>

1.1 Carry out a baseline survey for impact evaluation,

1.2 Identify target areas for promoting REPs,

1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),

1.4 Design and develop IbCIs products,

1.5 Identify and develop agricultural techniques technologies and extension for REPs,

1.6 Identify and develop farm management for promoting REPs,

1.7 Set up the institutional arrangement for REPs,

1.8 Formulate the implementation plan for REPs.

<Activities for Output-2>

2.1 Develop training materials and manuals for REPs,

2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,

2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.

<Activities for Output-3>

- 3.1 Promote REPs based on implementation plan in 1.8,
- 3.2 Monitor and evaluate REPs promotion activities,
- 3.3 Revise and modify the implementation plan and components of REPs regularly.

<Activities for Output-4>

- 4.1 Convene annual platform meeting to exchange information and advocate IbCI,
- 4.2 Prepare the guidelines for promoting IbCI,
- 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments.

5) Inputs

Refer to Attachment-1

6) Implementing Agency

Responsible for coordination of the Project: Ministry of Agriculture (MoA)

Responsible for implementation and management of the Project: Oromia Bureau of Agriculture (OBoA)

### 1.3 The Project Cycle

In this project, the entire project period was divided into 3 implementation Phases (contracts), and the development of insurance products, promotion, and human resource development for index-based crop insurance were repeated every year (hereinafter referred to as “Cycle”), to synchronize with farming calendar. These activities were made in accordance with the categories shown below:

**Table 1.1 Phases, Cycles and major activities of the Project<sup>1</sup>**

Phase	Period	Cycle	Period	Major Activities
Phase-1	6 February 2019   31 August, 2020	1st Cycle	April 2019   November 2020	Kick-off Meeting Baseline Survey Promotion of Vegetation Index Crop Insurance The 1st Joint Coordination Committee (JCC) Meeting
Phase-2	21 October 2020   26 October 2022	2nd Cycle	December 2020   November 2021	Promotion of Vegetation Index Crop Insurance Middle Survey The 2nd JCC Meeting
		3rd Cycle	December 2021   November 2022	Promotion of Vegetation Index Crop Insurance Promotion of Area Yield Index Insurance The 3rd and 4th JCC Meetings The 1st Dialog Platform Meeting
Phase-3	27 October 2022   28 February 2024	4th Cycle	December 2022   February 2024	Promotion of Vegetation Index Crop Insurance Promotion of Area Yield Index Insurance Endline Survey Trainings in the third-country and Japan The 5th and 6th JCC Meetings The 2nd, 3rd and 4th Dialog Platform Meetings

<sup>1</sup> The period of each Cycle does not match with Phase, since some preparatory works were made during previous Phase, and monitoring works were made during the following Phases.



## 1.4 Joint Coordination Committee (JCC) Meetings, etc.

### 1.4.1 Kick-off Meeting

On 19 April 2019, the Project held initial Kick-off Meeting in Addis Ababa, by inviting representatives of agencies and organizations concerned to ICIP, with JICA Ethiopia Office and other JICA Experts.

On the meetings, the Project firstly explained the contents of ICIP, followed by the comments, questions and answers from participants, and related discussions. A list of participants and Minutes of Meetings are attached to this Report as Attachment-4.

On this meeting, proposals were made by the ICIP team on the indicators of each item in PDM (Project Design Matrix) which were blank at the time of Record of Discussions (R/D), and approved by the participants, as follows:

**Table 1.2 Proposed and agreed points on the indicators of PDM**

Item	Content	Indicator	Proposed Figure	Basis
Project Purpose	"The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed."	"The number of the insured farmers in Oromia Region is increased by XX number."	20,000	130 kebeles x 1,000 Farmers x 15% (take-up rate of RREP)
Output-2	"Human resources for promoting the REPs are developed in Oromia Region."	"XX number of trainees received the training and fulfilled the requirements."	700	[Phase-1] REPs Training: 6 from zone, 18 from woreda, 90 Development Agents (DAs) and 20 from private. IbCI Design Training: 50 from private. [Phase-2] REPs Training: 15 from zone, 42 from woreda, 210 DAs and 50 from private. IbCI Design Training: 100 from private. [Phase-3] as same as Phase-1
Output-3	"The REPs are promoted in Oromia Region."	"Activities for promoting REPs carried out in XX number of Kebele."	130	30 Kebeles (1st Cycle) + 30 Kebeles (2nd Cycle) + 40 Kebeles (3rd Cycle) + 30 Kebeles (4th Cycle)
		"XX number of farmers complete the REPs training."	70,000	130 Kebeles x 600 Farmers (expected number of participating farmers, based on the record of RREP)
Output-4	"A basis for promoting IbCI nation-wide is established."	"XX number of the officers both regional and federal governments are trained."	34	18 officers from other regions (2 Officers x 9 Regions) 16 officers from Oromia Region (1 officer from 16 target woredas)

All of participants agreed that these proposed indicators shall be subject to discussion and approval by the 1st JCC Meetings as stated below.

### 1.4.2 The 1st JCC Meeting

After the final selection of target kebele for the 1st Cycle at woreda level workshop in April 2019 and also progress of baseline survey on selected kebele up to June 2019, the 1st JCC Meeting was held on 18 July 2019.

Attended organizations on this meeting were MoA and Oromia Bureau of Agriculture (OBoA, formerly, Oromia Bureau of Agriculture and Natural Resources (OBoANR)) as Implementing Agencies, Oromia Cooperative Promotion Agency (OCPA) and JICA Ethiopia Office. The Minutes of Meetings including list of participants are attached to this Report as Attachment-5.

On this JCC Meeting, the indicators of the Project which was presented and agreed at the Kick-off meeting held on 19th April 2019 were again presented for the final approval at the highest decision level, and discussions were made. The comments from participants were as follows:

- 1) OCPA commented that the indicator of Output-2 should be included in primary cooperative staff. The Project team explained that the Project would invite primary cooperative staff to a series of training programs under the Project. Also, the Project team counted 3 DAs in each kebele; yet, there might be only 2 DAs in some kebeles. Thus, OCPA and other participants confirmed that the proposed indicator of Output-2 “700 trainees” would be still applicable.
- 2) OBoA suggested that the indicator of Output-4 should include people from federal government. The participants agreed with this suggestion and concluded that the proposed indicator of Output-4 should be “37 trainees” instead of “34 trainees”.

The participants reviewed and discussed all the other proposed indicators and the PDM Ver. 1.0, and they agreed all other indicators. The PDM Ver.1.0 was revised based on the comments stated above, and finally agreed as revised PDM Ver.1.0 and signed as part of the Minutes of the Meeting, attached to this Report as Attachment-3.

### 1.4.3 The 2nd JCC Meeting

The 2nd JCC Meeting was held in Addis Ababa on April 28, 2021. The hotel venue in Addis Ababa and online participants were connected by Zoom, and a total of 21 people participated, 15 people at the hotel venue and about 5 online participants.

At the above JCC meeting, after the opening remarks, the following presentations were made by the team, followed by comments, questions and answers, and exchange of opinions.

- 1) Report on the results of Phase-1 (the 1st Cycle) and partial result and plan for Phase-2 (the 2nd Cycle).
- 2) Regarding the need to revise the PDM indicator figures in light of the COVID-19 pandemic and the security situation.

A summary of the comments and questions and answers is as follows:

- 1) The participants confirmed that the Project should consider new modalities such as using video

materials under the COVID-19 pandemic.

- 2) One of the comments of the participant was that the Project primary focuses on drought prone areas; yet farmers are facing many other risks in other areas. If the Project could cover non-drought prone areas, that would be helpful. The Project Team responded that the Project just started the discussion with concerned stakeholders about new type of index-based crop insurance such as Area Yield Index Insurance (AYII).
- 3) Importance of raising farmers' awareness: The Project Team also introduced broadcasting of the radio program for index-based crop insurance to raise farmers' awareness of agricultural risk management.
- 4) Involvement of Saving and Credit Cooperative (SACCO): The participant raised the importance of SACCO to promote index-based crop insurance in rural areas. The Project Team explained that SACCO have played a vital role of the Project activities and they have participated in our TOT program.
- 5) Performance of the index-based crop insurance product: The Project Team also shared the performance of the Vegetation Index Crop Insurance (VICI) product. Under the ICIP activities, VICI have been working well compared to the rainfall-index insurance which was used in the previous project. At least, VICI has less basis risk in our target area so far. Yet, it might be difficult to simply compare between the 2 different types of index-based crop insurance products.
- 6) Insurance payment (payout) for the 1st Cycle: The Project Team remarked that approximately 88% of the insurance farmers received payouts; yet the payout amount was around 20% of the total sum insured amount.
- 7) Revised indicators for the Project Design Matrix: The proposed revised indicators would be reviewed among the stakeholders. The Project Team would further consider the revised version of the project indicators based on the results of the 2nd Cycle and organize a meeting if it is necessary. It is expected that the revised indicators would be discussed and approved in the next JCC meeting.

Lastly, Mr. Takeshi Matsuyama, Senior Representative of JICA Ethiopia Office, gave closing remarks. He appreciated all the participants for their attendance on this 2nd JCC even in difficult conditions of the COVID-19. He also mentioned that he was very happy to hear many suggestions and comments from the participants. This means that many people are interested in ICIP and they expect ICIP to get good results. Mr. Matsuyama emphasized that inputs for policy formulation and development of the guideline are important activities. The Project should be implemented jointly the Japanese side and the Ethiopian side together. In this regard, he would appreciate even more involvement the Ethiopian side in order to take over the index-based crop insurance activities at the end of the Project period.

The presentation materials of this meeting are shown in Attachment-6 of this report, and the conference minutes including the list of participants are shown in Attachment-7.

#### 1.4.4 The 3rd JCC Meeting

As 1 year passed since the 2nd JCC Meeting held in April 2021, the 3rd JCC Meeting was held in Addis Ababa on 28th April 2022. The hotel venue in Addis Ababa and online participants were connected by

Zoom, and a total of 21 people participated, 17 people at the hotel venue and about 4 online participants.

At the above JCC meeting, after the opening remarks by Dr. Katsuki Morihara, Chief Representative of JICA Ethiopia Office, the following presentations were made by the team, followed by comments, questions and answers, and exchange of opinions.

- 1) Report on the results of Phase-1 (the 1st Cycle) and Phase-2 (the 2nd Cycle), as well as the plan and implementation status of Phase-3
- 2) Regarding the need to revise the PDM indicator figures in light of the COVID-19 pandemic and the security situation

A summary of the comments and questions and answers is as follows (for details, refer to the draft minutes attached).

- 1) With regard to the Dialog platform, OBoA confirmed the division of duties related to agricultural insurance in MoA and recommended that the appropriate department should proceed.
- 2) JICA Headquarters expert commented on the following 4 points regarding the sustainability of the Project.
  - a) Sustainability after the cooperation period of the Project is extremely important, but on the other hand, the concept of agricultural insurance itself is difficult for farmers to understand.
  - b) To disseminate new agricultural technology, it is necessary to expand investment by farmers themselves.
  - c) There is a trade-off relationship between insurance payments and farmers' satisfaction.
- 4) The team proposed that the proposal for changing the indicators in the PDM will be reviewed and approved at the next JCC meeting, based on the achievements in the 3rd Cycle.
- 5) JICA Ethiopia Office raised the issue about motorbike distribution. The JICA Office procured motorbikes for facilitating agricultural extension services, and these motorbikes were already handed over to OBoA. However, these motorbikes have not been distributed to the target woredas yet. JICA Ethiopia Office reminded OBoA to facilitate the process of motorbike distribution. OBoA replied that OBoA has been trying to solve this problem. OBoA mentioned that they understand this problem should be solved as soon as possible. If OBoA could not solve the problem, they would discuss with JICA Ethiopia Office again. Mr. Solomon, OBoA, mentioned that he hopes this problem would be solved by the time of the next JCC meeting.

Lastly, as representative of MoA, Mr. Berhanu delivered closing remarks, showing their appreciation for all stakeholders for their participation in the Project, and importance of the reflection of insurance promotion in national policy and also importance of closer cooperation between Japan side and Ethiopia side for the operation of the Project.

The presentation materials of this meeting are shown in Attachment-8 of this report, and the conference minutes including the list of participants are shown in Attachment-9.

### 1.4.5 The 4th JCC Meeting

The 4th JCC was held on 29th September 2022 to share the progress of the Project with the participants and revised the PDM indicators which was discussed at the 3rd JCC. Finally, all the participants at the 4th JCC agreed the revision of the PDM indicators.

After the opening remarks of Ms. Megumi HIROSE, a Senior Representative of JICA Ethiopia Office, the Project team introduced its overview and progress of the Project such as major implemented activities (TOT, REPs Training (insurance sales), insurance registration, agricultural trainings, training workshop on Scaling Up Agricultural Insurance in Ethiopia, Crop Cutting Experiment Training, the 1st Dialogue Platform Meeting), Mr. Solomon from OBoA, explained the achievement of the ICIP in the Past (1st and 2nd Cycles) such as number of participants (farmers) of REPs training and insured farmers, roles and contribution made by OBoA.

The Project team explained the modification of indicators due to challenges encountered like a limitation of the numbers of farmers for the promotion of the insurance.

- a) A proposed indicator for Output-3 is 50,000 farmers (initial: 70,000 farmers)
- b) A proposed indicator for the Project Purpose is 12,000 farmers (initial: 20,000 farmers)

Comments from participants, discussions made are summarized as follows:

- 1) Oromia Insurance S.C. (OIC) commented that the Project will focus more on policy formation activities and scaling up plan, yet we still have insurance sales activities in the next season so we should still focus on insurance promotion and still require more farmers on board.
- 2) Ethiopian Insurance Corporation (EIC) commented on a specific problem that how to proceed the final Phase of the Project. It is necessary to consider how to continue the insurance sales activities after the Project completes.
- 3) MoA mentioned that the Project will do policy advocacy. Policy issue should come in front of table to scale-up the insurance promotion activity at national level. Priority should be the policy dialogue to introduce the insurance policy to the government stakeholders and private companies. After the Project finishes, the responsibility goes to the government, and it continues the dialogue platform.

Modifications of PDM indicators were approved on this JCC, as follows:

**Table 1.3 Proposed and approved points on the indicators of PDM**

Item	Original Indicator	Agreed New Indicator
Project Purpose: The number of insured farmers	20,000	12,000
Output-3: 2) The number of trained farmers of the REPs	70,000	50,000

The presentation materials of this meeting are shown in Attachment-10 of this report, and the conference minutes including the list of participants are shown in Attachment-11.

### 1.4.6 The 5th JCC Meeting

On 21st September 2023, the 5th JCC meeting was held with relevant stakeholders. The achievements of the promotion activities in the 4th Cycle, the training in the third-country and training in Japan were presented by the Project Team and the Counterparts (CPs), followed by the presentation about the work plan for the second half of Phase-3 towards the end of the project period in 6 months. All the contents were agreed by the participants. A summary of the presentations and discussions is as follows.

The 5th JCC was inaugurated with the opening remarks by Ms. Sintayehu Demissie, Lead Executive Officer of Food Security Coordination Office, Ministry of Agriculture. The Project Team presented achievements of the promotion activities in the 4th Cycle, various achievements throughout the project period, gender-sensitive insurance promotion strategies, Dialogue Platform initiatives and so on.

As the project director, Ms. Sintayehu of the Food Security Coordination Office presented the outline, objectives and lessons learned from the training in Japan.

Mr. Dereje, the Lead Executive of MoA, Agricultural Investment & Product Marketing, presented the outline, objectives and lessons learned from the training in the third-country. The concept and establishment of the Task Force on Agricultural Insurance were also presented.

The Project team explained that the end-line survey is in progress and the impact assessment will be conducted based on the results of the end-line survey. MoA agreed with the use of the data collected in the field for this aim.

A summary of the comments and questions and answers is as follows.

- 1) OBoA commented that the capacity building of the extension workers is progressing in the ICIP's project areas, and the training on how to collect insurance premiums and how to pay insurance claims will be important in the future in the view of the end of the Project.
- 2) OIC commented that they are facing difficulties in continuing the agricultural insurance business as a private company because insurance payouts exceed insurance premiums. OIC also made an opinion that the establishment of the Microinsurance Company should be considered.
- 3) EIC mentioned difficulties in covering administrative costs and concerns regarding the issue of sustainability of the agricultural insurance business after the end of the Project, which can be regarded as the expectation for the successor project.
- 4) Kifiya pointed out the progress and the importance of the involvement of MoA and OBoA, the importance of subsidy, and commented on the digital financial strategy based on the experience of the training in Kenya.
- 5) JICA Ethiopia Office evaluated the increased involvement of the government institution, especially in the last one year, as a big achievement. Regarding the consideration of the successor project, the importance of the commitment from each stakeholder, such as the continuation of pilot projects in the current target areas, was emphasized, and continuous information update was requested for each

participant.

Lastly, Mr. Shintaro Takano, Senior Representative of JICA Ethiopia Office, gave the closing remarks. The importance of the consideration for sustainability, the appreciation for the leadership of the relevant institutions, the request for continuous discussion among the stakeholders and the expectation for the Project's expansion to other areas or regions as a good example were mentioned.

The presentation materials of this meeting are shown in Attachment-12 of this report, and the conference minutes including the list of participants are shown in Attachment-13.

#### 1.4.7 The 6th JCC Meeting

On 31st January 2024, the 6th (the final) JCC meeting was held with relevant stakeholders. The achievements during the project period of around 5 year and the efforts and current movements of each implementation agency were presented, and all the contents were agreed by the participants. A summary of the presentations and discussions is as follows.

The 6th JCC was inaugurated with the opening remarks by Mr. Dereje Abebe, the Lead Executive of MoA, Agricultural Investment & Product Marketing. The Project Team presented achievements during the 1st to 4th Cycles, the establishment and operation of the Dialogue Platform, the results of the impact analysis, and the preparation and discussion about the Guideline. In addition, lessons learned were explained, and recommendations for MoA and OBoA were made.

Mr. Lema, the Director of OBoA, made the presentation about the efforts of OBoA about the agricultural insurance promotion in collaboration with the Project. In particular, the incorporation of insurance promotion into Agricultural Package Training was explained.

Mr. Dereje from MoA made the presentation on the importance of agriculture sector and agricultural insurance in Ethiopia, the roles of the government for promoting agricultural insurance, and the ongoing efforts to establish the Steering Committee and the Technical Working Group.

A summary of the comments and questions and answers is as follows.

- 1) Kifiya commented that the awareness about IbCI was created by the Project, the establishment of the Dialogue Platform in the coordination between ICIP and WFP has led to today's commitment by MoA. In addition, the continuation and extension of the Project were requested.
- 2) JICA Ethiopia Office raised the question towards OBoA and private actors if they are going to promote agricultural insurance in the existing areas as well as the new areas.
- 3) OBoA replied that they signed Memorandum of Understanding (MOU) in which the commitment for insurance promotion in Oromia Region was clarified. In addition, it was mentioned that OBoA is ready for the promotion both in the existing target areas and the new areas and to provide supports for insurance companies through the training.
- 4) OIC expressed the appreciation for the commitment by MoA and the efforts of the Project Team. They also showed the commitment for scaling up agricultural insurance and their intention to promote agricultural insurance both in the existing target areas and the new areas. The expectation for the

continuation of JICA's supports was expressed.

- 5) EIC commented that the Project has brought awareness raising on IbCI of farmers in the field. Regarding insurance promotion, EIC only confirmed the promotion in the existing target areas while they emphasized that the scaling up into the new areas requires JICA's assistance.
- 6) WASASA Microfinance S.C. (WASASA) emphasized the importance of their roles and involvements for insurance promotion and premium collection in the field. Their intention for scaling up the field activities, including insurance promotion, was shown.
- 7) Agricultural Transformation Institute (ATI) thanked all the stakeholders in the agricultural insurance promotion and showed their commitment.
- 8) JICA Ethiopia Office pointed out that private actors should consider what they can do by themselves since the ICIP Project is already the 2nd Phase. The expectation for the intensive discussion between OBoA and insurance companies was made, and it was mentioned that JICA can provide supports through an Agricultural Policy Advisor who was dispatched to the MoA.
- 9) MoA expressed a sincere appreciation for the Project. Regarding the Guideline, it was explained that the necessary procedures for the authorization of the Guideline would be confirmed by discussion and consultation with the state minister.

After the discussion, the exchange ceremonies were made in front of the participants for the MOU between OBoA and EIC as well as the MOU between OBoA, OIC and Kifiya. The ceremony for the transfer of the Guideline booklets from the Project Team to MoA was also done, and the contents of the Guideline was approved.

Lastly, the Closing Remarks were made by Mr. Oshima, the chief representative of JICA Ethiopia Office. The appreciation for the stakeholders was expressed and the tribute for the Project as the tangible results has been made for 4.5 year. It was mentioned that agriculture is not only the important sector in Ethiopia, but also the core area for JICA's cooperation in Ethiopia, and the expectation was shown for the continuation of the momentum created by the Project even after the end of the Project. Finally, he informed participants that the request for agricultural insurance experts was officially approved by the government of Japan, then the final JCC meeting was closed.

The presentation materials of this meeting are shown in Attachment-14 of this report, and the conference minutes including the list of participants are shown in Attachment-15.



## 1.5 History of PDM Modification

On 27 July 2017, the first PDM (PDM Version 0) was signed as an integral part of the R/D for this Project, as shown in Attachment-2.

On 19 April 2019, the Project held initial Kick-off Meeting as stated in 1.4.1 above. At this meeting, the ICIP Team proposed the indicators of each item which were blank in PDM Version 0, and the proposals were approved by the participants. The PDM Version 1.0 on which these proposed indicators were indicated was approved at the 1st JCC Meeting held on 18 July 2019 as stated in 1.4.2 above.

After that, due to the change of social situation in Ethiopia caused by the pandemic of COVID-19 and domestic security issues, the ICIP Team found it necessary to revise the figures of the indicators in PDM 1.0 and presented its necessity for PDM modification at the 2nd JCC Meeting held on April 28, 2021. This issue was officially raised and discussed at the 3rd JCC Meeting held on 28 April 2022, and the proposed changes were unanimously approved, as follows:

- 1) Indicator for Output-3 was changed to 50,000 farmers (initial: 70,000 farmers)
- 2) Indicator for the Project Purpose was changed to 12,000 farmers (initial: 20,000 farmers)

PDM was accordingly modified, as PDM 2.0.

As for the Overall Goal of this project ("Index-based agricultural insurance for resilience enhancement is widely disseminated and sustainably managed"), the JICA Headquarters requested JICA Ethiopia Office to obtain consensus of CP organization to revise Indicator 2: "The coverage of IbCI is expanded outside Oromia Region " to "The coverage of IbCI is expanded outside the Project target area" in November 2023.

All versions of PDM stated above are indicated in Attachment-3.



## CHAPTER 2 ACTIVITIES OF THE PROJECT

### 2.1 Activities related to Output-1 to Output-3

#### 2.1.1 The 1st Cycle

##### (1) Work Plan

Upon the commencement of the field activities of Phase-1, the Project team held the initial meeting with Oromia Bureau of Agriculture (OBoA) on 25 and 27 of March 2019 to discuss on the contents of draft Work Plan and also issues to be cleared for the commencement of the Project, and mutually confirmed the following issues.

On the draft work plan, the following comments were made from OBoA.

- 1) On the selection criteria of target woreda<sup>2</sup>, existence of active Farmer Training Centers shall be considered.
- 2) 4 woreda each from 4 zones, namely East Hararge, West Hararge, East Shewa and West Arsi are recommended based on the selection criteria.

For these comments, the Project team suggested to include 2 zones, namely South West Shewa and Arsi where large agricultural production is observed. After the discussions, it was mutually agreed that the target woreda shall be 2 woreda from East Hararge, 2 woreda from West Hararge, 2 woreda from Arsi, 2 woreda from South West Arsi, 4 woreda from East Shewa, and 4 woreda from West Arsi (refer to Table 2.1). However, it was also agreed that East Hararge and West Hararge shall be excluded from Phase-1 due to the current peace and order situation. As a result, total 12 woreda in 4 zones were selected for the implementation of Phase-1.

**Table 2.1 Target Woreda for ICIP Phase-1 and Phase-2**

Zone	Woreda	Remarks
East Shewa	Adama	Target Areas from Phase-1
	Boset	
	Dugda	
	Bora	
South West Shewa	Illu	
	Becho	
West Arsi	Siraro	
	Negele Arsi	
	Shalla	
	Heban Arsi	
Arsi	Degeluna Tijo	
	Lude Hitosa	
East Hararge	Goro Gutu	Target Areas from Phase-2 (Tentative)
	Kersa	
West Hararge	Doba	
	Oda Bultum	

<sup>2</sup> Local administrative hierarchy in Ethiopia is called as Region, Woreda, Kebele.

Also, as the implementing agency, OBoA committed the followings upon the commencement of the Project:

- 1) Provision of office space for the Project team.
- 2) Appointment of Project Manager (Mr. Endelkachew Teferi (Deputy Bureau Head of Director of Natural Resources and Food Security)) and Project Focal Person (Mr. Solomon Begne (Food Security Directorate)).

## (2) Implementation of Woreda Level Workshop

Woreda level workshop was held on 12 April 2019 at Adama, for the explanation of project concept and concepts and selection of target areas, with attendance of agricultural offices of the subject 4 zone and 11 woreda for Phase-1 of the Project. The focal person of OBoA, Mr. Solomon of Natural Resource and Food Security Directorate also attended to facilitate this meeting.

On this workshop, firstly explanation of the concept and implementation plan of ICIP was presented by the Project team in accordance with the Work Plan. Since only few participants among the participated officers from zone and woreda agricultural offices have knowledge on the index-based crop insurances, intensive explanation was made on the basics and characteristics of Index-based Crop Insurance (IbCI) for the better understandings on coming project activities.

During the session for questions and answers, questions from participants were mainly on the expected target farmers, and how compensation for farmers will be made, who will confirm what kind of climate data, etc. As answers, the Project team explained that farmers who can afford premium payment by themselves can be eligible farmers, and also explained that data to be used as index can be satellite rainfall data and vegetation data, though design of insurance products is still under consideration.

After the explanation of above from the Project team, presentations were made by woreda staff on the characteristics of their own woreda, including 1) population, 2) major crops, 3) major agricultural risks and 4) countermeasures for the risks identified. In addition to such basic information, the participants were requested to identify 4 kebele from their woreda which satisfy the selection criteria. Furthermore, selection of 3 target kebele out of 4 kebele as the target area of ICIP implementation. Selected target kebele is shown in the table below.

**Table 2.2 List of Target Kebele for ICIP Phase-1**

Zone	Woreda	Kebele
East Shewa	Adama	Bokoj Dawaro
		Ejersa Manso
		Dabula Sapho
	Boset	Buta Wegere
		Tedecha
		Gari
	Dugda	Bekele Grisa
		Xepo Coroke
		Oda Bokota
	Bora	Dalota Mati
		Tube Sute
		Malima Bali

Zone	Woreda	Kebele
South West Shewa	Illu	Wasarbi Basi
		Bute Talgo
		Jigdu mida <sup>3</sup>
	Becho	Jato
		Sodo Liban
Soyoma		
West Arsi	Siraro	Loke Hada
		Loke Sifo
		Siraro Bilacha
	Nagelle Arsi	H Boso
		R Hargisa
		G Kello
	Shalla	Lejjo
		A Gamo
		S W Bute
	Heban Arsi	Dagaga
		Sanbaro Logicha
		Argda Shalado
	Arsi	Degeluna Tijo
Kachama mulkicha		
Jammo		
Lude Hitosa		Fursa
		Melka Jabi
		Gudelsha

According to the presentation of woreda officers, major crops in the target areas are teff, maize and wheat. On the other hand, chickpea is the major crop in some woreda in South West Shewa zone located in the west of Addis Ababa, and haricot bean in some woreda in West Arsi zone. As for the risks in agriculture, drought and shortage of rain are the risks in the majority of target woreda. However aside from such, risks by flood, pest and disease were also pointed out, therefore it was found that not only insurances but also introduction of agricultural technologies for these risks is also important.

### (3) Implementation of Baseline Survey

Baseline survey was conducted through contract out to a local company from April to August 2019, targeted total 600 households of 24 kebeles selected within 12 targeted woredas of the Phase-1. Objectives of the survey were to grasp current situation, risks relating agricultural production and their countermeasures, condition of farmers' livelihood, and knowledge about agricultural insurance of each targeted kebele, and to form Resilience Enhancement Packages (REPs) reflecting local needs. See Chapter-4 of this report for details.

### (4) Implementation of Kebele Level Workshop

It is necessary to understand the detail of agricultural production, especially how farmers face the risks when considering REPs. So, the agricultural data, such as main crops, crop calendar, agricultural risks and so on, is collected through participatory workshops in target 36 kebeles. In this workshop, Counterpart (CP)

<sup>3</sup> Replaced by Wesarbi Nado Kebele due to inaccessibility during the rainy season.

staff members like woreda officers and Development Agent (DAs (Agricultural extension officer)) were involved to collect information effectively.

**Table 2.3 Contents of Kebele Level Workshop**

Item	Contents
Purpose	Data collection for considering REPs and confirmation of farmers risks and countermeasures against its risks
Participants	DA, Woreda officer, Kebele chairman (Village headman), Representative of farmers
Contents	Collecting the following items by the participatory workshop style <b>【Cultivated Crop】</b> main crops, variety, cultivation area, crop yield <b>【Crop calendar】</b> agricultural calendar every cultivation crops <b>【Timeline】</b> frequency of past drought year and damage condition, countermeasures for drought <b>【Gender】</b> role allotment of farming <b>【Agricultural technic】</b> main risks and countermeasures in farming <b>【Insurance】</b> willingness to pay for insurance <b>【Others】</b> presence and scale of village organization, activities of village organization

In the kebele workshop, the Project team facilitated all workshops together with the woreda officers and DAs as described above. Implementation schedule and participants of the workshop are show in Table 2.4.

**Table 2.4 Implementation Date and Number of Participants in Kebele Workshops**

Zone (Prefecture)	Woreda (District)	Kebele (Village)	Implementation date of Workshop (2019)	Participants		
				Male	Female	Total
East Shewa	Adama	Bokoj Dawaro	8th August	14	1	15
		Ejersa Manso	8th August	16	0	16
		Dabula Sapho	9th August	16	3	19
	Boset	Buta Wegere	12th August	14	1	15
		Tedecha	12th August	18	4	22
		Gari	13th August	20	0	20
	Dugda	Bekele Grisa	21st August	19	1	20
		Xepo Coroke	21st August	19	4	23
		Oda Bokota	22nd August	18	3	21
	Bora	Dalota Mati	14th August	13	3	16
		Tube Sute	14th August	14	1	15
		Malima Bali	15th August	13	5	18
South West Shewa	Ilu	Wasarbi Basi	29th August	14	1	15
		Bute Talgo	29th August	15	2	17
		Wararbi Nado	2nd October	14	2	16
	Becho	Jato	31st August	15	0	15
		Sodo Liban	31st August	16	3	19
		Soyoma	2nd September	14	0	14
West Arsi	Siraro	Loke Hada	23rd July	14	1	15
		Loke Sifo	23rd July	12	2	14
		Siraro Bilacha	24th July	13	3	16
	Nagelle Arsi	H Boso	25th July	23	3	16
		R Hargisa	25th July	15	4	19
		G Kello	26th July	12	4	16

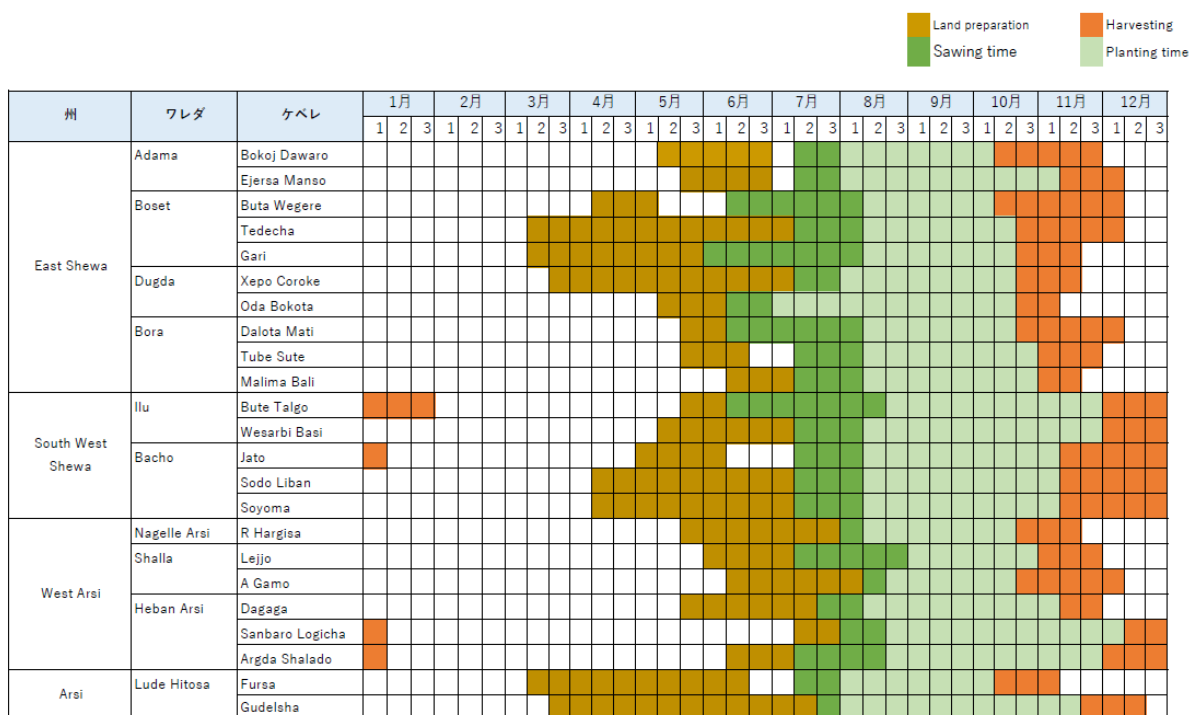
Zone (Prefecture)	Woreda (District)	Kebele (Village)	Implementation date of Workshop (2019)	Participants		
				Male	Female	Total
	Shalla	Lejjo	29th July	19	1	20
		A Gamo	29th July	18	4	22
		S W Bute	30th July	16	6	22
	Heban Arsi	Dagaga	31st July	12	4	16
		Sanbaro Logicha	31st July	13	1	14
		Argda Shalado	1st August	13	4	17
Arsi	Degeluna Tijo	Bu Alkesa	9th July	14	2	16
		Kachama mulkicha	10th July	21	3	24
		Jammo	11st July	17	2	19
	Lude Hitosa	Fursa	23rd August	14	5	19
		Melka Jabi	23rd August	20	5	25
		Gudelsha	24th August	15	2	17

The average number of households was 727 households/kebele, and average size of area was about 1,700ha/kebele in 36 villages where the workshops were held. The summary of the result about kebele workshop is shown as below.

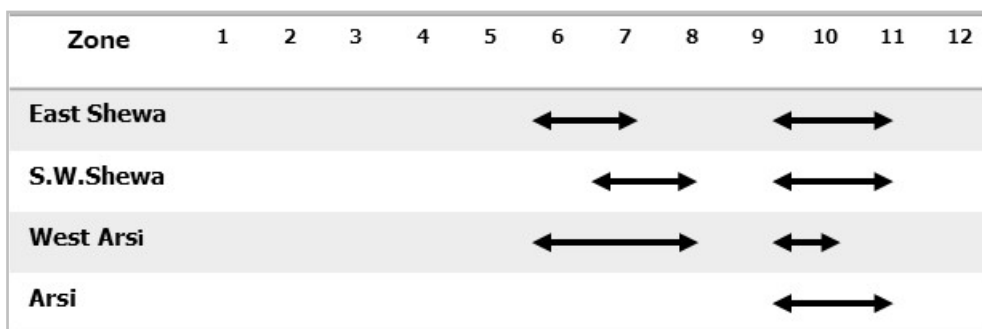
Table 2.5 Summary of Overall Result of Baseline Survey

州	ワレダ	ケベレ	Basic Information			主要作物			1位			2位			3					
			標高	家数	面積	1	2	3	リスク	時期	頻度	対応策	リスク	時期	頻度	対応策	リスク	時期	頻度	対応策
East Shewa	Adama	Bokol Dawa	1700	1145		Teff	Wheat	Barley	Storage of Rain	June 10-August 10 and August 25-September 15	every two years	Storage of Rain	May 10-July 10	every year	Applying chemicals like manure, chemical and ashing	Bird	August 10-September 30	every year	Applying chemicals	
			1737	632	815	Teff	Wheat	Maize	Storage of Rain	June 10-July 10 and August 10-September 15	every two years	Storage of Rain	May 10-September 10	every year	Applying chemicals	Bird	August 10-September 30	every year	Applying chemicals	
			NA	327	93	Maize	Barley	Barley	Storage of Rain	June 10-July 10 and August 10-September 25	every two years	Storage of Rain	June 30-July 25	every year	Applying chemicals and collecting by hand	Bird	August 10-September 20	every year	Applying chemicals	
			1463	395	935	Teff	Sorghum	Lentil	Storage of Rain	June 10-July 10 and August 10-September 25	every two years	Storage of Rain	June 10-August 25	every year	Applying chemicals	Bird	August 10-September 20	every year	Applying chemicals	
			1367	415	927	Teff	Wheat	Hansen Bean	Storage of Rain	March 10-May 10 and July 10-August 10	every two years	Storage of Rain	June 10-August 25	every year	Applying chemicals	Bird	August 10-September 20	every year	Applying chemicals	
			1426	1145	2125	Teff	Sorghum	Maize	Storage of Rain	February 10-June 10 and August 10-September 25	every two years	Storage of Rain	June 5-July 25	every year	Applying Chemical	Bird	not known	every year	Applying Chemical	
			1694	807	108.2	Maize	Wheat	Teff	Storage of Rain	April 10-June 10 and August 10-September 25	every three years	Storage of Rain	August 30-September 5	every year	Chemical	Bird	July 10-September 25	every year	Check Dam	
			1665	614	105	Maize	Wheat	Teff	Storage of Rain	April 10-June 10 and August 10-September 25	every three years	Storage of Rain	May 10-July 25	every year	Chemical	Bird	September 25-October 30	every year	Chemical and physical control	
			1571	510	1022	Maize	Teff	Wheat	Storage of Rain	May 25-June 25 and July 10-August 10	every three years	Storage of Rain	May 25-July 25	every year	Chemical and applying	Bird	August 10-September 25	every year	Chemical	
			NA	424	391.5	Wheat	Teff	Maize	Storage of Rain	April 10-June 10 and August 10-September 25	every two years	Storage of Rain	not known	every year	harvesting, control burning	Bird	August 25-September 5	every year	Chemical	
South West Shewa	Ilu	Wesabi Bako	1805	516	1700	Wheat	Teff	Maize	Storage of Rain	April 10-June 10 and August 10-September 25	every two years	Storage of Rain	August 25-September 25	every year	harvesting, control burning	Bird	May 10-June 25	every year	harvesting and collecting by hand	
			1922	793	374.5	Wheat	Teff	Maize	Storage of Rain	May 10-June 10 and August 10-September 25	every two years	Storage of Rain	whenever July	every year	harvesting	Bird	August 30-September 10	every year	chemical	
			2080	1640	1048.5	Teff	Wheat	Chicken	Storage of Rain	April 10-June 10 and August 10-September 25	every two years	Storage of Rain	June 30-September 25	every year	not of clean, sowing after flood	Bird	September 10-October 10	every year	Applying chemicals	
			NA	422	1642	Teff	Chicken	Wheat	Storage of Rain	April 10-June 10 and August 10-September 25	every three years	Storage of Rain	July 30-August 25	every year	harvesting but very difficult to manage	Bird	October 25-December 10	every year	no	
			NA	335	105	Teff	Chicken	Wheat	Storage of Rain	May 10-June 10 and August 10-September 25	every three years	Storage of Rain	June 30-September 25	every year	not of clean, sowing after flood	Bird	September 10-October 10	every year	Applying chemicals	
			NA	915	1028	Teff	Wheat	Chicken	Storage of Rain	October 20-December 10	every year	Chemical	September 10-30	every year	Chemical	Bird	August 25-September 25	every three years	using improved seed	
			2137	748	374.5	Teff	Chicken	Wheat	Storage of Rain	October 10-November 30	every year	Chemical	September 20-October 25	every year	no action	Bird	October 10-November 30	every year	no action	
			2263	673	2644	Teff	Wheat	Chicken	Storage of Rain	June 30-August 25	every two years	no mitigation	September 10-March 10 and August 10-September 25	Every Three years	using improved varieties, leaf ridge and collecting by hand	Bird	October 10-November 10	every year	chemical	
			1924	1770	98	Maize	Potato	Hansen Bean	Storage of Rain	May 10-June 10 and August 10-September 25	every three years	Storage of Rain	Early May - end of June	every year	Applying chemicals like manure, chemical and ashing	Bird	June to July	every year	Using water between crops	
			West Arsi	Sirona	Lole Bilo	1020	304	397.5	Maize	Potato	Hansen Bean	Storage of Rain	May 10-June 10 and August 10-September 25	every two years	Storage of Rain	Mid may - end of June	every year	Applying chemicals like manure, chemical and ashing	Bird	Mid may - end of June
1824	1710	373.5				Maize	Wheat	Hansen Bean	Storage of Rain	June 10-July 10 and August 10-September 25	every two years	Storage of Rain	Mid may - end of June	every year	Applying chemicals like manure, chemical and ashing	Bird	Mid may - end of June	every year	Applying chemicals, sowing in	
1695	875	1000				Maize	Wheat	Barley	Storage of Rain	May 10-June 10 and August 10-September 25	Every Year	Storage of Rain	May 5-August 15	every year	Fungicide, collected by hand	Bird	July 30-September 5	every year	Applying chemical (Bardo and TII)	
1814	870	1018				Wheat	Maize	Teff	Storage of Rain	May 25-June 5 and August 10-September 30	every year	Storage of Rain	July 10-August 10	every year	Fungicide, collected by hand	Bird	June 5-August 25	every year	Applying chemical collecting by hand	
1693	480	944.5				Maize	Barley	Hansen Bean	Storage of Rain	Early to late May and August 10-September 30	Every two years	Storage of Rain	September 10-December 25	Every three years	Fencing	Bird	April 15-October 5	Every two years	Applying chemicals like manure, chemical and ashing	
1860	485	1000				Maize	Teff	Hansen Bean	Storage of Rain	Early April and End of May	Every two years	Storage of Rain	End of May to late July	every year	Applying chemicals like manure, chemical and ashing	Bird	not known	every year	Applying chemicals like manure, chemical and ashing	
1420	910	1010				Hansen Bean	Maize	Teff	Storage of Rain	June 10-July 10 and August 10-September 25	Every two years	Storage of Rain	July	Every year	Applying chemicals like manure, chemical and ashing	Bird	not known	every year	Applying chemicals like manure, chemical and ashing	
1824	526	2031.6				Maize	Teff	Green pasture	Storage of Rain	April and May	Every two years	Storage of Rain	April and May	every year	Chemical	Bird	April and May	every two years	no	
1887	615	211				Wheat	Maize	Teff	Storage of Rain	April 10-June 10 and July 5-September 30	Every two years	Storage of Rain	May 25-July 10	every two years	Applying chemical collecting by hand	Bird	August 25-October 10	every two years	Applying chemical (Bardo and TII)	
Ardi	Dagda	Semboro Logicha				1897	1167	2132	Wheat	Maize	Teff	Storage of Rain	May 10-June 10 and August 10-September 30	Every two years	Storage of Rain	June 10-July 25	every year	Applying chemical collecting by hand	Bird	August 25-September 15
			2038	840	1022	Wheat	Maize	Teff	Storage of Rain	August 25-September 30	every year	Storage of Rain	June 30-July 30	every year	Applying chemical collecting by hand	Bird	not known	every year	harvesting	
			2250	NA	NA	Wheat	Wheat	Field pea	Storage of Rain	Mid September to end of October	Every two years	Storage of Rain	Mid August - late October	every year	Using improved seed (MFO/ANO/NO/IB/DO)	Bird	Early October to early November	every three years	Early Sowing	
			2420	874	2232	Wheat	Field pea	Field pea	Storage of Rain	Late July to early November	every year	Storage of Rain	Early August (DO- Early September (DI)	every two years	Using improved seed	Bird	Late August to Early October	every year	Chemical	
			2860	NA	NA	Wheat	Wheat	Field pea	Storage of Rain	Late July to early November	every year	Storage of Rain	unknown	every two years	no action	Bird	Late August to Early September	every year	chemical	
			1750	283	604	Wheat	Dion	Teff	Storage of Rain	August 25-September 25 (TII) and September 25-October 10 (TII)	every year	Storage of Rain	July 10-August 10	Every two years	using early maturing varieties	Bird	August 10-September 30	every year	no action	
			1872	750	377	Wheat	Dion	Barley	Storage of Rain	Storage of Rain	August 10-September 20	every year	Storage of Rain	August 10-September 20	every year	using early maturing varieties	Bird	July 10-September 20	every year	no action
			NA	643	1100	Wheat	Teff	Field pea	Storage of Rain	Storage of Rain	August 30-October 5	every year	Storage of Rain	August 30-October 5	every year	Applying chemicals and resistant varieties	Bird	July 10-August 25	every year	chemical





**Figure 2.1 Copping Calendar**



**Figure 2.2 Period of Drought Risk (by Zone)**

**Table 2.6 Major Agricultural Risks (by Zone)**

East Shewa	South West Shewa	West Arsi	Arsi
Shortage of Rainfall	Shortage of Rainfall	Army worm	Rust
Army worm	Rust	Drought	Shortage of Rainfall
Rust	Flood	Flood	Frost
Flood	Frost	Rust	Heavy Rainfall
Shoot fly / Pests (Grasshopper)	African ball worm	Shortage of Rainfall	-

## **(5) Index-Based Insurance Seminar**

On September 6, 2019, an index-based insurance seminar was held in Addis Ababa, with total 12 participants, mainly officers concern on IbCI, CP agencies, JICA Ethiopia Office, National Bank of Ethiopia (NBE), National Meteorological Agency (NMA), Agricultural Transformation Agency (ATA, presently ATI) and insurance companies. A Japanese expert explained about nature of Japanese insurance companies, index-based insurance in other countries, and disaster trends in Ethiopia, then they made an active discussion.

After the presentation, various opinions were exchanged among participants about insurance in Ethiopia and Japan, and necessary information for developing index insurance was obtained. Such discussions made this seminar a fruitful opportunity for all participants.

Analysis report including presentation materials used for this seminar is shown in Appendix-1.

## **(6) IbCI Product and its Extension Approach**

### 1) Index-based Crop Insurance in Ethiopia

There are 2 major index-based crop insurance projects<sup>4</sup> in Ethiopia: 1) Geodata for Innovative Agricultural Credit Insurance Scheme (GIACIS) and 2) R4 Rural Resilience Initiative. The following session describes the major features of these 2 projects.

#### a) Geodata for Innovative Agricultural Credit Insurance Scheme (GIACIS)

##### a-1. Outline

GIASCIS started in 2014, aiming to provide microinsurance service to farmers. The government of the Netherlands and Kifiya Financial Technology Plc funded the Project. (Kifiya), a local financial service provider established in 2010. The total budget was 2.1 million EUR. The government of the Netherlands funded 70% of the total budget, and Kifiya invested the remaining 30% of the budget. Kifiya's mission is to provide electronic payment services. They have tried to establish sustainable microinsurance service through this Project.

Under GIACIS, the Vegetation Index Crop Insurance (VICI) product has been developed. This VICI product was sold between 2016 and 2018 in Oromia and Tigray region. Oromia Insurance S.C. (OIC) and Ethiopian Insurance Corporation (EIC) joined this Project as insurers. According to Kifiya, the pure risk premium of this VICI product was 10%. Yet, these 2 insurance companies have decided to set up different insurance premium rates in other target areas. For example, OIC provided the VICI product with a 15% premium rate and offered it in the Oromia region, while EIC provided the same product with 12% in the Amhara region.

##### a-2. Promotional Activity

Agricultural Transformation Institute (ATI) mainly carried out the promotion activities of the VICI product. ATI provided training sessions about risk management and the introduction of agricultural

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<sup>4</sup> Except for Livestock index insurance.

insurance for Woreda and kebele agricultural officers. Also, Rural Saving and Credit Cooperative (RuSACCO) and agricultural cooperatives collected insurance premiums since most of them have offices at the kebele level.

### a-3. Lessons Learned

The unique feature of the GIACIS was the development of crop vegetation index insurance. This type of index crop insurance had never been developed before the GIACIS. The GIACIS could successfully minimize the basis risk of index-based insurance by using vegetation data. In addition, the GIACIS's approach could be expandable since their vegetation indices have already developed for most of the areas in the country. Therefore, the VICI product developed under the GIACIS is useful mainly for drought-prone areas.

Furthermore, the GIACIS has installed GeoNetCast<sup>5</sup> in NMA. Kifiya gets Normalized Difference Vegetation Index (NDVI) data from NMA through this GeoNetCast and calculates payouts automatically on the platform. This platform could help insurance companies reduce operational costs for index-based insurance businesses. This operational environment enables insurance companies to provide the VICI product sustainably. Many index-based insurance projects have been implemented in Ethiopia so far. Most of them have faced the challenge of their sustainability. It is important to establish an organizational setup with the involvement of local partners to strengthen sustainability.

One of the weaknesses of the GIACIS was promotional activity. It was well organized among the product development experts, insurance companies, and insurance service providers. Yet, the GIACIS should have more local agricultural extension workers (DAs) involved in promoting insurance. Also, intensive follow-up for promotion activities was necessary to get more farmers signing up for the VICI product. The GIACIS registered approximately 7,000 farmers during a 3-year project period. This could have increased if the promotion activities were organized properly and carried out intensively. Some stakeholders reported a delay in the promotion activities, and promotional materials needed to be distributed in time.

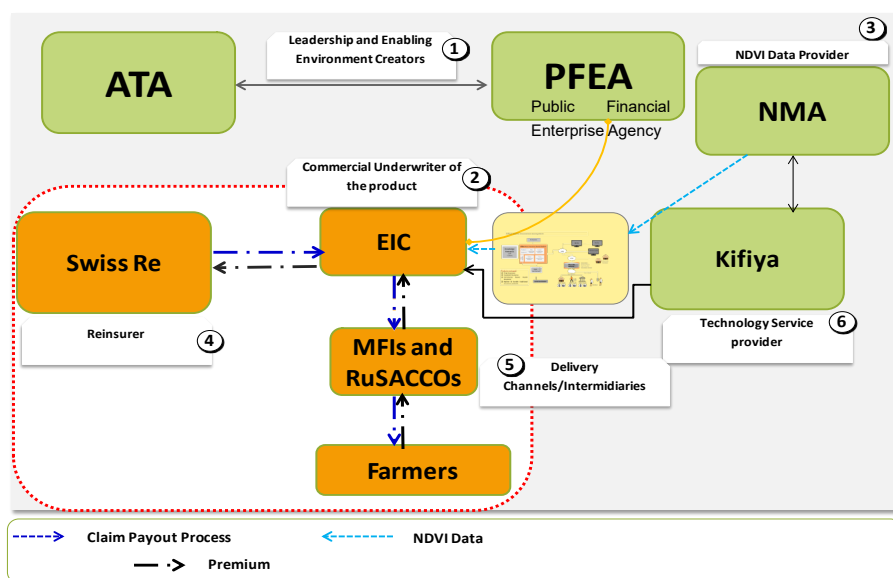
The insurance premium was initially set up as 375birr, yet it turned out that this premium amount was not manageable for most of the farmers to pay. The evaluation report of the GIACIS pointed out that the insurance premium amount should be no more than 200birr. This is particularly true if there is no public premium subsidiary. This result indicates that the premium amount should be decided carefully based on the affordability of the target farmers.

RuSACCO played a major role in the promotion activities and sold the VICI product to farmers. Although the major business of RuSACCO is to provide financial services such as savings and credit lending, the VICI was sold standalone. There was no package arrangement between the VICI product and other financial services, including the input voucher system. Establishing this kind of insurance package might take time because there are many different stakeholders in different services. Product development and coordination among other stakeholders to establish effective distribution channels need to take time. Particularly, agricultural inputs and financial services should be integrated into the promotion activities

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<sup>5</sup> GeoNetCast, installed in NWA, is the system which converts satellite image into NDVI.

of the VICI product in the future.



**Figure 2.3 Organization Structure of GIACIS**

b) R4 Rural Resilience Initiative (WFP)

b-1. Outline

R4 Rural Resilience Initiative, formerly named the Horn of Africa Risk Transfer for Adaptation (HARITA) Project, started in 2009 in the Tigray region. Oxfam America initially funded this Project in partnership with the International Research Institute for Climate and Society (IRI), Columbia University. They also have partnerships with local NGOs to promote index-based crop insurance. The R4 mainly targets farmers under the Productive Safety Net Program (PSNP). In 2016, the number of insured farmers under the R4 reached approximately 27,000 farmers, the most significant index insurance Project in Ethiopia regarding the number of insured farmers.

As of 2015, the R4 covers 86 kebeles, consisting of 81 kebeles in the Tigray region and 5 kebeles in the Amhara region. The total number of insured farmers was 27,668 farmers: 25,773 farmers in the Tigray region and 1,895 farmers in the Amhara region in 2015. The total payout in 2014 was 34,187USD for 7,848 farmers of 27 kebeles in the Tigray region, and in 2015 was 164,094USD for 15,048 farmers of 50 kebeles in the Tigray region. There have been payouts somewhere in the target area every year since 2011.

In 2018, the total number of insured farmers was 29,300 farmers including both the Tigray and Amhara regions. 24,485 insured farmers out of 29,300 farmers were provided insurance premium subsidies by the WFP. 2,021 farmers out of the remaining 4,815 farmers paid the insurance premiums from their own pocket, and 2,794 farmers out of 4,815 farmers received the premium subsidies from other donors. Also, 9,856 farmers got the payouts of 88,014USD in 2017/18 season.

b-2. Implementation Structure

The WFP is a major donor to this project. Local NGOs and Microfinance Institutions (MFIs) have also joined activities promoting index-based crop insurance. Although Oxfam America initially funded the

project, they are no longer involved as of March 2019. The table below shows the major stakeholders of this Project:

**Table 2.7 Major Roles of R4 Stakeholders**

Organization	Major Roles
WFP	Overall coordination
REST (Relief Society of Tigray)	Local NGO Promote insurance and risk reduction activities
ORDA (Organization for Rehabilitation and Development in Amhara)	Local NGO Promote insurance and risk reduction activities
DECI	MFI Promote insurance and an intermediary for insurance sales
Africa Insurance Company Nyla Insurance Company	Insurance companies Risk takers
Rural Saving and Credit Cooperative (RuSACCO)	Promote insurance and an intermediary for insurance sales
IRI (International Research Institute for Climate and Society)	Insurance product development

### b-3. Lessons Learned

The R4 has 4 major risk management activities: 1) risk reduction, 2) risk transfer, 3) prudent risk-taking, and 4) risk reserve. In Ethiopia, risk reduction activities include watershed development, soil conservation, and agro-forestry programs. Risk transfer activity is to promote index-based insurance. Risk prudent and risk reserve activities are to formulate saving groups and manage revolving funds. This holistic risk management approach could be a good model to mitigate farmer's agricultural risks in total.

Most of the R4 activities heavily depend on the donor money. For example, almost 80% of the total insured farmers received insurance premium subsidies from the WFP. The WFP is trying to reduce premium subsidies and promote the index-based insurance product without subsidies. Yet, the number of subsidized farmers has not been decreased so far. The WFP is struggling to increase the number of non-subsidized farmers. This situation indicates that financial sustainability could be one of the significant challenges for the R4 Project<sup>6</sup>.

Furthermore, the R4 Project strongly gets local NGOs and MFIs involved in their activities. On the contrary, the relationship between the Project and governmental agencies is relatively weak. Technical transfer to governmental staff and knowledge sharing seems to be limited. Also, local insurance companies played a limited role in index insurance activities such as product development and business operation, including index monitoring. The R4 Project has no clear exist strategy for how Ethiopian local organizations could continue to implement the activities.

Another challenge of the R4 is basis risk. They have been suffering basis risk since they started the Project. It might be an option to redesign the index-based insurance product and use a newly developed dataset to improve the accuracy of indices. Providing precise index-based insurance is a key to getting

<sup>6</sup> Oxfam America. 2015. R4 Rural Resilience Initiative Annual Report: January-December 2015. Research Report. Available at: [https://www.oxfamamerica.org/static/media/files/R4\\_AR\\_2015\\_WEB.pdf](https://www.oxfamamerica.org/static/media/files/R4_AR_2015_WEB.pdf)

credibility from farmers.

## 2) Index-based Crop Insurance for the ICIP

Considering the major features of the existing index-based insurance projects, potential options for insurance development could be categorized into 2 approaches: namely 1) adoption of existing Vegetation Index Insurance Product and 2) introduction of new index-based crop insurance. The following table summarizes these 2 approaches:

**Table 2.8 Options for Index-based Crop Insurance Development**

Item	Use Existing Vegetation Index	New Index-based Crop Insurance
Outline	Use the vegetation index insurance product developed by GIACIS (2014-2018), The indices have already covered the whole country.	Develop a brand-new index insurance product under ICIP, such as Area-Yield Index Insurance (AYII).
Collaborating Agency	Kifiya, ATA, OIC, EIC	TBD
Main Activity	Develop agricultural component, Conduct training and REPs promotion	Develop a new index insurance product and agricultural component, Conduct training and REPs promotion
Advantage	Minimize cost and time for product development, Operational structure has already established, Easy to collaborate with ATA and insurance companies	Introduce ICIP original ideas such as agricultural insurance experience in Japan, No need coordination with other organizations
Concerns	Less novelty to stakeholders in Ethiopia, Basis risk might be high for non-drought prone areas	Difficult to identify alternative indices and new ideas, New technology or ideas might not work properly, Takes time and costs a lot to develop a product and operational system
Countermeasures for concerns	Focus on risk control activities in the agricultural component, Mobilize project resources to maximize the number of insured farmers	Takes time to prepare for product development and check the feasibility

Considering the advantages and disadvantages of these approaches, the existing VICI was used for all the Cycles of ICIP and Area-Yield Index Insurance (AYII) was just added for the 3rd, 4th Cycle of the ICIP.

## 3) Extension Approach

Elaborating on the sustainable REPs extension system, the REPs extension should be integrated into the public and private extension systems. In this project, both 1) the Ministry's extension system through DAs and 2) the Service network of the private sector, such as Insurance companies, Agro-input dealers, MFIs, and others involved in the REPs extension system.

Under the Ministry's agricultural extension system, the DAs provide technical training to farmers who are organized as Development Groups (DGs) several times a year at the Farmers Training Center (FTC) in a

kebele. A series of agricultural techniques in the REPs were integrated into this technical training in the 1st Cycle. Also, the private sector service provider utilized this opportunity to promote the REPs. The project collaborated with Saving and Credit Cooperative (SACCO) and MFI for the REP's promotion as the service provider in this 1st Cycle.

The Project team examined the delivery channels of REPs. The table below shows expected actors and possible options to promote the REPs.

**Table 2.9 Examination of REPs Delivery Channel**

Delivery Channel	Packages	Possible option	Advantages	Points to be concerned
Primary SACCO (RuSACCO)	Insurance stand-alone	<ul style="list-style-type: none"> <li>Insurance is sold at regular timing of the insurance sales.</li> </ul>	<ul style="list-style-type: none"> <li>Farmers can purchase the insurance other than Input-Voucher purchasing period.</li> <li>Sales process would be simply</li> </ul>	<ul style="list-style-type: none"> <li>Poor famers may not be able to buy insurance.</li> <li>Some RuSACCOs may not so active, therefore it is necessary to set an evaluation criteria as intermediaries.</li> <li>If the capacity of RuSACCO is small, some operation troubles may occur (Ex; Uncollected the insurance premium, unpaid payout, Poor management of daily operation etc...)</li> </ul>
	Credit + Insurance	<ul style="list-style-type: none"> <li>Credit interest is reduced for the insurer</li> <li>Bundling with credit service. Premium is collected from the credit value automatically.</li> <li>RuSACCO pays premium on behalf of farmers when the farmers use the credit service.</li> <li>Farmers can pay back after harvesting.</li> <li>Insurance is sold at the same timing as the input voucher sales.</li> </ul>	<ul style="list-style-type: none"> <li>Farmers may have interest to buy insurance, because RuSACCO members (farmers) mainly use the credit for the input purchase.</li> </ul>	<ul style="list-style-type: none"> <li>Credit service is provided only for RuSACCO members.</li> <li>Number of the RuSACCO member is smaller than Primary Cooperative.</li> <li>Some RuSACCO may not so active, therefore it is necessary to set an evaluation criteria as intermediaries.</li> <li>If the capacity of RuSACCO is small, some operation troubles may occur (Ex; Uncollected the insurance premium, unpaid payout, Poor management of daily operation etc...)</li> </ul>
	Input Voucher + Insurance	<ul style="list-style-type: none"> <li>Bundling Insurance with Input voucher</li> <li>Premium is incorporated into the input price.</li> </ul>	<ul style="list-style-type: none"> <li>Farmers do not need to pay money separately for Agri-input and insurance</li> <li>Non-RUSACCO members also can visit RuSACCO office and purchase the insurance when they purchase the input by input voucher system.</li> </ul>	

<sup>7</sup> In the Input Voucher System, farmers make payment for inputs (fertilizers) and receive voucher at RuSACCO, then farmers can exchange voucher into inputs at Primary Cooperative. RuSACCO plays the role to collect money and issue voucher, while Primary Cooperative is in charge of the distribution of the agricultural input.



Delivery Channel	Packages	Possible option	Advantages	Points to be concerned
Cooperative Union	Insurance stand-alone (Primary Cooperative)	<ul style="list-style-type: none"> <li>The union insures each enrolled cooperative. Each cooperative takes out insurance automatically.</li> <li>The unions purchase the insurance for covering their own business loss.</li> <li>The unions promote and sale the insurance to Primary cooperatives as the intermediaries (especially, when the unions purchase the farm products from primary cooperatives)</li> </ul>	<ul style="list-style-type: none"> <li>Large volume of insurance sales is expected as the Union level.</li> </ul>	<ul style="list-style-type: none"> <li>Respective unions have different degree of interest for the agricultural insurance</li> <li>Some unions may not have an interest for the insurance if the product covers only for drought risk.</li> </ul>
Agri-Input Retailers (FSC, AOSS <sup>8</sup> etc.)	Input sales + insurance	<ul style="list-style-type: none"> <li>Premium is incorporated into the input price or Insurance is sold as an option.</li> <li>Agri-inputs (Seed, Fertilizer, chemical) is sold with insurance as a package</li> <li>Insurer can receive agricultural technique advices / training</li> </ul>	<p><b>[For Farmers]</b></p> <ul style="list-style-type: none"> <li>Farmers can purchase agri-inputs and insurance by one-stop service</li> <li>Farmers can receive the detail information of insurance product (the promotion activity will be given more closely)</li> <li>Farmer can receive agricultural technique advices/training as an additional service</li> </ul> <p><b>[For Retailers]</b></p> <ul style="list-style-type: none"> <li>Some FSC has a big interest for agricultural insurance, it is expected to collaborate with those FSCs for REPs promotion.</li> <li>Support the achievement of the FSC owner's vision.</li> <li>FSC would be known broader when they also work as an insurance delivery channel</li> </ul>	<ul style="list-style-type: none"> <li>Respective FSCs have different degree of interest for the agricultural insurance</li> <li>Respective FSCs use different approach to the farmers</li> <li>FSCs have been established recently. Therefore, the awareness of FSCs is not so high.</li> </ul>
MFIs	Credit Insurance +	<ul style="list-style-type: none"> <li>Credit Interest is reduced for the insurer,</li> <li>Bundling with credit service. Premium is collected from the credit value automatically.</li> <li>Farmers can pay back after harvested.</li> </ul>	<ul style="list-style-type: none"> <li>Some MFI has an interest for agricultural insurance sales *</li> <li>One of MFI has already established insurance department</li> <li>MFI has high business-oriented mind.</li> </ul>	<ul style="list-style-type: none"> <li>Respective MFIs have different degree of interest for the agricultural insurance</li> </ul>

<sup>8</sup> Farm Service Center (FSC) and Agricultural One Stop Shop (AOSS) are ATI's activities. They are trying to increase agricultural input dealers or service shops by providing subsidy and technical support to entrepreneurs interested in agricultural inputs sales or agricultural service shops in regions.

Under the ICIP implementation, DAs and SACCO staff have worked together to promote index-based crop insurance. DAs provide technical guidance for agriculture and insurance to the farmers, and SACCO staff register farmers for insurance. This is because collaboration between DAs and SACCO staff is one of the most feasible extension systems in the target area. In addition, if the target SACCOs sell agricultural inputs through the Input Voucher System, SACCO staff can sell both agricultural inputs and index-based crop insurance at the same time.

Regarding the financial service providers, as a result of the discussions with several MFIs, an insurance sales system with WASASA Microfinance S.C. (WASASA) was introduced since the 2nd Cycle of the ICIP. When WASASA staff visit their customers to introduce their financial products and collect money, they can simultaneously introduce index-based crop insurance.

### (7) Identification of Agriculture Techniques as a part of REPs and Formulation of REPs

In order to address several risks on agriculture which farmers face, it is necessary to approach to “Risk Management”. This risk management can be divided into “Risk Control” and “Risk Finance”. While the former is preliminary measures for which people can prevent an occurrence of the risks in advance, the latter is ex-post measures to reduce impacts of the risks after their occurrence.

In this regard, ICIP consolidates the risk control measures on farming activities and the risk control measures as the index-based crop insurance to the REPs and establishes extension methodology and institutional structure to introduce such a package to Ethiopian farmers.

The agriculture technologies the Project introduce should be the risk control measures and the farmers are expected to improve their farming skills being equipping with such measures. Therefore, the Project should identify the risks the farmers are facing and refer to the results of the baseline survey and the kebele level workshops for further identification.

As shown in Table 2.6 of (4), 6 risk control measures were clarified, namely, measures for 1) drought and shortage of rainfall, 2) pests and diseases, 3) flooding, 4) frost, 5) hail, and 6) price fluctuation on agribusiness. To examine details of the respective measures, the Project team held an ICIP Zonal Workshop for Identification of Agriculture Techniques with officers from 4 Zone Agricultural Offices and OBoANR on September 20th, 2019. The following table shows identified agriculture techniques corresponding to the agriculture risks by zones.<sup>9</sup>

**Table 2.10 Agriculture Techniques to be included in REPs**

Risks	West Arsi & East Shewa	South West Shewa & Arsi	Agriculture Techniques to be included in REPs
1. Drought and shortage of rainfall	<ul style="list-style-type: none"> <li>- Selection of varieties (Early maturing varieties, Drought tolerant varieties)</li> <li>- Water harvesting structures (family pond, check dams, micro basin, terracing)</li> <li>- Conservation agriculture (minimum tillage, zero tillage,</li> </ul>	<ul style="list-style-type: none"> <li>- Early Cropping</li> <li>- Use of Drought Resistant Variety</li> <li>- Tie Ridge</li> <li>- Water harvesting (supplementary irrigation)</li> </ul>	<ul style="list-style-type: none"> <li>1) Selection of varieties</li> <li>2) Water harvesting technologies</li> <li>3) Conservation agriculture</li> <li>4) Early cropping (Crop planning)</li> <li>5) Tied Ridge</li> </ul>

<sup>9</sup> Consideration was done by 2 groups which consist of similar two zones in terms of natural and farming conditions.

Risks	West Arsi & East Shewa	South West Shewa & Arsi	Agriculture Techniques to be included in REPs
	cover cropping, green manuring)		
2. Pest and disease	<ul style="list-style-type: none"> <li>- Resistant varieties</li> <li>- Intercropping</li> <li>- Crop rotation</li> <li>- IPM</li> <li>- Raw planting</li> <li>- Following Recommended package for each variety)</li> <li>- Time management (to escape the disease and pest prevalence time)</li> </ul>	<ul style="list-style-type: none"> <li>- IPM (Integrated pest management, e.g. Resistant variety, early cropping, crop rotation, fungicide application etc.)</li> </ul>	<ul style="list-style-type: none"> <li>1) Selection of varieties</li> <li>6) Intercropping (Cropping pattern)</li> <li>7) Crop Rotation</li> <li>8) IPM</li> <li>9) Raw Planting</li> </ul>
3. Flood	<ul style="list-style-type: none"> <li>- Terracing</li> <li>- Water way construction</li> <li>- Cut of drain</li> <li>- Check dams</li> <li>- Boarder planting</li> </ul>	<ul style="list-style-type: none"> <li>- Integrated Water shade management (cut off drain, gully treatment, biological measure bunds, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>11) Water shade management (terracing, water way construction, cut off drain, boarder planting, check dams, gully treatment, biophysical measure bunds, etc.)</li> <li>17) Aybar BBM</li> </ul>
4. Frost	<ul style="list-style-type: none"> <li>- Frost tolerant varieties</li> </ul>	<ul style="list-style-type: none"> <li>- Early sowing</li> </ul>	<ul style="list-style-type: none"> <li>4) Early sowing (Crop planning) / Time adjustment</li> </ul>
5. Hailstorm	<ul style="list-style-type: none"> <li>- Early planting (to escape)</li> </ul>	<ul style="list-style-type: none"> <li>- No action</li> </ul>	
6. Fluctuation of market prices	<ul style="list-style-type: none"> <li>- Strengthening primary cooperatives to avoid the influence of brokers</li> <li>- Crop diversification</li> <li>- Credit service for output marketing</li> <li>- Delivering market information</li> <li>- Training on market value chain</li> </ul>	<ul style="list-style-type: none"> <li>- Strong Market linkage</li> </ul>	<ul style="list-style-type: none"> <li>12) Crop diversification</li> <li>13) Market linkage</li> <li>14) Basics of Agribusiness</li> </ul>
7. Additional Agricultural techniques	<ul style="list-style-type: none"> <li>- Soil fertility management (compost making, FYM, green maturing)</li> <li>- Relay cropping</li> <li>- IPM</li> <li>- Variety selection</li> </ul>	<ul style="list-style-type: none"> <li>- Ayar BBM (broad bed maker) and cut off drain for waterlogging</li> <li>- Supplying enough agricultural mechanization</li> <li>- Supplying enough seed with appropriate time</li> </ul>	<ul style="list-style-type: none"> <li>15) Integrated Soil fertility management</li> <li>16) Relay Cropping (Cropping pattern)</li> </ul>

As a result of the workshop, the Project finalized the REPs composed of the identified agriculture techniques by zones and the VICI referred to in (8). Thus, the Project started a series of training for those who introduce the REPs at their target areas as the following section explains.

### **(8) Trainings on REPS Promotion for Development Agent (DA)**

Upon the completion of insurance product design as stated in (6) above and also completion of identifying

agricultural techniques as stated in (7) above, REPs Promotion Trainings were started for DA who mainly take responsibility in making presentation of agricultural technology and insurance product to farmers, as well as trainings for the staff of SACCO who actually register farmers who decided to purchase insurances.

To maximize effect of trainings for these 2 groups, DA trainings include lecture on the insurance registration which shall be made by SACCO staff in the field, while SACCO trainings include agricultural techniques which shall be made by DA in the field.

The said trainings for DA was programmed for 4 days, and executed 4 times for the participants from each 4 zones.

Materials used in this training is shown in Appendix-2.

Total number of trainees reached to 247, including 102 DA and 145 other officials. The schedule, subject kebele and number of participants were as follows.

**Table 2.11 Schedule, Participating Kebele and Number of DA Trainings**

	Zone	Woreda	Kebele	Number of participants		
				DA		Others
				Male	Female	
2019 Nov.11 - Nov.14	West Arsi	Siraro	Loke Hada	1	1	
			Loke Sifo	3	0	
			Siraro Bilacha	3	0	
		Nagelle Arsi	H Boso	1	1	
			R Hargisa	3	1	
			G Kello	2	1	
		Shalla	Lejjo	3	0	
			A Gamo	2	1	
			S W Bute	3	0	
		Heban Arsi	Dagaga	3	0	
			Sanbaro Logicha	3	0	
			Argda Shalado	2	1	
		Others ( 39 )				
2019 Nov.18 - Nov.21	South West Shewa	Ilu	Wasarbi Basi	1	0	
			Bute Talgo	3	1	
			Wasabi Nado	0	2	
		Becho	Jato	3	0	
			Sodo Liban	2	1	
			Soyoma	1	2	
		Others ( 24 )				
2019 Nov.25 - Nov.28	East Shewa	Adama	Bokoj Dawaro	1	1	
			Ejersa Manso	2	1	
			Dabula Sapho	2	1	
		Boset	Buta Wegere	3	0	
			Tedecha	2	1	
			Gari	1	2	
		Dugda	Bekele Grisa	3	0	
			Oda Bokota	1	2	
		Bora	Dalota Mati	3	0	

			Tube Sute	2	0		
			Malima Bali	1	2		
		Others ( 47 )					47

2019 Nov.2 - Dec.5	East Shewa	Dugda	Xepo Coroke	1	2	
	Arsi	Degeluna Tijo	Bu Alkesa	3	0	
			Kachama mulkicha	2	1	
			Jammo	3	0	
		Lude Hitosa	Fursa	1	1	
			Melka Jabi	2	1	
	Gudelsha	1	2			
	Others ( 35 )					

Though minor adjustments were made on the curriculum based on the differences of main crops in target areas by zone, the standard curriculum of this training was prepared as follows:

**Table 2.12 Curriculum of DA Trainings**

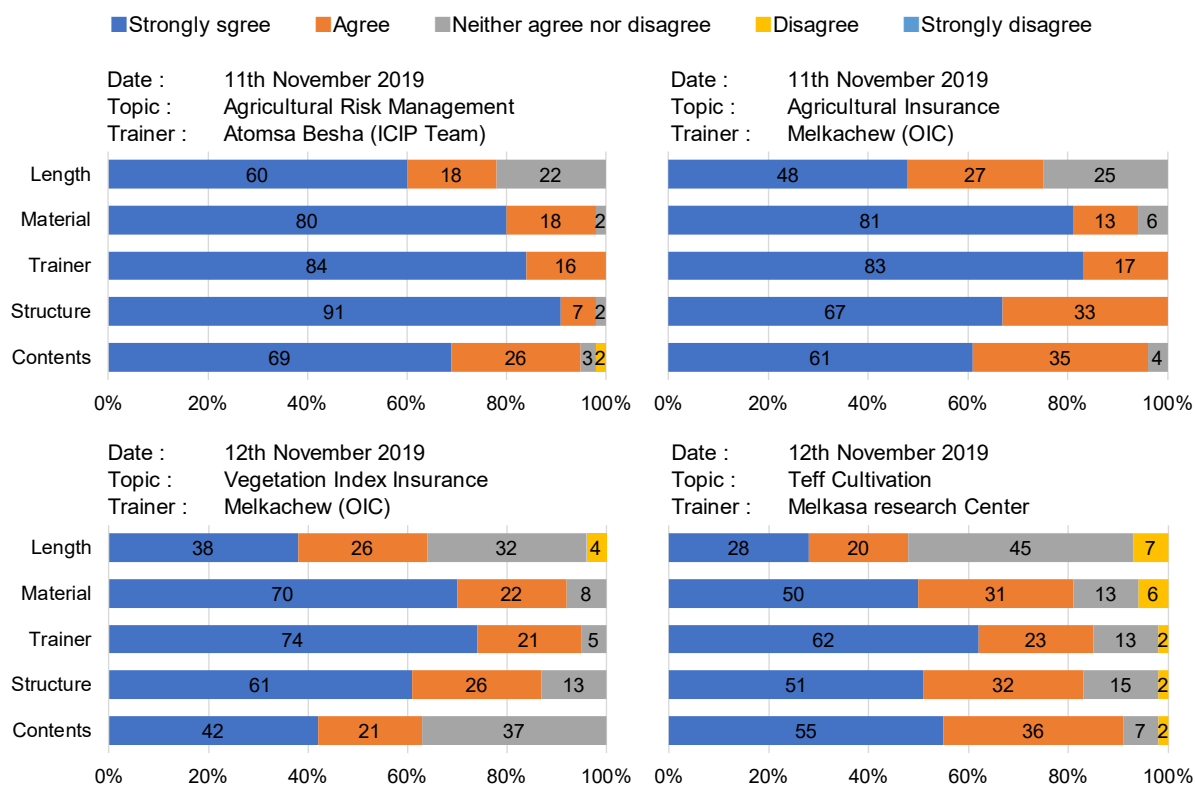
Day	Time	Module	Contents
1st Day		Introduction of ICIP	- Project overview and implementation schedule and structure - Concept of REPs
		Agricultura Risk Management (part1)	- Importance of agricultural risk management - Different types of agricultural risks and their sources
		Agricultura Risk Management (part2)	- Risk management strategies and practices - Potential countermeasures
	PM	Agricultural Insurance (introduction)	- Basic principles of insurance - Different types of microinsurance and agricultural insurance products
Agricultural Insurance (index insurance)		- Introduction of index-based crop insurance - Role-play game for index-based crop insurance	
2nd Day	AM	Concept of VICI	- Introduction of Vegetaion Index Crop Insurance (VICI) - Basic strcuture of VICI (data monitoring and payout calculation)
		Introduction of the VICI product	- Main features of the product (contract period, premium amount, target crops, etc.) - Insurance distribution structure and registration process
	PM	Introduction of the VICI product Q&A time	- Promotional activity exercise
		Introduction	- Explain agriculture risks and countermeasures
		Teff Cultivation	- Basics of cultivation method/ Agronomic practices - Selection of varieties - IPM
		Bean Cultivation (Faba Bean and Field Pea)	- Basics of cultivation method/ Agronomic practices - Selection of varieties - IPM (including prevantion and control of Army worm)
Wheat and Barley Cultivation	- Basics of cultivation method/ Agronomic practices - Selection of varieties - IPM (including prevantion and control of Rust)		
3rd Day	AM	Water harvesting technologies	- Water harvesting technologies for Drought
		Conservation Agriculture	- Conservation Agriculture for Drought
		Tied Ridge	- How to construct tied ridge for Drought
		Ibar BBM	- How to construct Ibar BBM
		Cropping Pattern	- Intercropping, crop rotation, relay cropping, row planting
		Crop diversification	- Crop diversification as risk control
	Introduction of SHEP approach	- Introduction of SHEP approach - Showing SHEP video	
PM	Move to Melkasa Agriculture Research Center (MARC)		
4th Day	AM	•Role and Responsibilities •Explanation of Action Plan Making	- Explain Role and responsibilities of each stake holder and how to make Action Plan by Kebele, Woreda and Zone
		Action Plan Making (Group work)	- Make Action Plan
		Presentation of Action Plan	- Present Action Plan
	PM	Enrollment process	
Closing Remarks			
Evaluation sheet for overall program			

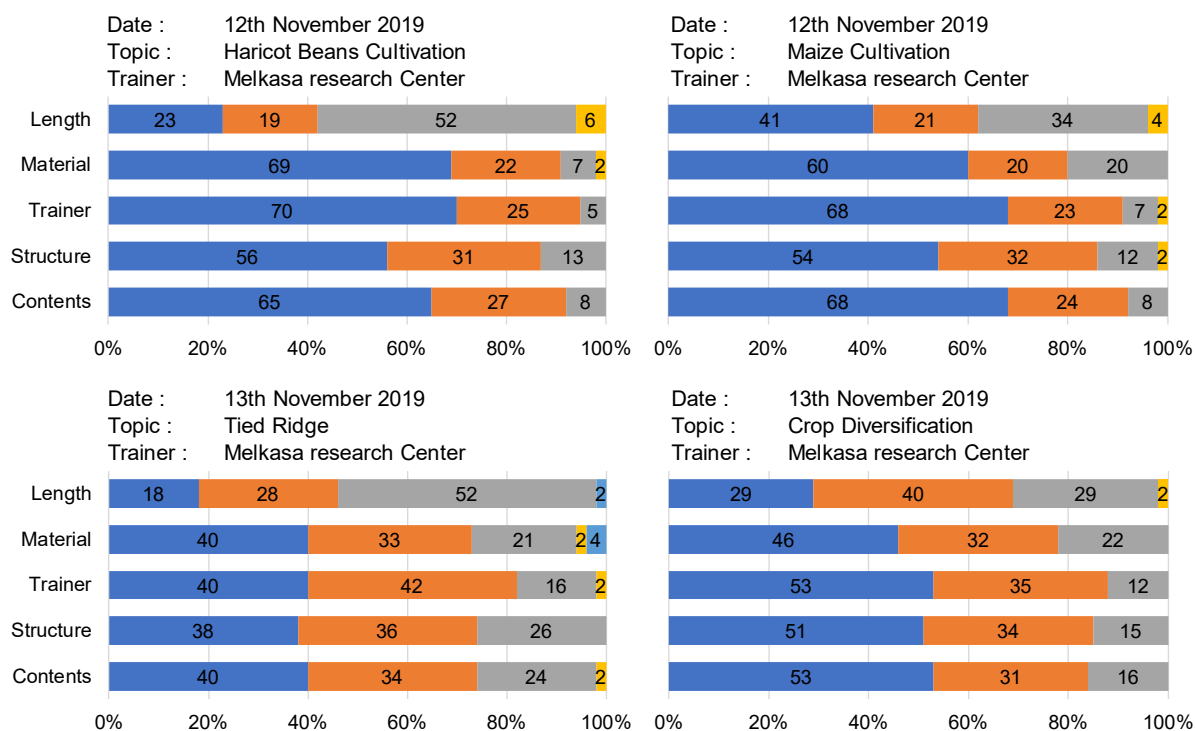
On the last day (4th day), DA were required to make action plans including locations and schedule of REPs trainings in their kebele with contents and target number and to be presented at the last of this session. These action plans shall be the basis of the REPs promotion activities to be described in (11), therefore collaboration with SACCO is essential since SACCO will take part in the registration of insurance purchase. For this purpose, on the session for action plans to be made by SACCO during their trainings described in (11), conformation by SACCO on the action plans made by DA during this trainings was arranged.

Evaluation questionnaires were distributed to the training participants at the end of each training topic. The questionnaires asked 5 aspects of the lectures; namely length, understandability, trainers, structure and contents. The participants evaluated the above aspects with 5 grades from “Strongly agree” to “Strongly disagree”.

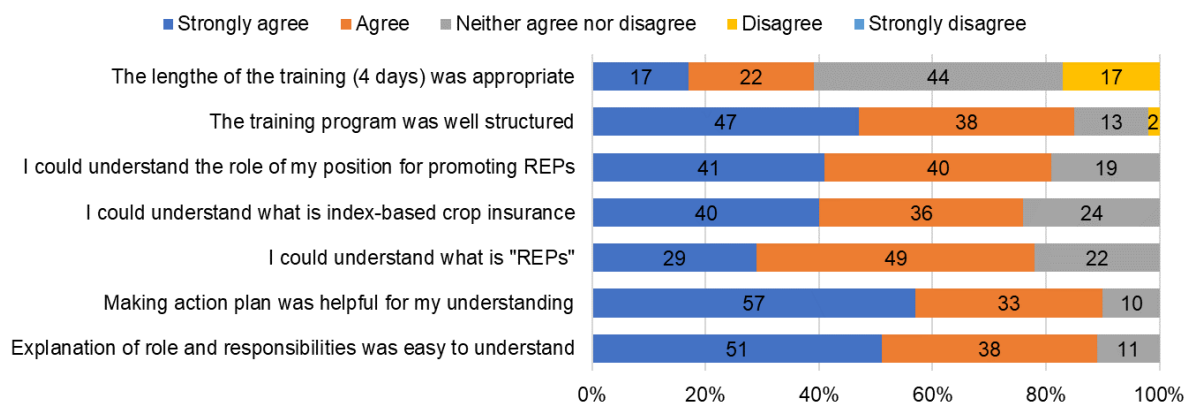
Regarding the lectures about insurance, the participants were satisfied with training materials, trainers and contents. However, the result shows that the lecture about the vegetation index insurance was too short to understand. This was because the vegetation index insurance is complex and most of the farmers have never heard about it before. These results were utilized for improvement of the following Cycles.

The following show summary of the evaluation questionnaires in the first training session in November 2019:





**Figure 2.4 Results of Training Evaluation Survey (DA Training)**



**Figure 2.5 Overall Evaluation (DA Training)**

One of the most common answers was that training period was too short. It was 4-day training, yet there were wide range of topics the participants learned. Particularly, it was the first time for most of the participants that they had heard about index-based crop insurance. The training period was reviewed in the following Cycles.

**(9) Trainings on REPS Promotion for SACCO/MFI Staff**

Upon the completion of the trainings for DA as stated in (8) above, REPs Prmotion Trainings were started for SACCO and MFI staff who mainly take reponsibly in registration of farmers for insurance purchase in field. Unlikde DA trainings for which differrences in agricultural condition were considered for each zone,

whole group were divided into 2 groups and undergo training for 4 days. Similar to DA trainings, SACCO trainings include agricultural techniques which shall be made by DA in the field.

The said trainings were executed for SACCO staff (chairmen, accountants, insurance promotion assistants who are specially employed for the Project), cooperative DA, officers of zone and woreda responsible for cooperative development, and also staff of MFIs which extend financial services in the target area.

Total number of trainees reached to 236, including 89 SACCO staff, 36 Cooperative DA, 12 MFI staff and 99 other officials. The schedule, subject SACCO/MFI and number of participants were as follows.



**Table 2.13 Schedule, Participating Kebele and Number of SACCO/MFI Trainings (1st Batch)**

Date	Zone		Woreda		Kebele	Number of Participants				Others	
	Name of Zone	Number of participants	Name of Woreda	Number of participants		SACCO		Cooperative DA			
						Male	Female	Male	Female		
Dec 10, - Dec 13 2019	West Arsi	5	Siraro	-	Loke Hada	0	1	0	1		
					Loke Sifo	3	0	1	0		7
					Siraro Bilecha	1	0	1	0		
			Nagelle Arsi	-	H Boso	1	0	1	0		
					R Hargisa	2	1	1	0		5
					G Kello	1	0	1	0		
	Shalla	-	Lejjo	2	2	1	0				
			A Gamo	2	2	1	0		4		
			S W Bute	3	1	0	1				
	Heban Arsi	-	Dagaga	1	1	0	1				
			Sanbaro Logicha	2	1	1	0		6		
			Argda Shalado	3	1	1	0				
South West Shewa	4	Ilu	-	Wasarbi Basi	3	0	0	1			
				Bute Talgo	2	1	1	0		6	
				Wasabi Nado	3	0	1	0			
				Jato	2	0	1	0			
MFI	WASASA	6	-	Sodo Liban	4	0	1	0		6	
				Soyoma	2	0	1	0			

**Table 2.14 Schedule, Participating Kebele and Number of SACCO/MFI Trainings (2nd Batch)**

Date	Zone		Woreda		Kebele	Number of Participants				
	Name of Zone	Number of participants	Name of Woreda	Number of participants		SACCO	Cooperative DA		Others	
						Male	Female	Male	Female	
Dec 16, - Dec 19 2019	East Shewa	4	Adama	-	Bokoj Dawaro	1	0	1	0	5
					Ejersa Manso	1	0	0	1	
					Dabula Sapho	4	1	1	0	
					Buta Wegere	1	0	1	0	
			Boset	-	Tedecha	1	0	0	1	11
					Gari	1	0	0	1	
			Dugda	-	Bekele Grisa	2	1	1	0	7
					Xepo Coroke	2	1	0	1	
					Oda Bokota	1	3	0	1	
			Bora	-	Dalota Mati	1	1	1	0	10
					Tube Sute	0	2	1	0	
					Malima Bali	1	0	1	0	
					Bu Alkesa	1	0	1	0	
			Arsi	3	Degeluna Tijo	-	Kachama mulkicha	1	0	1
Jammo	3	1					1	0		
Fursa	1	2					1	0		
Melka Jabi	3	0					1	0		
Gudeisha	2	2					1	0		
Lude Hitosa	-	-					-	-	7	
	<b>MFI</b>									
	<b>Name of Institutes</b>		<b>Number of participants</b>							
	WASASA		6							

The standard curriculum of this training was as follows:

**Table 2.15 Curriculum of SACCO/MFI Trainings**

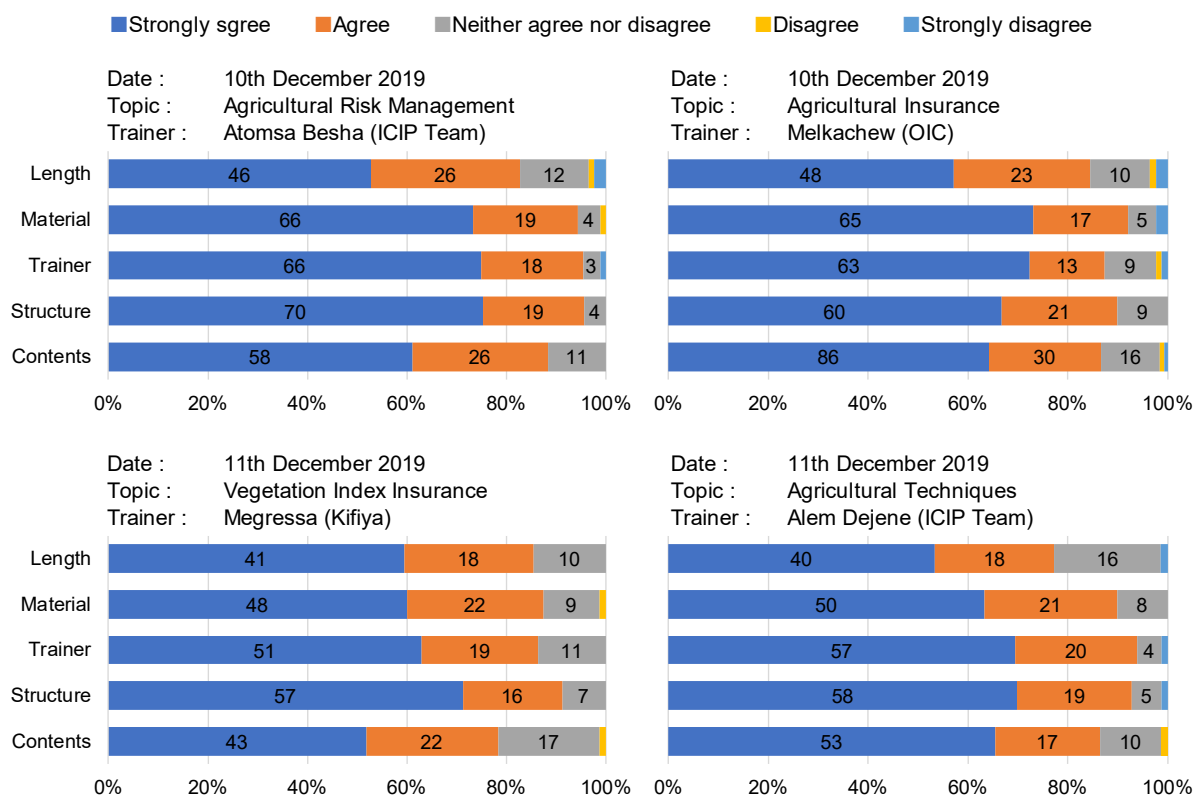
Day	Time	Module	Contents
1st Day	AM	Opening Remarks	
		Introduction of ICIP	- Project overview and implementation schedule and structure - Concept of REPs
		Agricultura Risk Management (part1)	- Importance of agricultural risk management - Different types of agrcultural risks and their sources
		Agrcultura Risk Management (part2)	- Risk management strategies and practices - Potential countermeasures
	PM	Agricultural Insurance (introduction)	- Basic principles of insurance - Different types of microinsurance and agricultural insurance products
		Agricultural Insurance (index insurance)	- Introduction of index-based crop insurance - Role-play game for index-based crop insurance
2nd Day	AM	Concept of VICI	- Introdcution of Vegetaion Index Crop Insurance (VICI) - Basic strcuture of VICI (data monitoring and payout calculation)
		Introduction of the VICI product	- Main features of the product (contract period, premium amount, target crops, etc.) - Insurance distribution structure and registration process - Promotional activity exercise
	PM	<i>Introduction of the VICI product(cont) Q&amp;A time</i>	- Main features of the product (contract period, premium amount, target crops, etc.) - Insurance distribution structure and registration process - Promotional activity exercise
		Agriculture Techniques and Farm Management Skills as countermeasures for major risks	- Agronomic practices of major crops - Countermesures for Major crop's risks
3rd Day	AM	Farmers' Registration for Insurance	- Introduction of farmers' registration system
		Application of Farmers' registration process	-Instrallment of registration application
		Manual registration process	-How to use application format
	PM	Farmers' Registration Exercise (Group Work)	- Role-play of farmers' registration activities
4th Day	AM	Review of Action Plan Making	- Action plan making for REPs promotion
		Review of Action Plan Making	- Action plan review
	PM	Evaluation of Training	
		Closing Remarks	

On the last day, SACCO and MFI were required to make action plan separately. For the SACCO staff, they confirmed and commented on the action plans made by DA of their respective kebele during the trainings stated in (10) above, especially on the locations and schedule of REPs trainings in their kebele with contents and target number, and such works were mainly made by Promotion Agent (PA)<sup>10</sup> stated above. On the other hand, SACCO staff were required to make their own action plan in the same manner of DA training stated in (10) above.

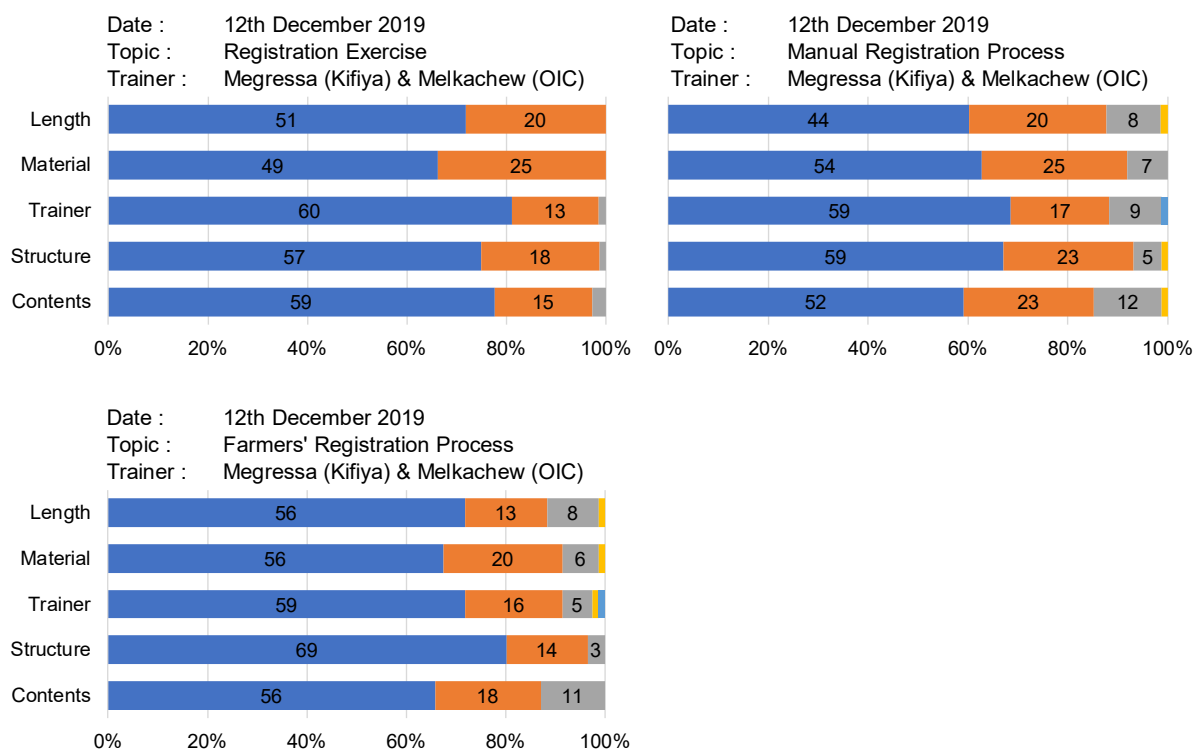
The evaluation questionnaires were also distributed in the training sessions for SACCO/MFI. The questions were the same as the questions in the training for DAs; namely length, understandability, trainer, structure and contents.

The participants evaluated relatively high for “Agricultural Risk Management”, “Agricultural Insurance” and “Agricultural Techniques”. By contrast, only 58% of the participants responded that the training about vegetation index insurance was appropriate. This is because it was difficult for the participants to understand the vegetation index insurance. Time allocation was reviewed in the 2nd Cycle.

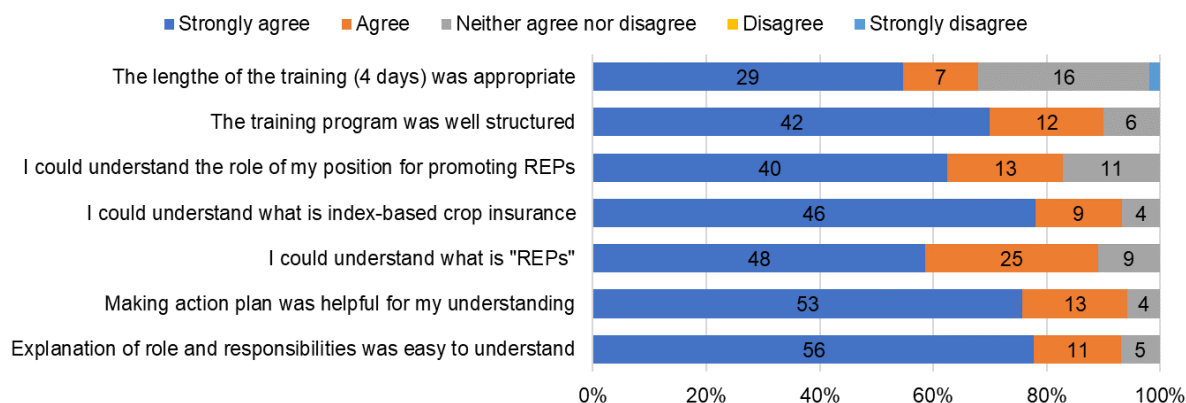
The following shows the result of the questionnaire in the training sessions in December:



<sup>10</sup> In order to ensure the adequate capacity development of PAs from SACCO at each kebele, in addition to SACCO/MFI training, the confirmation session especially for PA was organized in early January 2022, just before the start of the insurance promotion.



**Figure 2.6 Results of Training Evaluation Survey (SACCO/MFI Training)**



**Figure 2.7 Overall Evaluation (SACCO/MFI Training)**

One of the most common comments in the questioners was that the 4-day training period was too short to understand all the training topics. Only 29% of the respondents answered that the 4-day training period was appropriate. Whereas approximately 56% of the respondents answered that the training about farmers' registration was good enough to understand the contents. This is because groups activities and practical exercises were introduced in this session. These participants' responses were reflected to the training design for the 2nd Cycle.

**(10) Training for PAs**

The training for the PA was conducted in 10 and 11 January 2020. The PAs are staff who were recruited by ICIP to coordinate among different stakeholders in each target kebele. At the time of REPs promotion activities, there were various stakeholders including woreda agricultural officers, cooperative officer,

kebele DAs, kebele chairperson, assistant of kebele chairperson and SACCO staff. It was important to coordinate these different stakeholders to conduct the REPs promotion activities smoothly.

In addition, the ICIP team provided smartphones to the PAs. The PAs used the smartphones to register farmers through the application connected with Kifiya's microinsurance platform. The PAs also took responsibility to collect GPS coordinates of major locations in a village before they actually started the REPs promotion. This is because they have to upload GPS information to the Kifiya's system at the time of farmers' registration. The table below shows the outline of the training for the PAs:

**Table 2.16 Training Contents for PAs**

Date	Time	Contents	No. of Participants
11 Jan, 2020	AM	Introduction of ICIP concept Agricultural Risk Management: Overview of Agricultural Risk Management Major Risks Countermeasures for Risks	9 new PAs
	PM	Roles of PAs Terms of Reference Implementation Structure of REPs promotion Q&A	36 PAs
12 Jan, 2020	AM	Main features of Vegetation Index Insurance Insurance premiums Registration procedures	9 new PAs
	PM	Insurance Registration Procedures (Lecture) How to use the smartphone application How to register farmers on paper Exercise for insurance sign-up Role play game	

The training contents were almost same as the training for SACCO/MFI in December 2019. In fact, some of the PAs also participated in the training in December. Therefore, only afternoon session on 11th Jan was arranged as a plenary session and all the 36 PAs attended that session only. In the plenary session, the ICIP team discussed the major roles and responsibilities of the PAs, coordination methods and tentative schedule of the REPs promotion. Other sessions targeted newly assigned 9 PAs who did not attend the training before.

Most of the PAs were introduced to the ICIP team by the woreda agricultural offices. They do not have background of agriculture nor insurance. Therefore, it was hard for these PAs to understand the concept of agricultural risk management as well as index-based insurance. A series of training sessions should be provided to the PAs well in advance to the REPs promotion. Also, follow-up training could be useful to strengthen the capacity of the PAs.

**Table 2.17 No. of Participants for PA Training**

Zone	Woreda	Male	Female
East Shewa	Adama	2	1
	Bora	2	1
	Boset	2	1
	Dugda	3	0
West Arsi	Negele Arsi	3	0
	Heban Arsi	3	0
	Shalla	3	0
	Siraro	3	0
Arsi	Lode Hetossa	3	0
	Digaluf Tijo	3	1
South East Shewa	Becho	3	0
	Elu	2	1
Total		31	5
		36	

**(11) REPs Promotion Activities**

The actual REPs promotions in target kebeles were started from the end of January 2020. On the promotion activities in the field, Project team Experts and Project Coordinator visited target kebele to support kebele DA and SACCO staff to conduct trainings for participating farmers, and also PAs who were tasked to help promotion activities by taking responsibility of registering farmers who show their intention to purchase insurances. For the kebele where any problem occurs during REPs promotion, coordination meetings were held by the participation of woreda agricultural officer, woreda cooperative officer, DA and kebele chairman, to identify the problems and discuss on the possible solutions.

**Table 2.18 REPs Promotion where Japanese Experts attended**

Date	Zone	Woreda	Kebele
2020/02/06	West Arsi	Negele Arsi	Hada Boso
2020/02/12		Heban Arsi	Dagaga
2020/02/13		Siraro	Loke Hada, Loke Sifo
2020/02/17			Loke Hada
2020/02/18	Arsi	Degeluna Tijo	Burkitu Alkassa
2020/02/19	East Shewa	Adama	Ejersa Mensa
2020/02/20	South West Shewa	Ilu	Buti Talgo, Wasabi Basi
2020/02/22	East Shewa	Dugda	Bekele Garissa, Tephro Coroke
2020/02/26		Boset	Gari
2020/02/27			Tedecha
2020/03/01	South West Shewa	Becho	Soyoma
2020/03/04	East Shewa	Boset	Gari
2020/03/08	Arsi	Lude Hitosa	Melka Jabi
2020/03/10		Degeluna Tijo	Jammo

The REPs promotion activities as stated above were seriously affected by COVID-19 at their most important period. On 13 March 2020, media widely reported that the first infection case of coronavirus in the country and the patient was Japanese national (JICA related person). Immediately after the news spread,

JICA Ethiopia Office banned field activities of all JICA projects. ICIP's Japanese Experts had to evacuate the country and new in-coming trip of Experts shall be postponed, due to the reasons such as; i) instruction from JICA Headquarter, ii) quarantine treatment enforced by the Ethiopian Government, iii) report on the harassment against foreigners, and iv) cancellation of major international flights. The last 2 ICIP Experts assigned in Ethiopia left the country on 17 March 2020.

The Project team had to rearrange REPs promotion activities which were the most important activity of the Phase-1 of the Project to minimize damages by COVID-19 to the Project. Presently REPs promotion activities are resumed by shifting works from Japanese Experts to ICIP national staff, and to be monitored and supervised by Japanese Experts in Japan.

While restriction of Expert's trip to Ethiopia are being made by JICA's instruction, the Government of Ethiopia declared State of Emergency on 8 April 2020 which valid for 5 months. Though detailed implementation rules and regulations of this declaration are not so clear, at least prohibition of inter-city travel, suspension of public transportation and restriction of using private vehicles were observed. And prohibition which affects project activities most is the prohibition of meeting for more than 5 persons, which limits the impact and effectiveness of REPs promotion activities implemented by ICIP national staff.

Under such circumstance, the Project re-started the promotion of REPs by assigning national staff in the field to assist Promotoin Agents, and monitored by Japnese experts in Japan till end of May. As a result, 8,000 farmers participated in REPs trainings and 1,115 farmers purchased insurances, while 1,796 farmers showed their intention to purchase insurances but did not pay insurance premium before the closing date of insurance sales.

## **(12) Review Survey on REPs Promotion**

### 1) Objective of Review Survey

In order to reflect the advantages and lessons learned from the REPs activities of the 1st Cycle in the activities in the 2nd and subsequent Cycles, interview survey was conducted with the relevant parties. The survey was conducted from mid-May to the end of June 2020 after the end of the 1st Cycle of REPs activities.

### 2) Survey Method

The survey was conducted in all 36 targeted areas in the form of a focus group interview using a questionnaire by the project staff as shown in the table below.<sup>11</sup> Interviewees were farmers who purchased insurance (hereinafter "insured farmers" below) and who did not purchase (hereinafter "non-insured farmers" below). The survey was conducted in consideration of the situation of COVID-19, namely interviews were conducted with a small number of people conducted in a well-ventilated place with keeping intervals as much as possible.

**Table 2.19 Outline of Review Survey**

Item	Contents
Objective	To collect information in order to reflect the advantages and lessons learned from the

<sup>11</sup> Out of all the survey target kebele, no insured farmer was identified in 4 kebeles.



Item	Contents
	REPs activities of the 1st Cycle in the activities in the 2nd and subsequent Cycles
Period	From mid-May to the end of June, 2020
Method	Focus Group Interview using questionnaire by project staff
Target People	Insured farmers, Non-insured farmers
Target Area	All targeted Kebeles of 1st Cycle (12 Woredas, 36 Kebeles)

### 3) Summary of Survey Results for Insured Farmers and Non-insured Farmers

The table below summarizes the survey results of insured farmers and non-insured farmers. For overall result, refer to Appendix-3 of this Report.

**Table 2.20 Summary of the Review Survey Result (Insured and Non-Insured Farmers)**

Item	Contents
Frequency of attendance at the REPs training, lbCI awareness, understanding, etc.	<p><b>[Frequency of attendance at the REPs training]</b></p> <ul style="list-style-type: none"> <li>Insured farmers attended trainings more frequently than non-insured farmers.</li> <li>Non-insured farmers tend to participate only one time in the training.</li> </ul> <p><b>[Awareness of lbCI before attending the REPs training]</b></p> <ul style="list-style-type: none"> <li>In some areas, lbCI products have been sold by MFI etc. before conducting of REPs training, and there were a certain number of farmers who were aware of lbCI in such areas. Most other farmers seemed to hear about lbCI for the first time when they participated the REPs training.</li> </ul> <p><b>[Understanding for the system of lbCI and contents of insurance products after REPs training]</b></p> <ul style="list-style-type: none"> <li>Comparing the understanding level of lbCI after participating in the training between insured farmers and non-insured farmers, the insured farmers tended to have a higher level of understanding.</li> <li>Many Insured farmers had participated in the training multiple times. There is possibility that multiple participation in training result in enhancing the understanding level of insurance product.</li> <li>Comparing understanding level of the mechanism of lbCI between men and women, there were little difference between them. Among all farmers including insured and non-insured farmers, about 40% of the men farmers answered that they “understood very well”, while for women was about 20%.</li> <li>Understanding level of the contents of insurance product was also similar trend that less women than men answered “understood very well”.</li> </ul> <p><b>[Effectiveness of brochures of insurance product]</b></p> <ul style="list-style-type: none"> <li>It is considered that the brochures on insurance product had a certain effect in order to better understand the contents of insurance. The distributed brochures were translated in Oromo, but Amharic was widely used in some areas, and it was heard that it was good to have Amharic version.</li> </ul>
Evaluation of the insurance product	<p><b>[Coverage contents of Insurance product]</b></p> <ul style="list-style-type: none"> <li>Both farmers insured and non-insured slightly dissatisfied with the insurance product that target only drought.</li> <li>Many farmers who insured and non-insured mentioned that they wanted for the insurance product to cover multi perils such as flood, pest damage, frost, etc, if possible.</li> </ul> <p><b>[Insurance premium]</b></p> <ul style="list-style-type: none"> <li>Regarding the insurance premium, some farmers both insured and non-insured said that it was “expensive”, but many of them said that was “affordable”.</li> </ul> <p><b>[Payout calculation (using the satellite data)]</b></p> <ul style="list-style-type: none"> <li>Regarding payout calculation using the satellite data, there were many relatively good impressions such as no bias and saving time and labor.</li> </ul>

Item	Contents
	<ul style="list-style-type: none"> <li>• However, on the other hand, some farmers said that the mechanism was not well understood, and they tend to be little difficult to understand how to calculate payouts.</li> </ul>
Evaluation of REPs promotion activities	<p><b>[Contents of REPs training]</b></p> <ul style="list-style-type: none"> <li>• Regarding the contents of REPs training itself, both type of farmers replied that they generally satisfied.</li> </ul> <p><b>[Explanation by lecturer (DA, PA)]</b></p> <ul style="list-style-type: none"> <li>• Regarding explanation by DA or PA, most of farmers replied “Very well” or “Moderately well”, but some of them replied “slightly well”.</li> </ul> <p><b>[Sales method]</b></p> <ul style="list-style-type: none"> <li>• There was no big complaint about insurance purchase by cash payment, but some farmers said that it was good to have “purchased insurance by credit”</li> <li>• Many insured farmers had enough cash to purchase the insurance at REPs training, while little had enough cash for non-insured farmers.</li> <li>• Regarding insured farmers, a higher proportion of women answered that they did not have enough cash on the REPs training than men.</li> </ul> <p><b>[Season, time, and venue for REPs training]</b></p> <ul style="list-style-type: none"> <li>• Regarding the training period (January to April), many farmers who insured and non-insured mentioned “Easy to participate”.</li> <li>• However, by gender, the female insured farmers who answered “Better to hold on other season” were relatively higher than male insured farmers.</li> <li>• On the other hand, there were a certain number of farmers who preferred training and insurance sales from October to December. The main reason for that was that there was cash income from October to December, and taxes were paid around January.</li> <li>• There was no dissatisfaction with the start time or place of the training.</li> </ul>
Main reasons for purchasing or non-purchasing of insurance	<p><b>[Main reasons for purchasing the insurance]</b></p> <ul style="list-style-type: none"> <li>• There were many comments that insurance covered the risks to their agriculture.</li> <li>• Also, a few people said that they had health insurance and found out what role agricultural insurance would play.</li> </ul> <p><b>[Main reasons for non-purchasing the insurance]</b></p> <ul style="list-style-type: none"> <li>• There were 3 main reasons raised from interviewee: (1) They do not have a good understanding of insurance products, (2) the risk other than drought is the main risk in their area, so the insurance products do not meet their needs, and (3) the cash required to purchase insurance.</li> </ul>
Willingness to buy the insurance in the next season	<ul style="list-style-type: none"> <li>• About 80% of the insured farmers replied that they will “buy” in the next term, although the results have not yet been obtained.</li> <li>• Many of the insured farmers answered that they will buy insurance again next season because they can reduce the risk of crop loss and damage.</li> <li>• Some insured farmers also answered that they should be able to benefit other farmers even if the premium is not paid.</li> <li>• On the other hand, some of both type of farmers said that they will judge the purchase for the next season after seeing the results of this season.</li> <li>• There were also the responds that they would not buy the same product from some non-insured farmers.</li> </ul>

#### 4) Considerations for the REPs Promotion Activities from 2nd Cycle

The collected results are shown as below table. The project team made consideration upon the promotion activities of 2nd and subsequent Cycles based on the review survey results listed below.

**Table 2.21 Points of Consideration for the REPs Promotion Activities**

No.	Consideration Points
1	The contents of insurance product were difficult to understand well for some farmers. Particularly, the non-insured farmers tend to face the difficulty for understanding of insurance product. The project team will consider the way to enhance the level of understanding of the insurance for farmers.
2	Some farmers mentioned that some lecturer's explanation was unclear. The level of facilitation skill may be different depending on the person, but the Project will consider securing a certain level of facilitation skill for DAs through the training.
3	In the 1st Cycle, the insurance was sold only by cash. However, some non-insured farmers mentioned that they did not have enough money to purchase the insurance when they participated the training. Multiple ways to purchase the insurance such as combining with agricultural credit/loan is necessary to provide the opportunity and increase the sales of insurance.
4	Regarding the timing of REPs training, some farmers mentioned between October and December is also preferable for them, because they can get the income after harvested. The project team will consider how we provide the training and insurance sales with proper timing.
5	Most of farmers prefer the insurance which covers other agricultural risks besides the drought. Some agricultural risks which the farmers mentioned in this interview would be covered by the agricultural techniques. Also, the design of insurance product will be examined from the 2nd Cycle, including the farmer's needs.

### (13) Implementation of the Trial Farms

At the FTC established in each village, trial farms were established to practice agricultural technology that contributes to agricultural risk reduction. The purpose of this activity is to disseminate the agricultural technology through field exhibition and technical training for farmers, and to verify which technology should be included in REPs based on the technology effect and the profitability.

As mentioned previously, DAs joined the DA training and prepared an action plan including the agricultural technology and agricultural training plan to be introduced to FTC. In addition, from 36 villages where DAs are in charge of creating this action plan, 12 villages were selected from viewpoint of enough field area for trial farm and also activeness of DA.

From the selected 12 villages, DAs proposed the agricultural technology to be introduced, the field design, necessary agricultural materials for the trial, and the technical training plan for the farmers, then the woreda office submitted them to the Project. The project provided agricultural materials for 12 villages based on the proposal and distributed monitoring sheets and smartphones, also requested DAs to report the progress by smartphones. The outline of the trial farm is shown in the table below.

**Table 2.22 Contents of the Trial Farm in FTC**

Item	Contents
Purpose	Disseminate agricultural technology for farmers and verify which agricultural technology should be included in REPs
Implementation period	From end of May to November, 2020
Implementation place	FTCs in the 12 villages out of all 36 villages (Select 1 kebele from each woreda among the 12 woredas)
Agricultural training	About 3 times in this season

Item	Contents
Implementation Method	<ul style="list-style-type: none"> <li>• Based on the proposal submitted by the target villages, the Project supports the agricultural materials for 12 villages.</li> <li>• The project distributes the monitoring sheets and smartphones to DAs, and conduct remote monitoring as a trial.</li> <li>• Based on effect of introduced agricultural technology, the Project verify which agricultural technology should be included in REPs</li> </ul>

Five agricultural technologies were proposed by the target villages such as line planting, crop diversification, intercropping, Tide Ridge <sup>12</sup>, and improved varieties. Most villages were proposed to introduce intercropping combination of maize and haricot beans, and improved varieties of teff and wheat, while Negele Arsi woreda, where annual precipitation is relatively high (around 1,400mm), introduced crop diversification and grows vegetables. At present, the distribution of agricultural materials has been completed, and planting has started in all target villages.

As for the agricultural technology trainings, it is planned to be held 3 times this season, and DAs are conducting trainings about sowing and application method of fertilizer for farmers. In addition, the Project distributed mobile phones to DAs and created DAs group with SNS application, so DAs appropriately report the progress of the trial farm through the SNS application.

The table next page shows the details of the trial farm implementation.

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<sup>12</sup> Tide ridge is a type of rainwater harvesting technology. It can keeps collected water in the soil, prevents surface runoff and crop yield loss. In addition, it is likely to benefit for seasonal rainfall between 500±900 mm (drought or dry years).

**Table 2.23 Contents of the Trial Farm Implementation in Selected 12 Kebele**

Zone	Woreda	Kebele	Number of training until now	Location of FTC	Topic of trial farm (Technic)	Cultivating crop	Date		Schedule	
							Start	End	Trial area	Field training
East Shewa	Adama	Bokoji Dawarso	one	N 7.791557 E 39.138336	Inter cropping	Maize (M1) Haricot bean (Nasir)	Apr-20	Oct-20	June, August, November	April~December
	Boset	Tedecha	one	N 8.67707 E 39.475292	Applying of full package	Teff (Boset)	Apr-20	Nov-20	June, August, November	April~December
	Dugda	Bekele Garissa	one	N 8.126882 E 38.805686	Seed Adaptation of wheat Variety	Ogollocho wheat	2020/4/1	2020/10/30	June, August, November	April~December
	Bora	Malima Bari	None	N 8.350684 E 38.995594	Tide Ridge	wheat (king bird)	2020/4/9	2020/12/10	August, September, November	April~December
South West Shewa	Ilu	Buti Talgo	one	N 8.799191 E 38.325375	Line planting	Teff (Boset) , Wheat(king bird)	2020/5/9	Jan-21	June, August, December	April~December
	Bacho	Soyoma	one	N 8.635688 E 38.177776	Applying full package	Wheat (Qaqaba) and teff (Boset)	Apr-20	Oct-20	July, August, November	April~October
West Arsi	Sirato	Loke sifo	one	N 7.171023 E 38.228271	Inter cropping	Maize(BH 446) , Haricot bean(Nasir)	2020/4/9	2020/12/10	June, August, November	April~December
	Nagelle Arsi	Rafu Hargissa	Two times	N 7.433517 E 38.675192	Crop diversity catton	Onion, Cabbage, Carrot, Lettuce and maize beet root and sweet potato	2020/4/1	2020/10/30	June, July, September	April~October
	Shalla	Lejo Kertefa	None	N 7.311754 E 38.296142	Conservation Agriculture ( inter cropping )	Maize(BH 446) and Haricot bean (Nasir)		2020/11/9	July, August, November	April~October
Arsi	Heban Arsi	Sanbaro Rogicha	one	N 7.516255 E 38.857549	Inter cropping	Maze (BH 446) vs Haricot bean (Nasir)	2020/4/20	2020/11/5	May~ August, November	April~November
	Degeluna Tijo	Burkitu Alkassa	None	N 8.128877 E 39.346405	Applying full package	Wheat new Variety	Apr-20	Dec-20	July, August, November	April~December
	Lude Hfosa	Fursa	one	N 8.139085 E 39.344131	Applying full package	Ogollocho wheat	Apr-20	Dec-20	June, August, November	April~December

## 2.1.2 The 2nd Cycle

### (1) Submission and Discussion on the Work Plan

At the start of the contract for Phase-2, the Work Plan based on the Inception Report for the Phase-2 which was prepared and submitted according to Article 9, Paragraph 1 of the Particular Condition of the contract was submitted in January 2021. The presentation, explanation and discussion of this work plan were made during the Joint Coordination Committee (JCC) Meeting described below, as a result of consideration under the COVID-19 pandemic.

### (2) Kebele Level Workshop for the 2nd Cycle

Similar to the 1st Cycle of Phase-1, kebele level workshops for new kebeles targeted for the promotion of VICI as the target for REPs promotion for the 2nd Cycle was started from October 21, 2020, to collect information such as basic feature, main crops and farmer's understanding on insurance at target kebele. As compared to the same workshops in the 1st Cycle which was held in a workshop style with more than 30 farmers, the said workshops for Phase-2 were made by focus group interview with a minimum number of people in consideration of social distancing as a countermeasure against the COVID-19.

The workshop dates for each target kebele are shown in the table below.

**Table 2.24 Dates and Places of Kebele Level Workshop for the 2nd Cycle**

Zone	Woreda	Kebele	Date of Workshop
East Shewa	Boset	Borchota	2020/10/30
		Huluko	2020/10/31
		Kawa Hara Mirkassa	2020/10/30
	Dugda	Abuno Gabriel	2020/10/21
		Tuchi Sumaya	2020/10/21
		Hafa Kamale	2010/10/24
West Arsi	Siraro	Basa Maja	2020/10/27
		Shasha Goike	2020/10/28
		Dongoro Bonkoya	2020/10/27
	Nagelle Arsi	Daka hora Kado	2020/10/26
		Daka Dalu Harangama	2020/10/26
		Kararu	2020/10/25
	Shalla	Sondi	2020/10/29
		Aje Dida	2020/10/28
		Keransa Kubi	2020/10/28
	Heban Arsi	Ambagoda Saden	2020/10/27
		Boku Walda	2020/10/26
		Dawe	2020/10/26

### (3) REPs Packaging for the 2nd Cycle

As same as the 1st Cycle, after grasping the situation by above-mentioned kebele level workshops, REPs packaging work was made which combined farming technology with insurance. From the 2nd Cycle onwards, the process was to formulate the package in advance and re-formulate (confirmation) according to the agricultural technology proposed by each kebele when formulating action plans during the TOT training described below.

#### (4) TOT Trainings for the 2nd Cycle

As same as the 1st Cycle carried out from April 2019 to May 2020, after confirming REPs package that combined farming technology with insurance, and reflected the situation grasped in the above-mentioned kebele level workshops, TOT trainings on REPs dissemination technology for concerned officers were started at the end of November 2020. The TOT for the Phase-2 started with the trainings for MFIs.

##### 1) Training for MFI

As a new distribution channel of REPs, the Project adopted methodology to combine microfinance by MFI and insurance sales from 2nd Cycle. Since this is a new initiative, the development of new insurance products (such as comprehensive financial products that reduce credit interest and principal instead of payout) will be set as a future initiative. Therefore, for the 2nd Cycle, adoption of MFI was limited to the participation in distribution channel (MFI shall sell insurance as an insurance agent when they conduct activities to provide microfinance in the village). WASASA, which participates in ICIP's promotion activities form 2nd Cycle, is an MFI widely operating in Oromia Region. Since they have 4 branches in the target area of the 2nd Cycle, the final agreement with WASASA was made officially on November 5, 2020.

For this reason, a TOT was conducted for WASASA staff regarding VICI, insurance enrollment procedures, preparation of action plans, etc. The outline of the TOT and the number of participants is shown below.

**Table 2.25 Contents of TOT for MFI**

Item	Contents
Date	November 30, December 1-2, 2020 (3 days)
Number of Participants	21
Title of Participants	Staff of WASASA Microfinance S.C. (Branch Manager, Regional Manager, Credit Officer, etc.)
Place	Addis Ababa
Remarks	Japanese Experts attended by on-line from Japan

**Table 2.26 Woreda and Number of Participants of TOT for MFI**

Name of Woreda	Number	Title
A/Robe	4	Manager
		Credit Officer
		Teller (2)
Akaki	3	Manager(2)
		Teller (2)
Amigna	4	Manager
		Credit officer (3)
Asela	4	Regional Manager
		Credit officer (2)
		Teller
L/hexosa	2	Regional Manager
		Manager
Sebeta	4	Regional Manager
		Manager (2)
		Agronomist

This TOT program consisted of 5 modules: 1) overview of ICIP, 2) agricultural insurance (risk management, agricultural insurance overview, VICI), 3) promotion of REPs, 4) agricultural technology, and 5) action plan making. Mr. Melkachew (OIC) and Mr. Megressa (Kifiya Financial Technology Co., Ltd.) participated as lecturers for the outline of agricultural insurance and promotion of REPs.

**Table 2.27 Program of TOT for MFI**

Module		Agenda	Contents
<b>Day 1</b>			
Module 1 (Introduction)	AM	Opening Remarks	
		Introduction of ICIP	- Project overview - Purpose of TOT and its mechanism - Achievement of the 1st cycle
Module 2 (Insurance)	PM	Agriculture Risk Management	- Concept of agricultural risk management
		Agricultural Insurance	- Basic concept of agricultural insurance
Module 3 (REPs promotion)	PM	Agricultural Insurance	- Basic concept of agricultural insurance
		Introduction of VICI	- Introduction of Vegetation Index Crop Insurance
		Introduction of REPs promotion	- Operation of REPs promotion under the COVID-19 pandemic
<b>Day 2</b>			
Module 3 (REPs promotion)	AM	Introduction	- Explain agriculture risks and countermeasures
		manual Farmers' Registration for Insurance	- Introduction of farmers' registration system - Registration process
		REPs Training and Farmers' Registration Exercise	- Role-play of REPs training - Role-play of farmers' registration activities
		Introduction of Action Plan Making	Explain Role and responsibilities of each stake holder and how to make Action Plan by Kebele, Woreda and Zone
	PM	Action Plan Making (Group work)	- Make Action Plan for Insurance training and Presentation
		Successful training	Tips for successful training
		Closing remarks	

## 2) Trainings for DA

Following the training for MFIs stated above, TOT trainings for DA (extension workers) and RuSACCO staff were started from the end of December 2020. From the 2nd Cycle, as a countermeasure against COVID-19, trainings for a large number of people were cancelled, instead small-scale trainings for each woreda were made. With Christmas break (around January 7), the training sessions were made for Shiraro Woreda from January 11, Shala Woreda from January 14, Dugda Woreda from January 20, and Boset Woreda from January 25, for 3 days each. Mr. Solomon, a person in charge of ICIP at OBoA attended



trainings for Negele Arsi and Heban Arsi Woredas

The number of participants in each session is shown in the table below.

**Table 2.28 Dates and Number of Participants of TOT for DA**

Zone	Woreda	Date of Trainings	Participants	
East Shewa	Boset	2021/1/25 - 1/27	M	33
			F	24
	Dugda	2021/1/20 - 1/22	M	27
			F	17
West Arsi	Siraro	2021/1/11 - 1/13	M	37
			F	18
	Nagelle Arsi	2020/12/28 - 12/30	M	37
			F	11
	Shalla	2021/1/14 - 1/16	M	32
			F	29
	Heban Arsi	2020/12/31 - 2021/1/2	M	28
			F	12
Total:				305

The standard programs for this 3-day training were indicated below. Japanese experts attended all these trainings by on-line.

**Table 2.29 Program of TOT for DA**

Module	Time	Agenda
<b>Day 1</b>		
Module 1 (Introduction)	AM (1)	Introduction of ICIP
Module 2 (Insurance)	AM (2)	Agriculture Risk Management
	PM (1)	Introduction of VICI
Module 3 (REPs promotion)	PM (2)	Introduction of REPs promotion
<b>Day 2</b>		
Module 3 (REPs promotion)	AM (1)	Farmers' Registration for Insurance
	AM (2)	Preparation for insurance registration
	PM (1)	REPs Training and Farmers' Registration Exercise
Module 4 (Agriculture)	PM (2)	Agricultural risk control techniques
<b>Day 3</b>		
Module 5 (Action plan making)	AM	Action Plan Making (Group work)
	PM (1)	Presentation of Action Plan
	PM (2)	Evaluation of Training

### 3) Other TOT Trainings

In February 2021, 2-day trainings were held for Promotion Assistants (PAs), simultaneously with actual promotion activities started at woredas where preparatory works were completed.

Also from February 15, 2-day follow-up trainings were conducted for (DAs) and agricultural cooperative staff in the target kebeles. Both training sessions were made in similar programs, but the focus of the training for PAs was on detailed explanations of the actual procedures for registering (purchasing) the insurance. These training programs are shown in the table below.

**Table 2.30 Contents of Follow-up Training (left) and Trainings for PA (right)**

Item	Contents	Item	Contents
Date	February 15 to 16, 2021 (2 days)	Date	February 5 to 6, 2021 (2 days)
Number of Participants	58	Number of Participants	21
Title of Participants	DA and SACCO staff of the 1st Cycle kebele which continued for the 2nd Cycle	Title of Participants	Promotion Assistants (PA)
Place	Adama	Place	Adama
Remarks	Japanese Experts attended by on-line from Japan	Remarks	Japanese Experts attended by on-line from Japan

**Table 2.31 Programs of Follow-up Training (left) and Trainings for PA (right)**

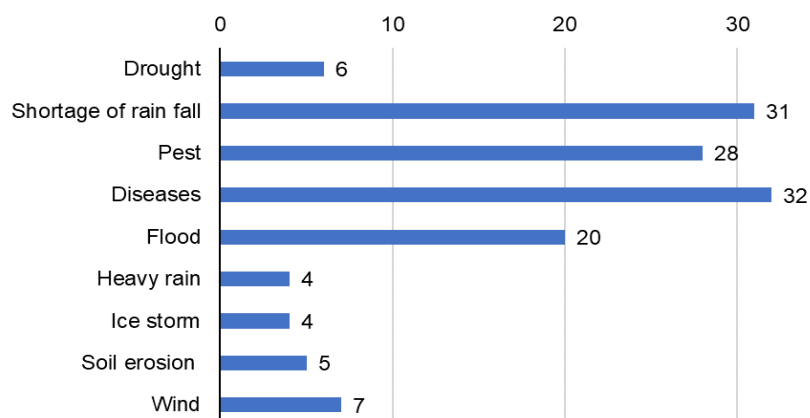
Days	Time	Agenda	Module	Time	Agenda
<b>Day 1</b>					
Day 1	AM (1)	Introduction of ICIP Introduction of VICI	Module 1 (Introduction)	AM(1)	Introduction of ICIP
	AM (2)	Farmers' Registration for Insurance		AM(2)	Agricultural Risk Management
	PM (1)	Manual Registration Registration demonstration Exercise	Module 2 (Insurance)	AM(2)	Agricultural Insurance
	PM (2)	Registration demonstration Exercise		PM(1)	Introduction of VICI
Day 2	AM (1)	Status report	Module 3 (REPs promotion)	PM(2)	Farmers' Registration for Insurance REPs Training and Farmers' Registration Exercise
	AM (2)	Main roles of PAs and TOR Action Plan making		AM(1)	Role of each actors
	PM (1)	Preparation for REPs promotion		AM(2)	Gender Session
	PM (2)	Monitoring and follow up structure		AM(3)	Introduction of Action Plan Making
				AM(4)	Action Plan Making (Group work)
				PM(1)	Presentation of Action Plan
				PM(2)	Introduction of REPs promotion
				PM(3)	Induction for New PA/ General Discussion How to succeed REPs promotion

By the implementation of trainings sated above, all of TOT for the 2nd Cycle were completed.

#### (5) Confirmation of REPs Package for the 2nd Cycle

Among the trainings mentioned above, on the final day of the TOT training for DA and RuSACCO, the participants prepared and presented action plans for REPs dissemination activities.

The action plan consisted of 1) number of target farmers REPs training by DA and the target number of farmers purchasing insurance, 2) number of target farmers for promotion and target number of farmers purchasing insurance under RuSACCO, and 3) major agricultural risks and status of FTC, and 4) action plan. According to the results of the action plan, diseases/pests were listed as major agricultural risks, followed by low rainfall and drought (Figure 1.1). In this regard, in terms of covering risks that cannot be covered by insurance, there is a high need for introducing agricultural technology that can deal with these risks at trial farms. Therefore, line planting, tided ridge, crop diversification and intercropping technology were confirmed as the agricultural technology for REPs package of the 2nd Cycle.



**Figure 2.8 Main Agricultural Risk of the Target Kebele for the 2nd Cycle**

#### (6) REPs Promotion Activities of the 2nd Cycle

From the areas where the 2nd Cycle TOT were made, REPs promotion activities (insurance sales) of the 2nd Cycle started in accordance with the action plans made at the last day of each TOT. Promotion activities were carried out by DA, cooperative staff, PA hired by the Project, and MFI staff, in consideration of the restriction imposed by the Ethiopian Government related to COVID-19 prevention.

In March 2021, the money for payout for the insurances sold during the 1st Cycle of 2019 was transferred from the insurance company to SACCO. The Project supported the insurance company to organize payout ceremonies for farmers who purchased insurance during the 1st Cycle at some selected kebeles. Payout results are shown in the table on the next page. Due to the payment of insurance in the 1st Cycle, farmers' awareness of the necessity of insurance has increased which contributed to the increase of insurance sales in the 2nd Cycle. Approximately 56% of farmers who purchased insurance in the 1st Cycle purchased insurance again in the 2nd Cycle. These results showed that insurance has provoked awareness to farmers for their needs for continuous purchase of insurance for the following Cycles.

**Table 2.32 Result of Payout for the 1st Cycle**

Zone	Woreda	No. of insured farmers	Sum insured amount (birr)	No. of payout received farmers	Payout amounts
East Shewa	Adama	11	22,000	0	0
	Boset	85	92,667	72	10,700
	Dugda	209	158,702	165	28,406
	Bora	29	38,000	29	7,220
South West Shewa	Illu	122	106,667	84	38,360
	Becho	46	52,000	46	18,393
West Arsi	Siraro	265	328,672	265	55,874
	Nagelle Arsi	170	222,679	170	45,000
	Shalla	116	162,667	116	24,400
	Heban Arsi	14	28,000	14	6,880
Arsi	Degeluna Tijo	20	40,000	20	6,000
	Lude Hitosa	38	76,000	18	15,480
<b>Total</b>		<b>1,125</b>	<b>1,328,054</b>	<b>999</b>	<b>256,713</b>

As a final result of the 2nd Cycle, the number of farmers participating in REPs training was 9,838, of which

2,352 purchased insurances, and the total insurance premium paid was 604,148birr. About 25% of the training participants purchased insurance, which greatly exceeded the 15% in the 1st Cycle.

The take-up rate in some kebeles is higher than in other kebeles. Particularly, the high take-up rate kebeles are concentrated in Dugda woreda. This is because agricultural officers and development agents in Dugda woreda have strong interests in agricultural insurance and they are active to the insurance promotion activities. In addition, many insured farmers under the 1st Cycle have received insurance payouts. This also helps create other farmers' awareness toward agricultural insurance. This situation could contribute to the high take-up rates in Dugda woreda.

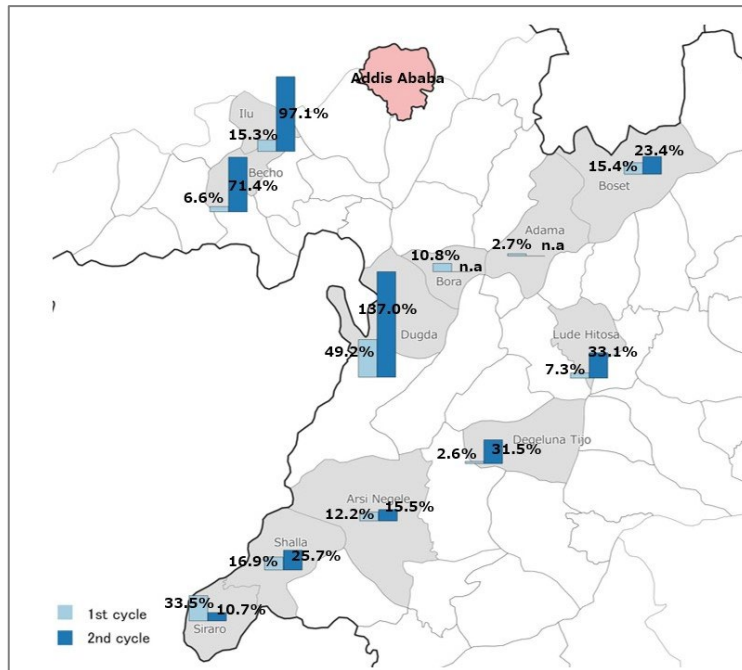
The results of promotion activities in the 2nd Cycle, and take-up rate by woreda are shown in the table and figure from the next page.

**Table 2.33 Result of Insurance Promotion of the 2nd Cycle**<sup>13</sup>

Active Woreda			Training Participants			Insurance Purchase			Percentage	Premium Collected
Zone	Woreda	Kebele	Male	Female	Total	Male	Female	Total		
East Shewa	Boset	Borchota	123	132	255	44	5	49	19.2%	7,900
		Gari	132	29	161	37	12	49	30.4%	6,700
		Buta Wagare	72	50	122	30		30	24.6%	5,000
		Tedecha	78	7	85	39	7	46	54.1%	11,300
		Huluko	43	18	61	8	0	8	13.1%	2,200
	Dugda	Kawa Hara Mirkassa	87	21	108	3		3	2.8%	1,200
		Abuno Gabriel	79	38	117	9	9	18	15.4%	5,400
		Tepho Coroke	96	7	103	5		5	4.9%	1,500
		Bekele Garissa	22	8	30	133	45	178	593.3%	48,800
		Tuchi Sumaya	1	50	51	101	16	117	229.4%	35,400
		Oda Bokota	34	1	35	102	6	108	308.6%	31,000
	Hafa Kamale	39	3	42	62	30	92	219.0%	12,200	
West Arsi	Siraro	Siraro Billaacha	147	72	219	60	8	68	31.1%	16,400
		Loke Hada	150	174	324	25	3	28	8.6%	8,400
		Loke sifo	241	221	462	19	18	37	8.0%	11,100
		Basa Maja	250	140	390	7	46	53	13.6%	15,900
		Shasha Goike	262	157	419	9	1	10	2.4%	2,800
		Dongoro Bonkoya	280	130	410	36	5	41	10.0%	12,300
	Nagelle Arsi	Rafu Hargissa	204	135	339	90	22	112	33.0%	33,900
		Gale fi Kelo	262	85	347	88	30	118	34.0%	20,100
		Hada Boso	225	156	381	100	43	143	37.5%	36,300
		Daka hora Kado	225	167	392	24	16	40	10.2%	12,550
		Daka Dalu Harangama	125	70	195	60	10	70	35.9%	21,600
		Kararu	38	33	71	11	64	75	105.6%	12,100
	Shalla	Awara Gama	67	60	127	24	16	40	31.5%	12,300
		Lajo Kertefa	237	43	280	90	33	123	43.9%	33,300
		Solicha waka Bute	127	59	186	23	2	25	13.4%	8,100
		Sondi	204	51	255	18	42	60	23.5%	10,400
		Aje Dida	113	60	173	17	7	24	13.9%	6,900
		Keransa Kubi	103	93	196	28	13	41	20.9%	10,500
	Heban Arsi	Sanbaro Rogicha	404	267	671	14	10	24	3.6%	5,600
		Ambagoda Saden	565	414	979	18	13	31	3.2%	9,300
		Boku Walda	345	353	698	22	54	76	10.9%	20,400
Dawe		395	113	508	19	1	20	3.9%	4,400	
Sub-Total			5,448	3,206	8,654	1,375	587	1,962	22.7%	473,650
Promotion Woreda			Training Actual			Insurance Actual			Percentage	Premium Collected
			Male	Female	Total	Male	Female	Total		
East Shewa	Becho	Jato	30	3	33	16	3	19		3,668
		Sodo Liban	50	0	50	43	1	44	88.0%	11,200
		Soyoma	22	0	22	12		12	54.5%	3,600
	Elu	Wasarbi Nado	37	2	39	110	34	144	369.2%	29,300
		Wasarbi Basi	64	20	84	51		51	60.7%	13,780
		Buti Talgo	32	51	83	3	2	5	6.0%	1,500
West Arsi	Lode Hetossa	Fursa	135	4	139	27	18	45	32.4%	13,800
		Melka Jabi				1		1		300
East shewa	Digaluna Tijo	Jammo	85	4	89	27	1	28	31.5%	8,850
	Bora	Malima Bari				2	12	14		3,200
Sub-Total			353	81	434	292	71	363	83.6%	89,198
WASASA					750			27	3.6%	
<b>Grand Total (2nd Cycle)</b>			<b>5,801</b>	<b>3,287</b>	<b>9,838</b>	<b>1,667</b>	<b>658</b>	<b>2,352</b>	<b>23.9%</b>	<b>562,848</b>

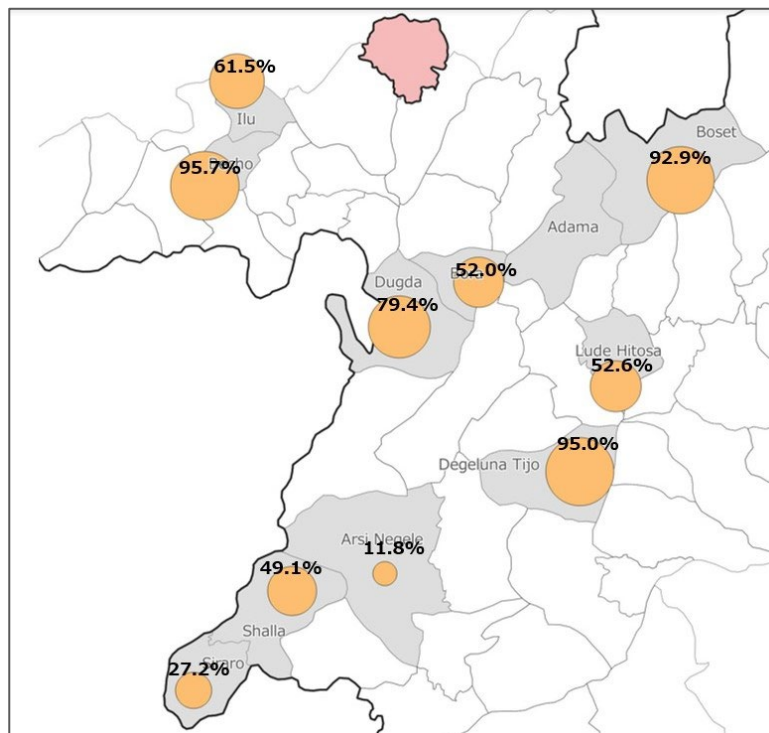
<sup>13</sup> Active Woreda: Woredas where Project staff visit the field and support for Woreda and Kebele Officers to conduct promotion activity. Promotion Woreda: Woredas where only Woreda and Kebele Officers conduct promotion activity.

Take-up rate by woreda is indicated in the figure below.



**Figure 2.9 Take-up Rate by Woreda**

Among 1,121 farmers who purchased insurance in the 1st Cycle, 629 farmers (56%) purchased insurance also in the 2nd Cycle. The figure below shows the repeat rate by woreda.



**Figure 2.10 Repeat Rate by Woreda**

## (7) Activities of Trial Farm (2nd Cycles)

### 1) Overview of the trial farm activities in the 2nd Cycle

In the 2nd Cycle, 10 FTCs (kebeles) where the trial farm was implemented in the 1st Cycle, 5 FTCs (kebeles) where the target area of insurance sales in the 1st Cycle but did not implement the trial farm, and 10 FTCs (kebeles) from the new target area were selected. In addition, 29 model farmers were selected from kebele implemented trial farm in the 1st Cycle. As in the 1st Cycle, the Project provided agricultural materials to the FTCs and model farmers based on the proposals submitted by the target kebele. 7 major agricultural techniques were proposed by FTCs: line planting, crop diversification, intercropping, Tied Ridge, full package, biofertilizer and compost. Refer to Appendix-4 for the details of the activities at the trial farm, monitoring, and results of the questionnaire survey of the extension workers.

**Table 2.34 Contents of the Trial Farm in FTC (the 2nd Cycle)**

Item	Contents
Purpose	Disseminate agricultural technology for farmers and verify which agricultural technology should be included in REPs
Implementation period	From end of April to December, 2021
Implementation place	25 FTCs (kebeles), 29 Model farmers (15 kebeles in the 1st Cycle and 10 kebeles in the 2nd Cycle were selected.)
Agricultural training	<ul style="list-style-type: none"> <li>Implemented 3 times through season at each FTC</li> <li>In the first training on Tied Ridge and Line planting, the researchers from the Melkassa Agricultural Research Center gave instructions to farmers using agricultural tools.</li> </ul>
Introduced technics	Line planting, Crop diversification, Intercropping, Tied Ridge, Full package, Biofertilizer, Compost
Implementation Method	<ul style="list-style-type: none"> <li>Based on the proposals submitted by the target kebele, the Project provided agricultural materials to FTCs and Model farmers</li> <li>The Project selected focal persons at each kebele, woreda, and zonal agricultural offices. Then smartphones or tablets were distributed to them, and implemented monitoring of trial farms</li> <li>Analysis of Profitability of introduced technics and yield comparison with conventional cultivation and introduced techniques</li> </ul>

### 2) Result of Trial Farm in the 2nd Cycle

#### a) Effect of introduced techniques in the areas where insurance payout was paid in the 2nd Cycle

In the 2nd Cycle, the results of the technology introduction to kebele where the trial farm was located among the areas with insurance payout are presented below. In each FTC field, 2 treatments, a technology-introduced area (Treatment) and a non-technology-introduced area (Control), were established with 200 m<sup>2</sup> to 300 m<sup>2</sup> each to measure the effect of technology introduction. Examples of trial farm effectiveness are described below.

- At Loke Hada Kebele in Siraro Woreda, insurance payout was 15% occurred to farmers. In fact, the introduction of Tied Ridge increased yields by about 2 times compared to the case where the technology was not introduced, despite drought damage.
- At Shasha Goyke Kebele in Siraro Woreda, 15% of insurance payout was paid, and with Tied Ridge,

yields increased by about 1.5 times compared to non-technology-implemented case.

- At Hada Boso kebele and Kararu kebele in Negele Arsi Woreda, insurance payments occurred 25% to 33% of the time. In fact, the introduction of Tied Ridge increased yields by about 1.5 times compared to the case where the technology was not introduced, despite drought damage.
- In some kebeles in Negele Arsi Woreda and Heban Arsi Woreda, yields in the technology-introduced areas were slightly lower than those in the non-technology-introduced areas. The following are thought as reasons.
- In Harangama Kebele of Negele Arsi Woreda, only Biofertilizer was applied in the technology-introduced area, while NPS was applied in the non-technology-introduced area. NPS is a chemical fertilizer and fast-acting, whereas biofertilizer is slow-acting and take longer time for the effects although it has sustainable effects of soil improvement. Therefore, effects of chemical fertilizer was shown in the non-technology-introduced area immediately, while the biofertilizer did not show any effect within a few months because of its slow-acting nature.
- In Sambaro Rogicha Kebele of Heban Arsi Woreda, the inter-cropping of maize and haricot bean was introduced, in which maize was sown at first and haricot bean was sown one month later. Erratic rainfall resulted in the poor growing condition for maize while there was sufficient rainfall after sowing haricot bean. Therefore, yields in the technology-introduced area where both maize and haricot bean were cultivated were lower than those in the non-technology-introduced area where only haricot bean was grown.

The results described above suggest that in the drought-affected areas, insurance payments were made, and farmers were able to receive the insurance payout, and that the introduction of Tied-Ridge and other technologies reduced the damage caused by drought-induced yield loss.

**Table 2.35 Effects of introduced techniques in the areas with insurance payout**

Basic information							Unit Production(kg/ha)		Yield Comparison with control plot*(%)	Payout (%)
No.	Zone	Woreda	Kebele	Introduced technics	Crop	Target risk	Treatment	Control		
1	West Arsi Zone	Siraro	Loke Sifo	Inter cropping	Haricot bean and Maize	Pest and deseases control	8,500 (Maize+HB)	3,666 (HB)	232%	15%
2		Siraro	Loke Hada	Tide-rigde	Maize	Shortage of rain fall	5,000	2,500	200%	15%
3		Siraro	Shasha Goyike	Tide-rigde	Maize	Shortage of rain fall	10,000	6,667	150%	15%
5		Nagele Arsi	Hada Boso	Tide-rigde	Maize	Shortage of Rain fall	5,000	3,233	155%	33%
6		Nagele Arsi	Keraru	Tide-rigde	Maize	Shortage of Rain fall	9,167	6,000	153%	25%
7		Nagele Arsi	Daka Dalu Harangama	Biofertilizer	Haricotbean	Low soil fertility	1,100	1,167	94%	31%
8		Heben Arsi	Sambaro Rogicha	Inter cropping	Maize	Drought	8500 (Maize+HB)	9000 (HB)	94%	15%
9		Heben Arsi	Bokku Walda	Tide-rigde	Maize	low production	4,500	4,000	113%	25%
10		Heben Arsi	Amba Goda Sade	Biofertilizer	Harcot Bean	Low soil fertility	1,900	1,100	173%	33%

\* Yield Comparison with control plot\*(%)=Yield of treatment/Yield of control

#### b) Number of training participants at FTC in the 2nd Cycle

In the 2nd Cycle, a total of 3 agricultural technical training sessions were held at each FTC. A total of



668 farmers participated in the first training, 928 farmers in the second, and 792 farmers in the third, bringing the total number of farmers trained to 2,388.

c) Number of farmers visiting model farmers field and adopting techniques around model farmers

The table below shows the number of farmers who visited the model farmers field and the number of farmers who adopted the techniques in the surrounding area. The number of farmers visiting model farmers' fields varied by each kebele, but many neighboring farmers visited model farmers' fields because of their interest in line planting, intercropping, crop diversification, and improved seeds. The number of farmers who visited the model farmers' fields was larger than the number of farmers who participated in training at the FTC in each kebele, indicating that conducting the trial farm at the model farmers' fields is highly effective in disseminating the technology among farmers. In terms of the number of farmers who introduced the technologies, there are many kebeles where the number of farmers who introduced intercropping, crop diversification, and improved seeds is high, but the number of technology diffusion is zero in some kebeles. In areas where no diffusion is observed, further monitoring was conducted to ascertain the number of farmers who have diffused the techniques.

**Table 2.36 Number of farms visiting model farms and introducing techniques around model farms**

Woreda	Kebele	Introduced Techniques	Number of farmers visited Model farmer's field			Number of farmers installed the techniques		
			M	F	Total	M	F	Total
Boset	Tedecha	Line Planting	12	5	17	1	0	1
Dugda	Bekele Garissa	Seed Adaptation	87	59	146	28	20	48
Ilu	Buti Talgo	Full package	21	5	26	8	0	8
Bacho	Soyama	Line planting	629	104	733	6	1	7
Siraro	Loke Sifo	Inter cropping	43	27	70	70	33	103
Shalla	Lajo Kertefa	Inter cropping	82	7	89	16	1	17
Negele Arsi	Rafu Hargesa	Crop diversification	32	38	70	17	39	56
Heban Arsi	Sambaro Rogicha	Inter cropping	16	14	30	5	2	7
Lude Hitosa	Furusa	Fullpackage	38	10	48	0	0	0

## (8) Mid-term Survey

A mid-term survey targeting 1,050 households (35 households in each of 30 kebeles in all 12 woredas) was conducted from October to early December 2021 as sub-contract works, to conduct mid-term analysis of the Project's effectiveness and an impact assessment. See Chapter-4 of this report for details.

### 2.1.3 The 3rd Cycle

#### (1) Consideration on Index-based Crop Insurance for the 3rd Cycle and its Promotion

##### 1) Development of New Type of Index-based Crop Insurance

The contract was amended to design a new insurance product in June 2021. This is because the review of the REPs in the 2nd Cycle revealed that there is demand for new type of index-based crop insurance, particularly for AYII. Therefore, promotional activities have been planned for AYII product for the 3rd

Cycle along with the existing insurance product, VICI. Introducing and developing AYII, a consultancy service provider with expertise and extensive experience in this area was selected through the bidding, and sub-contract was arranged.

Consultancy service providers with experience in similar work in Africa were nominated and invited to the bidding. As a result, the following companies submitted the bidding documents including qualification documents, technical proposal and financial proposal.

**Table 2.37 List of Companies for AYII Development**

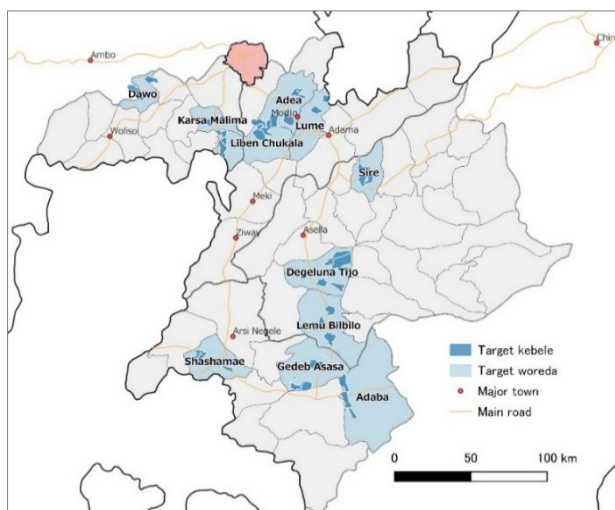
No	Company	Address	Contact	Type of Business
1	K. M. Dastur & Company Limited	15 - 18 Lime Street, London EC3M 7AN	Ayandev Saha ayandev.saha@hotmail.co.uk	Insurance broker and insurance programme management services
2	Risk Shield Consultants Ltd.	6471 Kariba Road, Kalundu P.O. Box RW 37X, Lusaka, Zambia	Agrotosh Mookerjee agrotosh@gmail.com	Insurance service provider including actuarial services and weather-index insurance.
3	Pula Advisors Limited	ABC Place, 2nd Floor – Block F, Waiyaki Way, Westlands, Nairobi.	Elise Lee elise@pula.io	Insuretech company based in Kenya
4	Agriculture and Climate Risk Enterprise Ltd. (ACRE)	Ground Floor, Zep Re Place, Longonot Place, Upper Hill Nairobi	Farid K. Wangara FKKeya@acreafrica.com	Insurance Intermediary that provides Risk Management Solutions to reduce agricultural and climate risks.

The evaluation of the proposal was made based on Quality Cost Based Selection (QCBS) method. As a result, Risk Shield Consultants Ltd. Marked the highest score. Given the result of the evaluation, the Project Team invited Risk Shield to contract negotiation.

The contract negotiation was held on July 25, 2021. The Project Team confirmed the contents of the technical proposal including implementation schedule and assigned experts in the contract negotiation. The financial proposal was also reviewed and finalized the contract amount. As a result, the Project Team and Risk Shield Consultant Ltd. Agreed on 163,000USD of the final quotation, and the contract was signed on July 30, 2021.

The 1st kick-off meeting was held on August 26, 2021. The progress of the consultancy work was confirmed through online meetings. Also, Risk Shield joined a series of kebele workshops to collect basic information for the product development.

One of the main features of AYII is to cover multiperil risks. For this reason, the target woreda of AYII includes areas with flood and pest and disease risks. The current VICI product targets 4 zones. AYII product targets 12 woredas from these 4 zones (3 woredas/zone). Also, 3 kebeles per woreda will be selected for AYII so that the total target kebeles would be 36 kebeles.



**Figure 2.11 Map for AYII Target Area**

The following table shows the product development process. There are mainly 4 steps: 1) Data collection, 2) Kebele workshop, 3) Crop selection and 4) Setting up conditions of insurance product.

**Table 2.38 Summary AYII Product Development Process**

Step	Contents
1. Data Collection	<ul style="list-style-type: none"> <li>Historical production data over the past 20 years through Statistical office</li> <li>Agricultural data over the past 10 years through agricultural office at woreda and kebele level</li> <li>Historical rainfall data through meteorological agency</li> <li>Other data sets such as satellite data and NDVI data</li> </ul>
2. Kebele Workshop	<ul style="list-style-type: none"> <li>Major crops, normal yield, drought experience, selling price, production cost, farm budget, planting and harvesting period and major agricultural risks</li> </ul>
3. Crop Selection	<ul style="list-style-type: none"> <li>Select 3-4 main crops per woreda</li> <li>Elaborate prototype of insurance product</li> </ul>
4. Setting up Conditions	<ul style="list-style-type: none"> <li>Net premium rate: 8% for all the target kebeles considering efficiency of insurance operation. Yet, compensation level is different from crop to crop and area to area. On average, a payout will be made at 50% of damage level.</li> <li>Maximum payout: 4,000birr considering the average production cost for major crops.</li> <li>Minimum payout: 10% of the maximum payout; namely EBT 400.</li> </ul>

The product approval process for AYII product was expected to be done by each insurance company. In Ethiopia, NBE is regulatory authority for insurance businesses and responsible for approval of new insurance products. Applicants have to provide the following documents to obtain approval of new insurance products: 1) Product overview including pricing method and expected loss ratio, 2) Marketing approach, 3) Business plan including financial projection, 4) Approval of company board members and 5) Feasibility study report.

The Project Team provided support to OIC and EIC in the preparation of the product approval documents. As a result, EIC received the approval from the NBE in June 2022. While, OIC has already received the product approval for the AYII product before under another project. According to OIC, it is not necessary

for OIC to apply for the AYII product approval again because they already have the approval for the same type of insurance produce.

The condition of the AYII product was finalized through discussions with OIC as well as EIC. As a result, they both agreed that they would sell the AYII with a premium rate of 10% for all the target areas. The following table shows summary of the AYII product in Dawo Woreda in South West Shewa Zone:

**Table 2.39 Summary of the AYII Product in Dawo Woreda in South West Shewa Zone**

<b>Insurance Type</b>	AYII						
<b>Target Crop</b>	Teff, wheat, barely, chickpea						
<b>Target Season</b>	Meher						
<b>Coverage Period</b>	Average planting period in Dawo woreda (between planting and harvesting periods)						
<b>Target Kebele</b>	The following kebeles are targets: 1) Ulma Busa, 2) Bashi kiltu, 3) Kersa Bombi Crop Cutting Experiment (CCE) will be done in each kebele to calculate payout amounts.						
<b>Average Yield (Qt/ha)</b>  <b>Trigger Level (%)</b>  <b>Payout-rate</b>	<b>Target Kebele</b>	<b>No.</b>	<b>Crop</b>	<b>Average Yield</b>	<b>Trigger Level</b>	<b>Payout-rate</b>	
	Ulma Busa	1	Teff	16	55%	2.22	
		2	Wheat	23	40%	3.33	
		3	Chickpea	18	45%	2.86	
		4	Barley	18	45%	2.86	
	Bashi Kiltu	1	Teff	16	55%	2.22	
		2	Wheat	23	40%	3.33	
		3	Chickpea	18	45%	2.86	
		4	Barley	18	45%	2.86	
	Kersa Bombi	1	Teff	14	55%	2.22	
		2	Wheat	20	40%	3.33	
		3	Chickpea	18	45%	2.86	
		4	Barley	18	45%	2.86	
	<ul style="list-style-type: none"> <li>• Average yield (qt/ha): normal yield calculated based on historical yield.</li> <li>• Trigger level (%): Payout happens if the actual yield is below the trigger level. Trigger level shows as a percentage of average yield.</li> <li>• Payout-rate: Maximum payout (100%) / (Trigger level – Exit level), a payout will occur for every percentage below the trigger level.</li> </ul>						
	<b>Exit Level (Maximum payout level)</b>	10% of average yield					
	<b>Sum insured amount (Maximum payout)</b>	4,000birr					
<b>Minimum payout</b>	10% of the maximum payout (400birr)						
<b>Calculation of payout</b>	<p>If actual yield is less than Trigger level:</p> <p>Payout (% of the sum insured amount) = MIN[Y, MAX{[(GY-AY) x R], X}]</p> <p>GY = Average yield  AY = Actual yield level (actual yield / average yield)  R = Payout-rate  X= Minimum payout rate (10%)  Y= Maximum payout rate (100%)</p>						
<b>Premium rate</b>	10% of the sum insured amount (4,000birr * 10% = 400birr)						

## 2) Implementation Arrangement and Extension Approach

As well as the 2nd Cycle of the project implementation, MFI namely WASASA involved REPs promotion activities as intermediaries. They focused on some target areas within the operational areas in their branches which faces some difficulties by draught or shortage of rainfall.

The Project Team has considered to establish new distribution channels for REPs promotion. To know the possibility of collaboration with Agri-input supply shops, the Project Team had the discussion with person in-charge of ATA in September 2021. The ATA supports the owners of Agri-input supply shops so-called “Agriculture One-Stop Shop (AOSS)” or “Farm Service Center (FSC)”. ATA introduced some potential shops among the Project target areas. In addition, the Project Team discussed with the person in-charge of the Input Voucher System (IVS) to confirm the possibility of collaboration with the Project activities. According to the ATA, approximately 95% of fertilizers nationwide are sold through IVS, and in the Oromia Region, Vouchers are purchased through SACCO and materials are provided through the Agriculture Primary Cooperative. Both ATA and the Project Team has confirmed the importance to provide insurance service to farmers to improve their resilience.

Oromia Cooperative Promotion Agency (OCPA) is an administrative organization of SACCOs in Oromia region. Through the discussion with the head of OCPA, both parties confirmed the importance of provision of insurance services to the famers. However, a concrete discussion was not made in the 3rd Cycle. This was mainly due to personal relocation in OCPA and security concerns in the Northern Ethiopia.

Also, the Project Team visited the private seed companies namely Seed Co. and Corteva. Both companies widely provide their services in Africa. Seed Co. was newly established in Ethiopia in 2020. Since, they were in preparation stage for seed production. The Project Team concluded that it would be difficult to promote in combination with the insurance during the project period. Corteva is another private seed company, and discussions had been held before at the beginning of the Project. The Project Team had a discussion with a new country leader. The project overview was explained from our side, Also, the company also explained its operations, including the status of maize seed production in Ethiopia.

Green Agro Solution PLC (GAS) is one of the Agri-service providers in Ethiopia, they are providing the one-stop digital service namely “Lersha” to small scale farmers and enables to them to access farm inputs, hire mechanization services, and agro-climate information. They also run the FSC in Arsi Zone. The Project Team has discussed with them for possibility of collaboration. However, as well as other topics, the Project decided to pause the consideration of new distribution channels in the 3rd Cycle due to security concerns in Ethiopia.

Also, the Project Team considered to add a new insurance company to start the REPs promotion. After the several meetings with EIC, EIC decided to join as new insurer for AYII from the 3rd Cycle. 2 Woredas (6 kebeles) out of 12 Woredas (36 kebeles) where new AYII promotion areas are designated as promotional areas operated by EIC in the 3rd Cycle.

## 3) REPs Packaging for the 3rd Cycle

In the 3rd Cycle, necessary agricultural technologies were selected as same as the 2nd Cycle, based on the information of each target kebele obtained by kebele level workshops described later in (13). From the

3rd Cycle, the input related to the agricultural technology proven in the 2nd Cycle pilot farm, the difficulty of implementation and also reactions of the farmers, etc. were reflected in the selection process, and agricultural technologies were selected in view of easier technology transfer to farmers with their access to equipment when necessary. The candidate technologies were finalized as the REPs package of the 3rd Cycle.

## (2) Kick-off Meeting (Woreda Level Workshops) for the 3rd Cycle

For 12 woredas where AYII would be newly promoted from the 3rd Cycle, woreda level workshop was held on September 6, 2021, to share basic information, farming conditions, agricultural risks, and agricultural data necessary for the design of AYII, and also for the selection of target kebele in each woreda. The parties concerned with these 12 woredas, with officers of zone where these woredas belong were invited for this workshop held in Adama City.

The target woredas and the selected kebeles are shown in the table below.

**Table 2.40 Target Kebele for AYII**

Zone	Woreda	Kebele Name	Zone	Woreda	Kebele Name
East Shewa	Adea	Gubesaye	South West Shewa	Dawo	Maket Suntare
		Bekajo			Ulmaa Buusaa
		Hedi			Bashii Kiltuu
	Lume	Daka Bora		Soddo Dachi	Haro Oma
		Tulu Re'e		Tare Shino	
		Nanawe		Saden Muchuchata	
	Liban Chukala	Dololo Jila		Kersa Malima	Kersa Worko
		Gachi Daimo		Chancho Robe	
		Wanbar Chukala		Adadi Mariam	
Zone	Woreda	Kebele Name	Zone	Woreda	Kebele Name
West Arsi	Shashamanne	Chabi Dida Gnata	Arsi	Lemo Bilbilo	Ciba Mikaelo
		Burra Borama			Qoma Katara
		Fajji Soole			Sirbo
	Adaba	Ejersa		Sire	Inbsata Uduga
		Haro Hunte		Gasala Shashe	
		Furuna		Gasala Chacha	
	Gedeb Asasa	Dabara Bubura		Digalu Tijo	Digalu Bora
		U/Walkite		Kubsa Bora	
		Woqachela		Sheldo Jigese	

## (3) Kebele Level Workshops for the 3rd Cycle

Based on the result stated above, kebele level workshops were started on September 15th, 2021 at 36 kebeles newly selected for the promotion of AYII. The purpose of the workshops were: i) to introduce the Project to the people involved in the target kebele and provide basic explanations about the index based crop insurance so that they will be aware of the Project and importance of crop insurance, and ii) to collect basic information of target kebele, such as major crops, past yields, cropping calendar, major agricultural risks, past natural disasters, selling prices of agricultural products, production costs, existence of MFIs and savings associations, etc. For these workshops, Development Agents, Kebele Chairperson, staff of agricultural offices and model farmers participated. On 12 October, kebele workshops were completed in all 36 kebeles, and based on this information, product design and marketing of AYII was started.

**Table 2.41 Contents of Kebele Level Workshop**

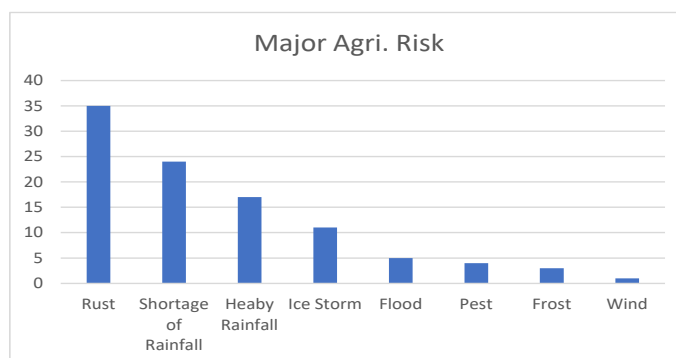
Items	Contents
Purpose	To collect information for REPs, and to confirm the challenges of farming in the target kebele
Participants	DA, Woreda Officers, Kebele Chairperson, Model farmers
Contents	To collect information below through participatory workshop style (Crop) Main crop, variety, planted area, yield (Cropping calendar) Cropping calendar by crop (Timeline) Damage and frequency of drought in the past (Gender) Role of man and woman in agriculture (Agricultural technologies) Major risks in Agriculture (Insurance) Willingness to pay survey

As mentioned above, kebele level workshops were facilitated by the Team with the participation of woreda staff and DA. The villages where the workshop will be held, and the implementation schedule are shown in the table below.

**Table 2.42 Dates and Places of Kebele Level Workshops for AYII**

Zone	Woreda	Kebele	Workshop Date
East Shewa	Adea	Gubesaye	2021/9/28
		Bekajo	2021/9/28
		Hedi	2021/9/28
	Lume	Daka Bora	2021/10/6
		Tulu Re'e	2021/10/7
		Nanawe	2021/10/6
	Liban Chukala	Dololo Jila	2021/10/8
		Gachi Daimo	2021/10/8
		Wanbar Chukala	2021/10/9
South West Shewa	Dawo	Suntare	2021/10/7
		Ulmaa Buusaa	2021/10/6
		Bashii Kiltuu	2021/10/6
	Soddo Dachi	Haro Oma	2021/10/11
		Tare Shino	2021/10/11
		Saden Muchuchata	2021/10/11
	Kersa Malima	Kersa Worko	2021/10/8
		Chancho Robe	2021/10/8
Adadi Mariam		2021/10/9	
West Arsi	Shashamanne	Chabi Dida Gnata	2021/9/23
		Burra Borama	2021/9/23
		Fajji Soole	2021/9/24
	Adaba	Ejersa	2021/9/21
		Haro Hunte	2021/9/22
		Furuna	2021/9/21
	Gedeb Asasa	Dabara Bubura	2021/9/23
		U/Walkite	2021/9/22
		Woqachela	2021/9/22
Arsi	Lemo Bilbilo	Ciba Mikaelo	2021/9/24
		Qoma Katara	2021/9/24
		Sirbo	2021/9/21
	Sire	Inbsata Uduga	2021/9/26
		Gasala Shashe	2021/9/16
		Gasala Chacha	2021/9/15
	Digalu Tijo	Digalu Bora	2021/9/24
		Kubsa Bora	2021/9/24
		Sheldo Jigese	2021/9/25

As part of the results, the main agricultural risks (multiple answers) that were expressed in the target kebele are shown in the figure below. The items raised as major agricultural risks are in horizontal axis, while number of kebeles that raised each item as agricultural risk are in vertical axis. Unlike target area for VICI for the 2nd Cycle where drought was assumed as single risk, it can be said that there are various risks in these areas for selected area for AYII.



**Figure 2.12 Major Agricultural Risk for the Target Kebele of AYII**

On the other hand, regarding the target kebele for VICI, candidate kebeles were proposed by woreda from the area of the 1st Cycle and the 2nd Cycle, and total 21 kebeles were selected as new target kebele to be implemented in the 3rd Cycle. Then, kebele level workshops were made in the same manner as AYII stated above.

However, due to the deteriorating security situation, the Team temporarily suspended its field activities on November 3 when the workshops at 13 kebeles shown in the table below were completed out of the 21 kebeles mentioned above.

**Table 2.43 Dates and Places of Kebele Level Workshop for New VICI Kebele**

Zone	Woreda	Kebele	Date of Workshops
South West Shewa	Becho	Awash Bune	29 October 2021
		Kobo	29 October 2021
	Elu	Bili	29 October 2021
		Dowa Bise	29 October 2021
East Shewa	Boset	Marko Oda Lagaa	1 November 2021
		Bakaktu Mame	1 November 2021
		Buta Dalacha Gada	1 November 2021
		Buta Badasso	1 November 2021
	Bora	Baarta Saamii	2 November 2021
		Tuka Langano	2 November 2021
	Dugda	Haxe Laman	3 November 2021
		Sera Wakale	3 November 2021
		Walda Hafa	3 November 2021

The basic information of 8 remaining kebeles were supplemented by other method such as telephone interviews, etc.



#### (4) Training Video Material Preparation

Since it was anticipated that the difficulties to conduct face-to-face TOT trainings due to prohibitions on meetings, restrictions on the number of meetings by COVID-19 protection, the Project Team prepared the training video materials. The contents of the videos were based on previous TOT training sessions included an overview of the Project, the need for risk management in agriculture, an overview of agricultural insurance and vegetation indexing, and the various agricultural technologies. These videos were also used in the TOT training for a new operational area of VICI. In addition, the Project Team shared the video materials with each woreda office in the target areas and were also shared through the Project YouTube channel to review the training contents for the trainees. It is expected that the DAs who participated in the training would be able to use the videos as a reference for their field extension activities, depending on the content of their activities.

#### (5) TOT Trainings for the 3rd Cycle

##### 1) Follow-up Trainings

As the first step of TOT training for the promotion of VICI in the 3rd Cycle, follow-up trainings were started in October 2021 for people involved in kebele where insurances were promoted for the last season and also to be promoted for this season.

The training was held in Adama City from October 18th to 21st, with 1-day training programs divided into woreda over 4 days. Most of the participants had already participated in TOT training in 2019 or 2020, so the explanation from the team was kept to a minimum to ensure maximum time for participants for the works by participants themselves, such as presentations of successful stories in each woreda and action plans for the 3rd Cycle. Ensured maximum time for presentations and work.

Target woreda/kebele and programs are as follows.

**Table 2.44 Program for Follow-up Training for the 3rd Cycle**

	Agenda	Contents
AM (1)	Registration	
	Welcoming Remarks	
	Introduction of Participants	
	Introduction of ICIP(1)	- Project Overview and Last year Achievement and Challenges
	Introduction of ICIP(2)	- Agricultural Component of ICIP achievement last year
AM (2)	Agricultural Insurance	- Revision of Basic concept of VICI
	Risk Control	Revision of Risk control (agriculture Part)
	Questions and Answers	
	Success Story	Sharing experience among woredas
PM (1)	Role and Responsibilities	Presentation on Role of stakeholders
	Action Plan	Making Action plan and strategies for implementation
	Discussion	Discussion on action plan
PM (2)	Follow Up Strategy	Giving direction by Regional Actors to Zonal
	Recognition Ceremony	Recognition of Stakeholder
	Closing remarks	

**Table 2.45 Dates, Places and Number of Participants for Follow-up Training for the 3rd Cycle**

Zone	Woreda	Kebele	Date	Zone	Woreda	Office	Number	
East Shewa	Boset	Borchota	18 October	West Arsi	Siraro	Woreda Officers	5	
		Gari				DA	6	
		Tedecha				Coop. DA	6	
		Buta Wagare				SACCO, etc.	7	
		Woreda Total				24		
	Dugda	Abuno Gabriel			Shala	Woreda Officers	6	
		Tepho Coroke				DA	5	
		Bekele Garissa				Coop. DA	7	
		Tuchi Sumaya				SACCO, etc.	4	
		Oda Bokota				Woreda Total	22	
		Hafa Kamale				Heban Arsi	Woreda Officers	5
		Malima Bari					DA	7
							Coop. DA	6
	SACCO, etc.	4						
	Woreda Total	22						
West Arsi	Siraro	Siraaroo Billaachaa	19 October	East Shewa	Dugda	Woreda Officers	4	
		Shaashaa Goikkee				DA	6	
		Dongooroo Bonkoyyaa				Coop. DA	5	
		Lookkee Hadaa				SACCO, etc.	10	
		Lookkee Siifoo				Woreda Total	25	
		Basa Maja				Boset	Woreda Officers	6
							DA	4
		Coop. DA			2			
		SACCO, etc.			5			
		Woreda Total			21			
		Bora			Woreda Officers		4	
					DA	4		
					Coop. DA	1		
					SACCO, etc.	2		
					Woreda Total	11		
		Shalla			llu	Woreda Officers	3	
						DA	7	
						Coop. DA	5	
						SACCO, etc.	6	
						Woreda Total	21	
						Becho	Woreda Officers	4
							DA	4
		Coop. DA			3			
		SACCO, etc.			4			
					Woreda Total	15		
		Heban Arsi			Lude Hitosa	Woreda Officers	4	
						DA	4	
	Coop. DA		3					
	SACCO, etc.		2					
		Woreda Total	13					
	South West Shewa	Degerna Tijo	Woreda Officers	2				
			DA	4				
			Coop. DA	2				
			SACCO, etc.	4				
		Woreda Total	12					
	Arsi	Lode Hetossa	Grand Total		217			
			Fursa					
			Melka Jabi					
	Digaluna Tijo	Jammo						

## 2) TOT for Newly Participated Kebele for the Promotion of VICI

Among kebeles targeted for insurance promotion in the 3rd Cycle mentioned in above (3), total 5 training sessions (TOT) were held, 3 days in each woreda from January 12, 2022. In a review survey on the

activities up to 2021, farmers who did not purchase insurance mentioned that in January and February every year, they have less savings to pay insurance premiums. Many people wanted promotion activities to be started in December when farmers have money. To respond to such opinions, the Team tried to start TOT in November to enable insurance promotion from mid-December, but due to the security situation in the country, this schedule was delayed by 2 months.

Although there were some minor time adjustments for each session, the basic program is as shown in the table below. Japanese experts participated to these trainings remotely.

**Table 2.46 Program of TOT for Newly Participated Kebele for VICI in the 3rd Cycle**

Module	Time	Agenda	Contents
<b>Day 1</b>			
Module 1 (Introduction)	AM	Opening Remarks	
		Introduction of ICIP	- Project overview - Purpose of TOT and its mechanism - Achievement of the 1st cycle
Module 2 (Insurance)	AM	Agriculture Risk Management	- Concept of agricultural risk management
		Agricultural Insurance	- Basic concept of agricultural insurance
Module 3 (REPs promotion)	PM	Introduction of VICI	- Introduction of Vegetation Index Crop Insurance
		Introduction of REPs promotion	- Operation of REPs promotion under the COVID-19 pandemic
<b>Day 2</b>			
Module 3 (REPs promotion)	AM	Exercise on manual registration method	- Introduction of farmers' registration system - Registration process
		REPs Training and Farmers' Registration Exercise	- Role-play of REPs training - Role-play of farmers' registration activities
Module 4 (Agriculture)	PM	Introduction on Agricultural Part	- Explain agriculture risks and countermeasures
		Agricultural risk control techniques	- Line planting, Tide ridge, intercropping, crop diversification
		Agricultural risk control techniques	- Integrated Soil fertility Management
<b>Day 3</b>			
Module 5 (Action plan making)	AM	Gender Session	- Explain the importance of gender, and have a dissection about gender issue, Group work and presentation
		Introduction of Action Plan Making	- Explain Role and responsibilities of each stakeholder and how to make Action Plan by Kebele, Woreda and Zone
	PM	Action Plan Making (Group work)	- Make Action Plan for Insurance training and trial farm plans
		Successful training	- Tips for successful training
		Presentation of Action Plan	- Presentation of Action Plan
		Closing remarks	

Dates, Places and number of participants were as follows:

**Table 2.47 Dates, Places and Number of Participants of TOT for Newly Participated Kebele for VICI**

Zone	Woreda	Kebele	Training Date	Participants						
				Zone	Woreda	Kebele				Total
						DA	Coop DA	SACCO	Chairman, etc	
West Arsi	Shala	Allbula Geto	Jan 12-14	4	10	10	5	15	5	49
		Wondo Kosha								
		Lalle								
	Siraro	Alam Tena Sirbo	Jan. 17-19	4	5	9	3	9	6	36
		Rophi Sinxa								
		Gubeta Arjo								
Negele Arsi	Kersa Gera	Jan 20-22	4	6	12	4	12	8	46	
	Garbi Arba									
	Buta Badasso									
East Shewa	Boset	Marko Oda Lagaa	Jan 24-26	4	11	8	3	15	6	47
		Bakaktu Mome								
		Buta Dalacha Gada								
	Bora	Baarta Saamii	Jan 27-29	4	10	12	4	12	8	50
		Tuka Langanano								
		Haxe Laman								
Dugda	Sera Wakale	Jan 27-29	4	10	12	4	12	8	50	
	Walda Hafa									
	Awash Bune									
South West Shewa	Becho	Kobo	Jan 27-29	4	10	12	4	12	8	50
		Bili								
		Dowa Bise								
GRAND TOTAL :										228

### 3) TOT for newly participated Kebele for the Promotion of AYII

In this term (the 3rd Cycle), the target areas for the promotion of insurance are classified into 3 groups: 1) areas where VICI would continue to be promoted as continuation from the 2nd Cycle (total of 41 kebeles), 2) areas where VICI would be newly promoted from the 3rd Cycle (21 in total), and 3) areas where AYII will be introduced from the 3rd Cycle (36 Kebeles).

Among there promotion areas, concerned officers of 1) above have already completed the follow-up TOT training in 2021, and officers of above 2) also completed the TOT training in January 2022. Therefore, regarding the remaining 3) (areas covered by AYII which is a new insurance product), TOT training related to the promotion of REPs were held for officers such as Development Agents of 30 kebeles at 10 woredas in April. Total 6 sessions were held for 10 woredas in over 3 days. The program, schedule and target area of the trainings are as follows.

**Table 2.48 Program of TOT for AYII in the 3rd Cycle**

Module	Time	Agenda	Contents	Trainer
<b>Day 1</b>				
Module 1 (Introduction)	AM	Opening Remarks		OBoA
		Introduction of ICIP	- Project overview - Purpose of TOT and its mechanism - Achievement of the 1st and 2nd cycle	Mr. Sudo
Module 2 (Insurance)	PM	Agricultural Risk Management	- Concept of agricultural risk management	Mr. Atomsa (ICIP)
		Agricultural Insurance (1)	- Basic concept of agricultural insurance	Mr. Melkachew (OIC)
Module 3 (REPs promotion)	PM	Agricultural Insurance (2)	- Basic concept of agricultural insurance	Mr. Melkachew (OIC)
		Introduction of AYII	- Introduction of Area Yield Index Insurance	Mr. Megressa (Kifiya)
		Introduction of REPs promotion	- Operation of REPs promotion under the COVID-19 pandemic	Mr. Atomsa (ICIP)
<b>Day 2</b>				
Module 3 (REPs promotion)	AM	Introduction	- Explain agriculture risks and countermeasures	Ms Alem
		Agricultural risk control techniques	- Line planting, Tired ridge, intercropping, crop diversification	OBoA
		Agricultural risk control techniques	- Integrated Soil fertility Management	Ms Alem
Module 4 (Agriculture)	PM	Manual registration of Insurance for farmers	- Introduction of farmers' registration system - Registration process	Mr. Melkachew /ICIP
		REPs Training and Farmers' Registration Exercise	- Role-play of REPs training - Role-play of farmers' registration activities	ICIP member
<b>Day 3</b>				
Module 5 (Action plan making)	AM	Gender Session	- Explain the importance of gender, and have a dissection about gender issue, Group work and presentation	Ms Alem
		Introduction of Action Plan Making	- Explain Role and responsibilities of each stake holder and how to make Action Plan by Kebele, Woreda and Zone	Mr. Atomsa
	PM	Action Plan Making (Group work)	- Make Action Plan for Insurance training and trial farm plans	ICIP member
		Successful training	- Tips for successful training	Mr. Atomsa
		Presentation of Action Plan	- Present Action Plan	Participants
		Closing remarks		OBoA/ OCPA

**Table 2.49 Dates and Places of TOT for AYII in the 3rd Cycle**

Round No.	Zone	Woreda	Kebele	Date
1	West Arsi	Shashamane	Chabi Dida Gnata	30/03/2022-02/04/2022
			Burra Borama	
			Fajji Soole	
2	South West Shewa	Soddo Dachi	Haro Oma	04/04/2022- 06/04/2022
			Tare Shino	
			Saden Muchuchata	
		Dawo	Kersa Worko	
			Chancho Robe	
	Adadi Mariam			
3	Arsi	Lemo Bilbilo	Ciba Mikaelo	07/04/2022-09/04/2022
			Qoma Katara	
			Sirbo	
4	Arsi	Sire	Inbsata Uduga	11/04/2022-13/04/2022
			Gasala Shashe	
			Gasala Chacha	
5	East Shewa	Digalu Tijo	Digalu Bora	15/04/2022-17/04/2022
			Kubsa Bora	
			Sheldo Jigese	
6	East Shewa	Adea	Gubesaye	18/04/2022-20/04/2022
			Bekajo	
			Hedi	
6	East Shewa	Lume	Daka Bora	18/04/2022-20/04/2022
			Tulu Re'e	
			Nanawe	
		Liban Chukala	Dololo Jila	
			Gachi Daimo	
	Wanbar Chukala			

Regarding the promotion of AYII, a new insurance product introduced in the 3rd Cycle, EIC joined the Project from the 3rd Cycle in addition to OIC which has been selling VICI from the beginning of ICIP. For this reason, after conducting TOT for 30 kebeles in 10 districts and 30 woredas for OIC area, TOT for remaining 6 kebeles in 2 woredas was made for EIC area was made from June 13 to 15, 2022. The training program was the same as the training for the OIC areas.

In relation to 2) above, as part of TOT for officers from newly added area for the promotion of VICI in January, branch officers of WASASA, one of major MFI and participated ICIP from the 2nd Cycle, another TOT for their new branch staff was conducted in February 2022. The program is shown below.

**Table 2.50 Program of TOT for MFI in the 3rd Cycle**

Module		Agenda	Contents
<b>Day 1</b>			
Module 1 (Introduction)	AM	Opening Remarks	
		Introduction of ICIP	- Project overview - Purpose of TOT and its mechanism - Achievement of the 1st cycle
Module 2 (Insurance)	PM	Agricultura Risk Management	- Concept of agricultural risk management
		Agricultural Insurance	- Basic concept of agricultural insurance
Module 3 (REPs promotion)	PM	Agricultural Insurance	- Basic concept of agricultural insurance
		Introduction of VICI	- Introduction of Vegetation Index Crop Insurance
		Introduction of REPs promotion	- Operation of REPs promotion under the COVID-19 pandemic
<b>Day 2</b>			
Module 3 (REPs promotion)	AM	<i>Introduction</i>	- Explain agriculture risks and countermeasures
		manual Farmers' Registration for Insurance	- Introduction of farmers' registration system - Registration process
		REPs Training and Farmers' Registration Exercise	- Role-play of REPs training - Role-play of farmers' registration activities
		Introduction of Action Plan Making	Explain Role and responsibilities of each stake holder and how to make Action Plan by Kebele, Woreda and Zone
	PM	Action Plan Making (Group work)	- Make Action Plan for Insurance training and Presentation
		Succesful training	Tips for succesfull training
		Closing remarks	

#### (6) REPs Promotion Activities for the 3rd Cycle

REPs promotion activities (insurance sales) for the 3rd Cycle started from the areas where the above TOT for the 3rd Cycle were completed, in accordance with the action plans made by the training participants on the last day of each trainings. Promotion activities were carried out by DAs, agricultural cooperative staff, PA hired by the Project, and MFI staff, in consideration with the regulations by Ethiopian government for COVID-19.

During the promotion period of the 3rd Cycle, in response to the remittance of money for the payout of the 2nd Cycle was made from the insurance company to RuSACCOs in December 2021, and insurance results of the 2nd Cycle were announced. In some kebeles where the payout was in large amount, payout ceremonies were held for farmers who purchased insurance in the 2nd Cycle, with the support of the insurance company. The payout results are shown in the table below. As a result, insurance sales of the 3rd Cycle increased due to the increase in farmers' awareness of the necessity of insurance due to the payment of insurance claims in the previous year, and the decrease of fears for the next cropping season.

**Table 2.51 Result of Payout for the 2nd Cycle**

Zone	Woreda	No. of insured farmers	Sum insured amount (birr)	No. of payout received farmers	Payout amounts (birr)
East Shewa	Boset	185	228,666	0	0
	Dugda	518	895,333	0	0
	Bora	14	21,333	14	7,040
South West Shewa	Illu	200	297,200	51	23,885
	Becho	75	123,120	0	0
West Arsi	Siraro	237	446,000	237	66,900
	Nagelle Arsi	558	910,333	558	223,000
	Shalla	313	543,333	141	55,773
	Heban Arsi	151	264,666	151	50,860
Arsi	Degeluna Tijo	28	59,000	28	29,500
	Lude Hitosa	46	94,000	45	30,360
<b>Total</b>		<b>2,325</b>	<b>3,882,984</b>	<b>1,225</b>	<b>487,318</b>

As a final result of the 3rd Cycle, the number of farmers participated in the REPs training reached 19,871, of which 4,598 purchased insurances. About 23% of the training participants purchased insurance, almost as same as 25% in the 2nd Cycle. Of the above, AYII, which was introduced as a new insurance product from the 3rd Cycle, reached 1,259 insurance contracts in 36 kebeles in 12 woredas. In addition, the number of sales at WASASA branches within the target area reached 472. The results of promotion activities in the 3rd Cycle are summarized in the table below.

**Table 2.52 Result of REPs Promotion Activities of the 3rd Cycle**

1. VICI (Through usual channel)

As of 26 August, 2022

Zone	No. of Woreda	No. of Kebele			No. of Training Participants			No. of Insurance Purchaser				
		Exisitng	New	Total	Exisitng	New	Total	Exisitng	New	Total	Original Action Plan	Achievement Rate
West Arsi	4	20	9	29	5,083	1,399	6,482	922	480	1,402	5,847	24.0%
Sourth West Shewa	2	6	4	10	1,688	55	1,743	208	120	328	2,077	15.8%
East Shewa	3	10	10	20	1,575	659	2,234	426	603	1,029	4,524	22.7%
Arsi	2	3	0	3	332		332	108		108	471	22.9%
Total		39	23	62	8,678	2,113	10,791	1,664	1,203	2,867		

Take Up Rate: 26.6%

2. VICI (Through WASASA)

Zone	No. of Woreda	No. of Kebele			No. of Training Participants			No. of Insurance Purchaser				
		Exisitng	New	Total	Exisitng	New	Total	Exisitng	New	Total	Original Action Plan	Achievement Rate
Arsi	4		10	10		243	243		421	421	941	44.7%
Othters	2		2	2		0	0		51	51	222	23.0%
Total			12	12		243	243		472	472		

3. AYII

Zone	No. of Woreda	No. of Kebele			No. of Training Participants			No. of Insurance Purchaser				
		Exisitng	New	Total	Exisitng	New	Total	Exisitng	New	Total	Original Action Plan	Achievement Rate
West Arsi	3		3	9		2,488	2,488		431	431	1,725	25.0%
Sourth West Shewa	3		3	9		1,873	1,873		238	238	2,120	11.2%
East Shewa	3		3	9		1,877	1,877		259	259	1,966	13.2%
Arsi	3		3	9		2,599	2,599		331	331	2,166	15.3%
Total			12	36		8,837	8,837		1,259	1,259		

Take Up Rate: 14.2%

	Number of Kebele	Training Participants	Insurance Sales
GRAND TOTAL	110	19,871	4,598
Take Up Rate: 23.1%			

**(7) Preparation and Implementation of Crop Cutting Experiment (CCE) for AYII Area**

On October 24, 2022, the Crop Cutting Experiment (CCE) required for the calculation of claims for the 3rd Cycle of the AYII began in 2 kebeles in Lume woreda, East Shewa Zone. The insured crop was wheat. The insured crop was wheat, and a plot of 3m x 3m was sampled from the plots of 3 insured farmers in 1 kebele. Before sampling wheat in the farmers' plots, the insured farmers and woreda officers discussed the sampling survey, and the survey was started only after the insured farmers gave permission for the survey. The 3 criteria for determining which fields were to be sampled were: 1) the fields had to be those of insured farmers, 2) the farmers had to be willing to cooperate with the CCE, and 3) if many insured farmers had already harvested, the non-insured farmers were to be included in the selection list. Based on the above 3 criteria, the Woreda office, SACCO chairman, Kebele chairman, and DA randomly selected 3 farmers from



the list of insured farmers to determine the target plots.

The woredas where CCE was Implemented In the 3rd Cycle are shown in the following table.

**Table 2.53 CCE implementation in the AYII area of 3rd Cycle**

Zone	Woreda	Kebele	Date
East Shewa	Liben Chukala	3 Kebele	2022/11/1-8
	Lume	3 Kebele	2022/11/9-14,21-22
	Adea	3 Kebele	2022/11/9-14
West Arsi	Adaba	3 Kebele	2022/11/15-20
	Gedeb Asasa	3 Kebele	2022/11/1-8
South West Shewa	Dawo	3 Kebele	2022/11/23-26
	Kersa Malima	3 Kebele	Abandoned due to deteriorating public safety <sup>14</sup>
	Sodo Dachi	3 Kebele	
Arsi	Lemo Bilbilo	3 Kebele	2022/12/1-8
	Degeluna Tijo	3 Kebele	2022/12/9-14
	Sire	3 Kebele	2022/11/1-8

The CCE involved harvesting 2 samples of 3m x 3m each from the plots of 3 farmers per kebele, calculating the average yield for the 3 farmers, and comparing this to the trigger value to calculate insurance coverage. 2 samples per farmer took an average of 2-3 hours to harvest, thresh, and calculate yield, so the survey was conducted on approximately 2 farms per day.

The challenges of the CCE were as follows:

1. The distance between the main road and the farmers' fields to be surveyed limits the number of surveys per day.
2. CCE uses a grain moisture meter to correct harvested crop yields, but when it rains, the crop must be dried for 2 to 3 days, and the same process must be carried out.
3. The threshing of teff is time-consuming and must be done entirely by hand due to the small size of the grains.

These experiences were taken into consideration for conducting CCE in the 4th Cycle<sup>15</sup>.

## (8) Implementation of Trial Farm in the 3rd Cycle

### 1) Overview of trial farm in the 3rd Cycle

In the 3rd Cycle, trial farms were implemented in FTC, divided into VICI and AYII areas. As in the 2nd

<sup>14</sup> The 6 kebeles that could not be implemented due to security issues were discussed with OIC, and it was decided to use the vegetation index data as a substitute for determining the payout. The OIC agreed to substitute the vegetation index data for the payout and obtained the consent of the insured farmers.

<sup>15</sup> Around JPY50,000 per kebele was spent for the implementation of CCE. Expenditure items include transportation, daily allowance, purchasing costs for necessary materials, such as grain moisture meters. The insurance companies will cover those costs after the end of the Project.

Cycle, proposals were submitted by each target kebele, and the Project provided agricultural inputs based on these proposals. In addition, focal persons were selected at the zonal, woreda and kebele agricultural offices, and smart phones and tablets were distributed to them so that extension workers could monitor the trial farms during the absence of Japanese experts. Furthermore, due to the difficulty for farmers to purchase fertilizers due to the rising cost of chemical fertilizers, and in order to provide agricultural training at the same time of insurance promotion, composting training was conducted for FTCs in the VICI areas, with staff from the Oromia Bureau of Agricultural as instructors.

In addition, while the technology had been introduced to model farmers (individual farmers) until the 2nd Cycle, the introduction of the technology to farmer groups was expected to be more effective in spreading the technology, so from the 3rd Cycle, farmer groups of 4 to 5 farmers were created and support was provided to introduce the technology to farmer group fields (community fields). The technology was introduced to farmers' groups.

**Table 2.54 Overview of Trial Farm in 3rd Cycle**

Item	Contents
Purpose	Disseminate agricultural technology for farmers and verify which agricultural technology should be included in REPs
Implementation period	From end of April to December, 2022
Implementation place	7FTCs (VICI area), 4FTCs (AYII area), 7 farmers group field in VICI area (Community field)
Agricultural training	The training was conducted 3 times at each FTC. The 1st training on Tied Ridge and line planting was conducted by a researcher from the Melkassa Agricultural Research Center, who instructed the farmers using farm implements.
Introduced techniques	Line planting, Crop diversification, Intercropping, Tied Ridge, Biofertilizer, Compost, BBM
Implementation Method	<ul style="list-style-type: none"> <li>Based on the proposals submitted by the target kebeles, the Project will provide support for agricultural materials.</li> <li>The project will select focal persons at the kebele, woreda, and zonal agricultural offices and distribute smart phones or tablets to them to monitor the trial farms.</li> <li>The project will conduct a profitability study of the introduced technologies and compare their yields with conventional cultivation.</li> <li>Conducted composting training for FTCs in the VICI area due to the rising price of chemical fertilizers.</li> </ul>

The target areas of the trial farms and the technologies introduced in the 3rd Cycle were as follows.

**Table 2.55 Target Areas for Trial Farms in the VICI Region and Techniques to be**

Zone	Woreda	Kebele	Technique 1	Crop	Technique 2	Crop
West Arsi	Shala	Wondo Kosha	Compost making	Maize	Intercropping	Maize and Haricot bean
	Negele Arsi	Gubeta Arjo	Compost making	Maize	Tied ridge	Maize
		Gorbi Arba	Line planting	Wheat	Crop diversification	carror, beet root, Swiss chard, potato and round cabbage
East shewa	Bora	Tuka Langano	Compost making	Wheat	Intercropping	Haricot bean and Maize
	Dugda	Haxe Laman	Compost making	Wheat	Tied ridge	Maize
South West Shewa	Becho	Awash Bune	BBM	Wheat	Biofertilizer	Chickpea
	Ilu	Bili	Compost making	Wheat	Line planting	Teff

**Table 2.56 Target Areas for Trial Farms and Introduced Techniques in the AYII Region**

Zone	Woreda	Kebele	Technique 1	Crop	Technique 2	Crop	Technique 3	Crop
West Arsi	Adaba	Ejersa	Line planting	Wheat	Crop diversification	Swiss chard, Karrot, Round cabbage, Beet root		
East Shewa	Ada, a	Hidi	Line planting	Wheat	Line planting	Teff	Crop diversification	Black cabbage, Beet, Karot, Siwschard
Arsi	Lemo Bilbilo	Sirbo	Line planting	Wheat	Intercropping	Maize and Haricot bean	Biofertilizer	Faba bean
South West Shewa	Dawo	Bashi Kiltu	Biofertilizer	Faba bea	Crop diversification	Round cabbage, Beet root, Karot, Potato		

The areas covered in the 1st and 2nd Cycles were mainly arid areas with sandy soils. The Arsi and South West Shewa Zones, which will be covered by yield-index insurance starting in the 3rd Cycle, are mainly in high rainfall areas, where Vertisol<sup>16</sup> are widespread. The high rainfall in these zones has led to flooding and soil acidity. To address flood damage and soil acidification, Broad Bed Maker (BBM) technology for flood damage in Vertisol and lime application technology for soil acidification will be introduced. In addition, to cope with soil acidification, the introduction of acid-tolerant crops (wheat, barley, soybean, soybean, and kidney bean) and improved varieties will be considered.

Therefore, in the 3rd Cycle, the Project continued to introduce Tied Ridge, crop diversification, and intercropping as technologies for dry areas in the East Shewa and West Arsi Zones, and promoted BBM and lime application as techniques for areas with high rainfall in the Arsi and South West Shewa Zones, where Vertisol are spreading. BBM and lime application are promoted in the Arsi Zone and the South West Shewa Zone, where Vertisol are prevalent in high rainfall areas. Compost was also promoted as a soil improvement material in response to the rising price of chemical fertilizers and OBoA's promotion of fertilizers using organic materials. These 7 techniques are being demonstrated and promoted with a view to packaging them with insurance.

## 2) The result of trail farm in the 3rd Cycle

The third cycle of the Project continued with the introduction of risk-responsive agricultural technologies to 11 FTCs. The table below shows the yield results of the introduced agricultural technologies, the average yield per crop for farmer plots practicing conventional agriculture in the target area based on data from the midterm survey, and the woredas where the payout happened. Crop diversification is compared with wheat as the plot without technology.

Trial farm results showed that yields varied among FTCs with the same technology depending on regional and environmental conditions, but yields were higher in all FTC plots with technology introduction compared to those with no technology introduction. The yield results for each technology were highest for crop diversification (vegetables), followed by intercropping (maize and beans), BBM (wheat), line planting (wheat), BBM (faba bean), line planting (teff), and water harvest technology "Tied Ridge" (maize). The yields of FTC plots with technology introduction were about 1.5 times higher than those of conventional farmers' plots, suggesting that the technologies and agricultural materials were highly effective in their application. On the other hand, for BBM, yields of FTC plots without BBM were lower than those of farmer plots with conventional farming, suggesting that BBM should be introduced in areas

<sup>16</sup> Vertisol is a type of soil with very high clay content (30-50%), which causes soil shrinkage in dry season, resulting in cracks of 50-100cm. In rainy season, soil permeability and aeration are reduced, and wet damage is caused because of heavy clay content. FOA classification: <https://www.britannica.com/science/Vertisol-FAO-soil-group>

with high rainfall and where Vertisol which is clay soils are widespread.

In the woredas where insurance payments were made, it can be inferred that crop damage occurred, but the impact on yield damage was not significant, suggesting that the technology contributed to some extent to risk mitigation.

**Table 2.57 Crop Yield in the trial farm of 3rd Cycle**

No.	Zone	Basic information						Unit Production(kg/ha)		Production in Farmer's field* (kg/ha)	Woreda in payout occurred
		Woreda	Kebele	Soil type	Introduced technics	Crop	Target risk	Treatment	Control		
1	West Arsi Zone	Nagale Arsi	Gubata Arjo	Sandy	Tide-rigde	Maize	Drought	2,800	1,333	2,313	✓
2		Nagale Arsi	Gorbi Arba	Loam	Line planting	Wheat	Low production	3,667	3,200	2,360	✓
3				Loam	Crop diversification	Vegetable	Low incom	11,500	3,000	11,298	✓
4		Shalla	Wondo Kosha	Sandy	Intercropping	Maize and haricot bean	Pest and deasedsea	3,200	1,500		✓
5		Adaba	Ejersa	Clay	Crop diversification	Vegetable	Low incom	9,333	2,667	11,298	✓
6				Clay	Biofertilizer	Fababean	Low soil fertility	3,000	2,250	1,900	✓
7	East Shewa	Bora	Tuka Langano	Loam	Intercropping	Maize and haricot bean	Pest and deasedsea	4,100	3,867		✓
8		Dugda	Hate Leman	Loam	Tide-rigde	Maize	Drought	3,333	2,500	2,313	✓
9		Ada, a	Hdi	Clay	Line planting	Teff	Low production	3,000	2,600	1,046	
10				Clay	Line planting	Wheat	Low production	3,333	1,667	2,360	
11	South West Shewa	Bacho	Awash Bune	Clay	BBM	Wheat	Waterlooging	3,200	1,400	2,360	✓
12		Illu	Bili	Clay	Line planting	Teff	Low production	2,050	1,250	1,046	✓
13		Dawo	Bashi Kiltu	Clay	BBM	Wheat	Waterlooging	4,000	2,500	2,360	
14				Clay	BBM	Fababean	Low soil fertility	3,500	2,500	1,900	
15	Arsi	Lemobilbilo	Sirbo	Clay	Biofertilizer	Fababean	Low soil fertility	3,333	2,500	1,900	

\*The production in Farmer's field is based on the midterm survey

### 3) The result of composting demonstration

As mentioned above, composting was introduced at the five VICI target FTCs with a view to its dissemination among farmers in the future, since it has become difficult for farmers to purchase fertilizer due to the rising cost of chemical fertilizers. The areas where composting was introduced were mainly in drought areas with sandy or sandy loam soil, and only Illu woreda was in a flooded area with Vertisol of clay soil. The composting materials are mainly crop residues of wheat, maize, teff, etc., weeds, fallen leaves, water, charcoal, topsoil, and compost of animal origin. In addition, instead of replacing all chemical fertilizers with compost, the chemical fertilizers were reduced by half and the reduced amount was replaced with compost. The results of crop yields with compost are shown in the table below.

Demonstrations showed that yields were higher in Shalla woreda, Negele Arsi woreda, and Dugda woreda than with the introduction of the usual risk corresponding agriculture technology. In particular, Shalla woreda, Negele Arsi woreda, and Dugda woreda are considered to be significantly more effective than other areas because they have sandy soils with low organic matter content.

**Table 2.58 Effect of the introduction of compost**

Woreda	Kebele	Crop	Harvested Area (ha)		Total Production (kg)		Total Production (kg/ha)	
			Treatment	Control	Treatment	Control	Treatment	Control
Shala	Wondo Kosha	Maize	0.03	0.03	130	100	4,333	3,333
Negele Arsi	Gubeta Arjo	Maize	0.02	0.02	62	52	3,100	2,600
Bora	Tuka Langanano	Wheat	0.03	0.03	107	98	3,567	3,267
Dugda	Haxe Laman	Wheat	0.03	0.03	125	75	4,167	2,500
Illu	Bili	Wheat	0.02	0.02	35	27	1,750	1,350

Refer to Appendix-5 for the details of the activities and result at the trial farm.

### (9) Consideration on the Preparation for the 4th Cycle

The Project Team re-consider the distribution channel in the 4th Cycle based on the discussion in the 3rd Cycle. In the 4th Cycle, the Project Team mainly focus on (1) Collaboration with IVS, (2) Collaboration with private agricultural service providers, (3) Collaboration with Training packages which is implemented by the CP, for a new distribution channels.

#### 1) Collaboration with Input Voucher System (IVS)

The Project Team had the discussion with OCPA again. Both parties exchanged the opinions and agreed to sell the insurance during the sales period of IVS at the filed level. The Project Team has requested to share the information of IVS in-charge SACCOs in the Project target kebeles and high-potential areas for the collaboration between the Project and IVS sales. This agreement was implemented in the 4th Cycle (see 2.1.4 (3)5).

#### 2) Collaboration with private agricultural service providers (Lersha)

As well as IVS, the Project Team had fresh discussion with GAS for collaboration with their services namely “Lersha”. They are also considering providing the rural finance including agricultural insurance through their platform.

#### 3) Collaboration with Training Packages which is Implemented by the CPs

In order to ensure the sustainability of the activities after the Project completion, the Project Team considered to integrate the risk management component into the training packages which is implemented by the OBoA. The Project Team has confirmed the specific schedule for the implementation of the training in the field, contents of the training, and other details with person in-charge of the training.

#### 4) Others

Also, the Project Team had a discussion with the person in-charge of Siinqee Bank which provides the Microfinance services in the Oromia Region widely for the possibility of the collaboration. However, the Project Team concluded- that it would be difficult to collaborate each other at this moment based on their

situation. Although no clear explanation has been made from their side, but it is presumed that due to the expansion of banking operation and other business priorities, cost-effectiveness as the intermediaries and so on. Therefore, it would be useful to discuss the possibility of collaboration with the potential partners, considering not only whether or not they are interested in agricultural insurance, but also their business situation and cost-effectiveness.

#### 2.1.4 The 4th Cycle

##### **(1) Discussions on the Work Plan**

At the start of the Phase-3 Contract, the Work Plan was prepared in accordance with Article 9.1 of the Special Condition of the Phase-3 contract and submitted in November 2022. The Work Plan was presented, explained, and discussed by the Team Leader and Deputy Team Leader during their first trip of the contract period in January 2023.

##### **(2) Selection of Target Woreda and Kebele for the 4th Cycle**

In selecting the target woredas and target kebele for the promotion activities in the 4th Cycle, the insurance company's intentions and the inefficiency of training for officials of new target areas were considered. Specifically, consideration was made in the areas where the insurance company's business operations are as easy as possible to promote, i.e., where DA and SACCO staff are cooperative, premium collection and claim payments are expected to proceed smoothly, and where the insurance company is active in insurance sales. The number of new target kebeles for VICI promotion was limited to 24, and 56 kebeles were added from the target as continuing kebele up to the 3rd Cycle, taking into account the sales situation in previous Cycles to date (continuing villages). As a result, total 80 kebele were selected as the target. As for AYII, although there was a strong demand from farmers for an insurance that could respond to a variety of risks, it was decided to give up to promote in new kebele for the 4th Cycle by time constraints related to the CCE required for the calculation of insurance claims and intention of the insurance company, and selected 35 kebele from the kebele implemented in the 3rd Cycle as continuing kebele, taking into account sales results in the 3rd Cycle.

##### **(3) Implementation of Woreda Level WS and Kebele Level WS in the 4th Cycle**

As same as in the 3rd Cycle, a woreda level workshops (WS) were held in Adama City on September 16, 2022, for woreda stakeholders in 7 new kebele targeted for VICI promotion among the target areas of the REPs in the 4th Cycle. During the workshop, the participants were interviewed about the agricultural situation and agricultural risks in each woreda, and were briefed on the insurance contents, VICI mechanism, and promotion system.

The table below shows the woredas that participated In the workshop sand the kebele newly targeted in each woreda.

**Table 2.59 List of Woreda Level WS target and selected Kebele for the 4th Cycle**

Zone	woreda	Kebeles	Zone	woreda	Kebeles
East Shewa	Bora	Sori Dolessa	Arsi	Dodota	Badosa Batela
		Tuchi Dako			Dhadacha guracha
	Dugda	Tuchi dembel			Dodota Alem
		Giraba Korke Adi			Amigna Dabasso
		Jawe Bofa			Diffaqar
West Arsi	Negele Arsi	Ali Wayo	East Shewa	Adami Tulu Jido Kombolcha	Elka Cilamo
		Arago Leemano			Ganbiiba Raasaa
		Mudi Arjo			Alakuu Gulantaa Buggee
	Shala	Fande Ejersa			Odaa Anshuuraa
		Walilalti			Kormee Bujuree
		Korbetti			
	Siraro	Sharkano Kata			
		Jarti Bakule			
		Bitana Kubi			

Following the Woreda Level WS stated above, the Kebele Level WS for the targeted kebele began on December 26, 2022, and interviews were conducted with each target kebele on their main crops, agricultural risks and other related information. In the 1st Cycle of Kebele Level WS at the start of this Project was conducted in a workshop style with more than 30 participants, but from the 2nd Cycle and after, focus group interviews were conducted for this purpose with a minimum number of participants, in consideration of social distance as a COVID-19 measure.

#### (4) REPs Packaging for the 4th Cycle

As same as in the previous Cycles, after the situation was assessed at the kebele level WS described above, a REPs packaging, combining agricultural technology and insurance promotion was made in November 2022, taking into account the farming situation assessed. From the 2nd Cycle onward, the process was to formulate the package in advance, and then to re-formulate (finalize) it according to the agricultural technologies requested by each kebele at the time of formulating action plans during the training of trainers (hereinafter referred to as “TOT”) as described below.

#### (5) Implementation Arrangement and Extension Approach

##### 1) Discussion for the operational area with related stakeholders

The project team discussed a target area of REPs promotion both existing sales areas and potential new target areas. Regarding the target area selection, firstly the Project team selected new target areas and then held discussions with OIC and EIC based on the candidate areas.

As a result of discussions with the insurance companies, it was decided that OIC continue to promote the VICI the same as the 3rd Cycle. Both the Project team and OIC agreed to add 5 new Kebeles in 1 new Woreda and 19 Kebeles in 6 existing Woredas, 24 new Kebeles were added as new areas in total.

Regarding the Area Yield Index Insurance (AYII), the Project team discussed with OIC and EIC, both of which promoted AYII in the 3rd Cycle. As a result, OIC expressed concern about the implementation of AYII due to the difficulty of bearing the cost of conducting a CCE once. However, the OIC has decided to continue AYII promotion in the 4th Cycle also and agreed to share the areas where AYII was conducted in the previous season with EIC.

As well as the project implementation in the previous Cycles, MFI namely WASASA involved in the REPs promotion activities as intermediaries. They focused on continuing sales at the 5 branches where the promotional activities of VICI were conducted in the 3rd Cycle, also added 2 new branches as agreed with the insurance company.

## 2) Linkage with the existing governmental activities “Agricultural Package Training”

In the 4th Cycle, the Project team focused on ensuring the sustainability of project activities after the project completion. Therefore, the Project team discussed with the related stakeholders of “Agricultural Package Training” implemented by the OBoA to incorporate agricultural insurance content into the training package for farmers. The Crop Directorate of OBoA is in charge of the above training, which provides training on agricultural technology through a cascade from the regional level, Zone/Woreda, Kebele to farmers.

The project team held meetings with the person in charge of this training package several times to confirm the training contents such as schedule, contents of the training, preparations for the training, and actual implementation of the training.

According to the person in charge of OBoA, the implementation schedule of the training may slightly change from year to year. However, the preparation for the training starts with a GAP assessment in October in general. After that, specific training contents are discussed based on the assessment results. Actual training starts between December and January, and the activity at the farmer level will be conducted from January to March. The project team prepared teaching and other materials through repeated discussions with relevant parties following the schedule above.

In addition, as a result of discussions with the person in charge, the Project team and OBoA decided that conducted a one-day training program as part of the Agricultural Package Training for the 4th Cycle. The main reason for this one-day training is that agricultural insurance is still unfamiliar to OBoA officers. Before the training, the Project provided OBoA with the manuals, video materials, PPTs, and other materials prepared by the Project as the data. A set of the above materials was distributed via USB to all the training participants for their use in future trainings at the woreda and kebele levels.

The one-day training was held on February 18, 2023, and a total of 89 focal persons of the training package in the project area participated. 10 participants also participated from the regional level, and the person in charge of the training explained that OBoA would fully incorporate the promotion of agricultural insurance as one of its activities in the future and that the training would be conducted in each Zones. Also, they proposed to develop a plan for training and insurance sales in each region in order to fully incorporate the promotion of agricultural insurance as an OBoA activity in the future.

After the One-Day Training, the package training has been conducted at the respective levels. The project team monitored the training at each level as much as possible, including the implementation status at the field level. The project team will continue to encourage OBoA to continue the implementation of the agricultural insurance part of the Agricultural Package Training after the completion of the Project.



**Table 2.60 The number of participants of Agricultural Package Training One-day Training**

Insurance Type	Zone	Zonal Agri Office	Woreda Agri Office	OBoA	Total		Sum	Training Date
					Zone	Woreda		
VICI	East Shewa	3	3	8	4	11	53	Feb. 18, 2023
	West Arsi	3	3					
	S.W. Shewa	3	3					
	Arsi	3	3					
AYII	East Shewa	3	3	-	-	12	36	
	West Arsi	3	3					
	S.W. Shewa	3	3					
	Arsi	3	3					
Total							89	

After the One-Day Training mentioned above, agricultural trainings were conducted at the zone, woreda, and kebele levels, and the Project also monitored the training at each stage, including the status of implementation at the field level by the OBoA.

The following table shows the implementation status of the Agricultural Package Training, which was subsequently initiated by the OBoA in the form of cascade style, as of August 2023.

**Table 2.61 Status of Agricultural Package Training Implementation**

Zone/Level	Zone	Woreda	Kebele		
			DA	Farmers	
				No.	Achievement Rate
East Shewa	57	587	778	117,025	77.54%
Arsi	63	419	487	196,838	84.40%
Weat Arsi	44	551	491	300,299	100.00%
South West Shewa	59	274	264	66,776	65.96%
TOTAL	223	1,831	2,020	680,938	81.96%

The project continued to encourage the OBoA to continue the implementation of the agricultural insurance part of the Agricultural Package Training in the coming years and beyond, toward the end of the Project.

### 3) Linkage with the existing governmental activities “Input Voucher System (IVS)”

As well as linkage with the Agricultural Package Training, the Project teams tried to focus on integrating the insurance sales activities into the existing governmental activities such as IVS. In Oromia region, the voucher sales are handled by SACCOs, the Project team continued discussions with officials of the OCPA, the organization in charge of SACCOs. It was decided that when vouchers are sold in the project area,

insurance is sold along with the voucher sells period. At the field level, in addition to the REPs training that has been conducted as usual, promotional activities were conducted to encourage the purchase of insurance at the time of voucher sales.

4) Consideration of the possibility of collaboration with other organizations

In order to consider the possibility of collaboration, the Project team continued to discuss with GAS, they are providing a one-stop digital service namely “Lersha” to farmers. They considered expanding their own insurance promotions based on their pilot project in 2022. In this circumstance, the Project team proposed a possible collaboration with them especially a part of capacity building for their agents at the field level. However, there was no response from the GAS side, and since it was time to start the insurance promotion as the Project, the Project team concluded that it would be difficult to work with them.

### **(6) TOT Training for the 4th Cycle**

As in previous Cycles, after confirming the REPs package, which reflects the situation identified in the above-mentioned Kebele Level WS and combines insurance with farming techniques that take into account the farming situation in the target areas, TOT on REPs promotion for the relevant personnel in the 4th Cycle began in January 2023.

Firstly, a total 6 follow-up training sessions were held in each area between January 2 and 10, targeting stakeholders (Woreda Agricultural Office, Kebele Development Agents, etc.) in the areas where insurance promotion activities had been conducted in the previous Cycles of VICI (1st to 3rd Cycles). The content of the training consisted of an overview of the nature of insurance products and the main points of promotion activities, assuming that the participants had already participated in the previous year’s training, as well as presentations by the participants, such as case studies up to last year and action plans.

The target areas, period and program are shown in the table below.

**Table 2.62 Areas, Date and Program of Follow-up Trainings for VICI Promotion of the 4th Cycle**

Zone	Woreda	Kebele	Training Date
West Arsi	Siraro	Siraro Bilancha	January 2,2023
		Shasha Goyke	
		Dongoro Bonkoya	
		Loke Hada	
		Loke Sifo	
		Basa Maja	
		Alam Tena	
	Ropi Sinta	January 3,2023	
	Shalla		Awara Gama
	Qeransa Kubi		
	Solicha W/Bute		
	Lajo Qartafa		
	Sondhi		
	Lale		
Albula Getoo	January 4,2023		
Wondo Kosha			
East Shewa		Dugda	Abuno Gebreal
			Tepho Coroke
			Bekele Girisa
			Oda Bokota
			Hafa Kemale
			Tuchi Sumaya
			Sera wakele
			Walda Hafa
			Haxxe Laman
			Boset
Gari			
Tedecha			
Marko Oda Laga			
Bekaktu Mome			
Buta Dalacha Gada	January 9,2023		
Buta Badasso			
Bora		Tuka Langano	
Barta Sami			
Negele Arsi		Hada Boso	
		Gale fi Qelo	
		Rafu Hargisa	
		Qararu	
		Daka Dalu Harangama	
		Daka Hora Qalo	
Gubata Arjo	January 10,2023		
Kersa Gera			
Gorbi Arba			
Heban Arsi		Dawe	
Buku Walda	January 10,2023		
South West Shewa		Becho	Sodo Liban
			Jato
			Soyoma
			Awash Bune
			Qobbo
Elu		Buti Talgo	
		Wasarbi Basi	
		Wasarbi Nado	
		Bili	
	Dowa Bise	January 10,2023	
Arsi	Digalu na Tijo		Jamo
	Lude Hetosa	Fursa	

Time	Agenda	Contents	Presenter
9:00 - 9:10	Welcoming Remarks		Mr. Sudo
9:10 - 9:15	Introduction of Participants		(Self-Introduction)
9:15 - 9:45	Introduction of ICIP(1)	- Project Overview, Last year Achievement and Challenges	Mr Sudo
9:45 - 10:00	Agricultural Insurance	- Revision of Principles of Insurance	Mr. Getaneh
10:30 - 11:00	Agricultural Insurance	- Revision of Basic concept of VICI and Principles of Insurance	Mr. Melkachew
11:00 - 11:30	Risk Control	Revision of Risk control (agriculture Part) and Agricultural Component	Ms. Alem
11:30 - 12:00	Questions and Answers		All
12:00 - 12:30	Succes Story	Sharing experience among woredas	Kebele Chairmans/ Woreda Officers
13:30 - 14:00	Role and Responsibilities	Presentation on Role of stakeholders	Mr. Atomsa
14:00-15:00	Action Plan	Making Action plan and strategies for implimentation	Ms. Alem/Mr. Atomsa
15:30 - 16:30	Discussion	Discussion on action plan	Zonal/Woreda Representatives
16:30-17:00	Follow Up Strategy	Giving direction by Regional Actors to Zonal	OBoA/OCPA
17:30	Closing remarks		Mr. Sudo

The TOT for the officials of the areas newly targeted for VICI promotion in the 4th Cycle began on January 17. A total of 5 sessions were conducted in each areas until January 31, with the break for Timkat holiday in between. This TOT for new areas had been conducted for 3 days per session until last year, but the 4th Cycle, the content was revised and the training was shortened to 2 days. Since it was confirmed that the shortening to 2 days was appropriate at the first session, the remaining 4 sessions were also held over 2 days.

The target areas, dates and program are shown in the table below.

**Table 2.63 Areas, Dates and Program of TOT for VICI Promotion in New Areas in the 4th Cycle**

Zone	woreda	Kebeles	Training Date	
East Shewa	Bora	Sori Dolessa	January 17-18, 2023	
		Tuchi Dako		
	Dugda	Tuchi dembel		
		Giraba Korke Adi		
West Arsi	Negele Arsi	Jawe Bofa	January 20-21, 20223	
		Ali Wayo		
		Arago Leemano		
		Mudi Arjo		
	Shala	Fande Ejersa		
		Walilalti		
		Korbetti		
	Siraro	Sharkano Kata		January 23-24, 2023
		Jarti Bakule		
		Bitana Kubi		
Arsi	Dodota	B/Batela	January 26-27, 2023	
		Dh'guracha koro		
		Amude		
		Balale		
East Shewa	Adami Tulu Jido Kombolcha	Elka Cilamo	January 30-31, 2023	
		Ganbilba Raasaa		
		Alakuu Gulantaa		
		Odaa Anshuuraa		
		Kormee Bujuree		

Module	Time	Agenda	Contents	Trainer
<b>Day 1</b>				
Module 1 (Introduction)	9:00 - 9:15	Opening Remarks		OBoA
	9:15 - 9:30	Introduction of ICIP	- Project overview - Purpose of TOT and its mechanism	Mr Sudo (online)
Module 2 (Insurance)	9:30 -10:00	Agriculture Risk Management	- Concept of agricultural risk	Mr Atomsa
	11:00 - 12:30	Agricultural Insurance	- Basic concept of agricultural insurance	(OIC)
	13:30-15:30	Introduction of VICI	- Introduction of Vegetation Index Crop Insurance	(Kifiya)
	15:45-16:00	Farmers' Registration for Insurance	- Introduction of farmers' registration system - Registration process	OIC/ Kifiya
	16:00-17:30	REPs Training and Farmers' Registration Exercise	- Role-play of REPs training - Role-play of farmers' registration	ICIP member
<b>Day 2</b>				
Module 3 (REPs promotion)	9:00-9:45	Introduction	- Explain agriculture risks and countermeasures and Techniques	Ms Alem
	9:45-10:00	Gender Session	- Explain the importance of gender, and have a dissection about gender issue	Ms Alem/Ms. Moe
	10:00-10:30	Introduction of Action Plan Making and Role of each actors	-Explain how to make Action Plan	ICIP member
	11:00-12:30	Action Plan Making (Group work)	- Make Action Plan including trial farm plans	ICIP member
	13:30-15:30	Presentation of Action Plan	- Present Action Plan	ICIP member
	15:45-17:00	Induction for New PA/ General Discussion How to succeed REPS promotion	- Roles and responsibilities of IVS Staff and PA - How we did RREP promotion -How to report the status and way forward - Tips for succesfull Training	ICIP member/OC PA
	17:30	Closing remarks		Mr. Sudo

Following the follow-up training for VICI mentioned above, follow-up training was held on February 7, 8, 10, 11, and 13 for the continuing areas of AYII, for a total of 5 sessions. As mentioned above, since the AYII promotion areas were limited to the continuation areas instead of new areas in the 4th Cycle, no TOT was conducted, and all follow-up training sessions were conducted.

Same as the follow-up training for VICI mentioned above, the content of the training was similar to the follow-up training for VICI, with an overview of the nature of insurance products and the main points of dissemination activities, assuming that the participants had already participated in the training in the previous year.

The following table shows the target areas and dates of this follow-up trainings.

**Table 2.64 Areas and Dates of Follow-up Trainings for AYII Promotion in the 4th Cycle**

Zone	Woreda	Kebele	Insurance Company	Training Date
East Shewa	Liben Chukala	Dololo Jila	OIC	February 7,2023
		Gachi Daimmo		
		Wanbar Chukala		
	Lume	Dh/kaarraa		
		T/Re'ee		
		Naannawaa		
	Adea	Gubesaye		
		Bekajo		
		Hedi		
South West Shewa	Dawo	Ulma Busa	OIC	February 8,2023
		Bashi Kiltu		
		Kersa Bombi		
	Kersa Malima	Chancho Robe		
		Kersa Warko		
		Adadi Mariyam		
	Sodo Dachi	Haro Oma		
		Tare Shino		
		Saden Muchuchata		
Arsi	Sire	Ibseta Uduga	OIC	February 10,2023
		Gasala Caca		
		Gasala Shashe		
West Arsi	Adaba	Ejersaa	EIC	February 11,2023
		Haroo Hunte		
		Furuna		
	Gedeb Asasa	Dabara Bubura		
		U-Walkite		
		Wogacheia		
	Shasham anne	Cebi Dida Nyata		
		Bura Borema		
		Faji Sole		
Arsi	Lemo Bilbilo	Ciba Mikaela	EIC	February 13,2023
		Sirbo		
	Degeluna Tijo	Digalu Bora		
		Kubsa Bora		
		Sheldo Jigesa		

In addition, a follow-up training for the branch staff of WASASA, an MFI that has participated in the training since 2022, was held on February 15 for branch staff who participated in the training last year. As with the AYII follow-up training described above, an overview was given on the assumption that the participants had already attended the training in the previous year, and the training focused on presentations by the participants, such as case studies and action plans prepared by the participants up to last year. In addition, TOT training was held on February 16 and 17 for staff members of 2 branches in the Arsi Zone who newly participated in promotion activities from the 4th Cycle.

The target locations (branch names) and dates of the above 2 training sessions are shown in the table below.

**Table 2.65 Branches and Dates of Follow-up Trainings / TOT for the MFI in the 4th Cycle**

Zone	Woreda	Branches	Kebele	Training Date
<b>Follow-up Training</b>				
Arsi	Amminya	Amminya	Madaa Watabuu	Feb. 15, 2023
			Tajiii	
	Roobee	Roobee	Jeena Hulus	
			Akkiyaa Ayifilaa	
			Aboo Alii	
	Loodee Heexoos	Huruta	Adamaare	
			Gardabuusa	
	Diksiis	Diksiis	Uruu Qadidaa	
			Sadaaga Abutaye	
			Heela Waiqixee	
Dukem	Akaki	Abu Serkama		
		Abu Luguna		
<b>TOT</b>				
Arsi	Kersa	Kersa	Shumbul	Feb. 16-17, 2023
			Guri dhagago	
			Koji Albaso	
	Digalu Tijo	Sagure	Bolachew	
			Ash Walkita	
			Gusha Dermole	
			Boladana	

With the above training, all TOT for the 4th Cycle of the Phase-3 of the Project were completed.

The total number of trainees by training target for 4 years, from the 1st Cycle to the 4th Cycle are shown in the table below.

**Table 2.66 Number of Trainees by Training Target**

	DA/SACCO				Wasasa		Agri. Package	Total
	TOT		Follow-up		TOT	Follow-up		
	VICI	AYII	VICI	AYII				
1st Cycle (2020)	483	—	—	—	—	—	483	
2nd Cycle (2021)	305	—	58	—	21	—	384	
3rd Cycle (2022)	228	406	217	—	52	—	903	
4th Cycle (2023)	226	—	344	296	23	55	97	1,041
Total	1,648		915		96	55	97	Grand Total 2,811

### (7) REPs Promotion Activities for the 4th Cycle

From the areas where TOT for the 4th Cycle mentioned above were completed, REPs promotion activities (insurance sales) were started according to the action plans prepared on the last day of each training. Promotion activities were carried out by Kebele DAs, agricultural cooperative staff, Promotion Assistants hired by the Project, and MFI staff in each target areas.

As mentioned above, there were 4 categories in insurance promotion activities in the 4th Cycle: (1) VICI (continuous areas), (2) VICI (new areas), (3) VICI (through MFIs), and (4) AYII (continuous areas).

The 4th Cycle of promotion activities was continued till July 31, achieving the total number of sales to 4,659 farmers, which makes 12,734 famers for total 4 years, and satisfied PDM indicator of a four-year total of 12,000.

The final results of the promotion activities for the 4th Cycle are shown below.

**Table 2.67 Result of REPs Promotion in the 4th Cycle**

1. VICI (Through usual channel)

Zone	No. of Woreda	No. of Kebele			No. of Training Participants			No. of Insurance Purchaser		
		Exisitng	New	Total	Exisitng	New	Total	Exisitng	New	Total
West Arsi	3	16	9	25	2,854	1,507	4,361	1,565	499	2,064
Sourth West Shewa	2	10	0	10	625	0	625	213	0	213
East Shewa	6	28	10	38	1,180	3,810	4,990	830	478	1,308
Arsi	3	2	5	7	96	1,099	1,195	80	689	769
Total		56	24	80	4,755	6,416	11,171	2,688	1,666	4,354

Take Up Rate: 39.0%

2. VICI (Through WASASA)

Zone	No. of Woreda	No. of Kebele			No. of Training Participants			No. of Insurance Purchaser		
		Exisitng	New	Total	Exisitng	New	Total	Exisitng	Total	Total
Arsi	7	12	6	18			2,657			60
Total				18			2,657			60

3. AYII

Zone	No. of Woreda	No. of Kebele			No. of Training Participants			No. of Insurance Purchaser		
		Exisitng	New	Total	Exisitng	New	Total	Exisitng	New	Total
West Arsi	3	9	/	9		/	0	133	/	133
Sourth West Shewa	3	9	/	9		/	0	15	/	15
East Shewa	3	9	/	9	421	/	421	21	/	21
Arsi	3	8	/	8		/	0		/	76
Total				35			421			245

Take Up Rate: 58.2%

GRAND TOTAL	Number of Kebele	Training Participants	Insurance Sales
	133	14,249	4,659
	Take Up Rate		32.7%

With these results, REPs promotion activities for 4 years (from the 1st Cycle to the 4th Cycle) were completed.

The total number of insurance purchasers by entities of promotion activities is shown below.

**Table 2.68 Total Number of REPs Promotion Activities by Entity**<sup>17 18</sup>

Phase	Cycle	No. of Sales by Products and Promotion Channel		Cycle Total
Phase-1	1st	VICI		1,125
		1,125		
Phase-2	2nd	VICI		2,352
		2,352		
	3rd	VICI		4,598
		By ICIP	By WASASA	
		2,867	472	1,259
Phase-3	4th	VICI		4,659
		By ICIP	By WASASA	
		4,354	60	
Total		VICI		12,734
		By ICIP	By WASASA	
		10,698	532	

The number of farmers participating in REPs training and purchasing insurance for each zone and woreda is shown in the following table.

**Table 2.69 Number of farmers participating in REPs training and purchasing insurance for all 4 Cycles**

Zone	Woreda	1st Cycle		2nd Cycle		3rd Cycle		4th Cycle	
		Trained	Insured	Trained	Insured	Trained	Insured	Trained	Insured
East Shewa	Adama	409	11	-	-	-	-	-	-
	Boset	551	85	792	185	770	356	162	133
	Dugda	425	207	378	518	1,260	583	1,116	724
	Bora	231	25	0	14	138	90	117	96
	Adea	-	-	-	-	561	111	-	-
	Lume	-	-	-	-	787	33	-	-
	Liban Chukala	-	-	-	-	529	35	-	-
Adami Tulu	-	-	-	-	-	-	3,676	355	
West Arsi	Shala	686	116	217	313	563	323	1,421	630
	Siraro	792	265	2,224	237	1,539	362	976	378
	Heban Arsi	748	14	2,856	151	455	147	123	147
	Negele Arsi	762	170	1,725	558	2,184	580	1,841	909
	Shashamantee	-	-	-	-	719	0	-	-
	Adaba	-	-	-	-	1,169	93	-	-
Arsi	Gedeb Asasa	-	-	-	-	600	89	-	-
	Lode Hetossa	524	35	139	46	229	48	534	83
	Digaluna Tijo	775	20	89	28	1,059	66	663	7
	Lemo Bilbilo	-	-	-	-	708	172	-	-
	Sire	-	-	-	-	935	48	-	-
	Arsi Robe	-	-	-	-	138	111	43	9
	Huruta	-	-	-	-	80	45	-	-
	Aminya	-	-	-	-	48	10	327	10
	Diksis	-	-	-	-	115	53	270	-
	Munessa	-	-	-	-	-	-	916	28
South West Shewa	Dodota	-	-	-	-	-	-	1,099	689
	Ilu	795	121	206	200	668	185	329	176
	Becho	702	46	105	75	1,075	143	296	37
	Kers Malima	-	-	-	-	796	80	-	-
	Soddo Dachii	-	-	-	-	505	49	-	-
Special Zone (Finfinne)	Dawoo	-	-	-	-	572	118	-	-
	Akaki	-	-	-	-	0	55	0	3

<sup>17</sup> The difference of sales by WASASA between the 3rd and 4th Cycle may attribute to the contents of WASASA's promotion activities on microfinance products.

<sup>18</sup> The difference of AYII sales between the 3rd and 4th Cycle may attribute to the limited payout in the result of 3rd Cycle.



The take-up rates (percentage of purchasers against training participants) were as shown in the table below:

**Table 2.70 Take-up Rate**<sup>19</sup>

Cycle	Channel	Products	Take-up Rate
1st Cycle	DA/SACCO	VICI	15.2%
2nd Cycle	DA/SACCO	VICI	23.9%
3rd Cycle	DA/SACCO	VICI	26.6%
	WASASA	VICI	194.2%
	DA/SACCO	AYII	14.2%
	Sub-Total		23.1%
4th Cycle	DA/SACCO	VICI	39.0%
	WASASA	VICI	2.3%
	DA/SACCO	AYII	58.2%
	Sub-total		32.7%
<b>Grand Total (1st to 4th Cycle)</b>			<b>24.8%</b>

The number of farmers who had purchased insurance in the 3rd Cycle and continued to purchase insurance in the 4th Cycle (repeat rate) is shown in the following table.

**Table 2.71 Repeat Rate**

Zone	From the 1st Cycle to the 2nd Cycle	From the 2nd Cycle to the 3rd Cycle	From the 3rd Cycle to the 4th Cycle		Zone Total
			VICI	AYII	
East Shewa	84.6%	49.9%	48.2%	2.6%	25.0%
West Arsi	36.5%	59.3%	57.0%	75.0%	47.0%
South West Shewa	87.5%	46.2%	51.0%	18.0%	28.0%
Arsi	69.6%	97.3%	59.0%	9.0%	41.0%
Cycle Total	58.2%	56.4%	53.9%	26.2%	35.8%
GRAND TOTAL					

In terms of promotion activities, there were also insurance purchasers in target kebeles where REPs training was held in the previous Cycles but not in the 4th Cycle (see the table below). This may indicate the penetration of insurance awareness through the creation/enhancement of the Project.

<sup>19</sup> The difference (increase) of take-up rate of AYII between the 3rd and 4th Cycle may attribute to the difference of number of farmers participated to REPs Training.

**Table 2.72 Insurance Purchasers in non-target area of REPs Trainings**

Cycle	Products/Channel	Zone	No. of Woreda	No. of Kebele	No. of Purchaser
2nd Cycle	VICI/ICIP	West Arsi	1	1	1
		South West Shewa	1	1	14
	Cycle Total				15
3rd Cycle	VICI/ICIP	West Arsi	1	3	127
		South West Shewa	1	2	70
		Sub-Total			
	VICI/WASASA	Arsi	2	2	34
Cycle Total				231	
4th Cycle	VICI/ICIP	West Arsi	1	2	52
		South West Shewa	1	1	15
		East Shewa	1	1	5
		Sub-Total			
	VICI/WASASA	Arsi	3	4	17
AYII/ICIP	South West Shewa	1	2	4	
Cycle Total				93	
Grand Total					339

**(8) Announcement of the Results of the 3rd Cycle and Payout Ceremony**

On April 12, during the promotion activities of the 4th Cycle, the Payout Ceremony was held at Lume Woreda in the East Shewa Zone for the insurance payments of the 3rd Cycle. The decision to hold the payout ceremony was made in consultation with the insurance companies and Ministry of Agriculture (MoA) for the reasons such as: the 3rd Cycle showed the largest insurance payout to date at VICI, approximately 2,655,102birr, and it was an opportunity for MoA officials to talk directly with farmers.

The Payout Ceremony was attended by Dr. Sofiya, the State Minister of MoA, and Ms. Sintayehu, Project Director of the Project, as well as officials from OBoA, the zonal agricultural office, insurance companies, SACCO, WASASA and JICA Office. During the Payout Ceremony, the insurance company presented certificates of insurance payouts to SACCO officials and WASASA officials, and interviews were made with farmers who purchased insurance to share with stakeholders the role of insurance and their experiences in purchasing insurance.

The table below shows the payout results of the 3rd Cycle.<sup>20</sup>

**Table 2.73 Payout Result of the 3rd Cycle**

Products	No. of Purchaser	Total Premium Collected(ETB)	No. of Farmers paid pay-out	Percentage against Purchaser	Total Payout (ETB)
VICI	3,320	1,012,382	2,966	89.3%	2,655,102
AYII	1,259	492,700	4	0.3%	1,600

<sup>20</sup> The average amount of VICI payout per beneficiary farmer of the 3rd Cycle was 799birr, representing 1.5% of the average agricultural income per farmer (53,032birr) in the project area at the time of mid-survey, and 7.8% of the average agricultural input expenditure per farmer (10,279birr).

The payout results up to the 3rd Cycle show a situation where the insurer's loss ratio (total premiums/total claims) exceeds 100%. Although a loss ratio exceeding 100% is not a favorable situation for an insurance company, however in the initial stage of the Project, the actual occurrence of insurance claims can be said to increase awareness of agricultural insurance among farmers and increase their confidence in the insurance company. In addition, insurance companies often see the benefits of participating in the agricultural insurance business as up-front investment in a promising market, recognition of their own products, and spillover effects to other insurance products, rather than profit itself.

On the other hand, if the loss ratio continues to exceed 100%, it may be necessary to review premiums and insurance products, and to make some farmers mandatory in order to mitigate adverse selection (e.g., farmers deciding whether or not to purchase insurance each season, or only farmers in high-risk areas purchasing insurance). In either case, the insurance premiums may need to be subsidized or the insurance premiums could be reduced. In either case, premium subsidies and policy decisions would be required. Therefore, the Ethiopian government needs to be actively involved in the agricultural insurance business in order to create a sustainable business environment for the private sector.

### (9) Trial farm activities in the 4th Cycle

#### 1) Overview of trial farm in 4th Cycle

In the 4th Cycle, a continuation FTC was established in addition to new FTCs to ensure sustainability of the Project after its completion. Due to the limited project budget, the budget for the new FTC was partially reduced to support the continuation FTC. Technologies that are expected to be effective were selected based on the results up to the 3rd Cycle and introduced to FTCs and Community Fields.

**Table 2.74 Overview of trial farm in 4th Cycle**

Item	Contents
Purpose	<ul style="list-style-type: none"> <li>Aiming to further dissemination of REPs (insurance + agricultural technology) by introducing technologies that have been effective so far.</li> <li>In order to measure the effectiveness of REPs, interviews (monitoring) will be conducted with farmers who purchased insurance and received training in agricultural technology from 1st to 3rd Cycles.</li> </ul>
Implementation period	From end of April to December, 2023
Implementation place	4FTC (New), 4FTC (Continuation), 3 farmer's group in VICI area (Community Field)
Agricultural training	The training was conducted 3 times at each FTC
Introduced techniques	Line planting, Crop diversification, Intercropping, Tied Ridge, Biofertilizer, Compost, BBM
Implementation Method	<ul style="list-style-type: none"> <li>Due to the limited project budget, a new FTC to be started from the 4th Cycle and a monitoring FTC to be continued from the 3rd Cycle were established.</li> <li>A group of farmers was selected from kebele to implement the monitoring FTC, and a community field was established.</li> </ul>

#### 2) The progress of the trial farm activities in the 4th Cycle

In the 4th Cycle, trial farms were established in 8 FTCs in 6 woredas and 8 kebele to introduce risk-corresponding agricultural technologies. In 3 of the 8 FTCs, a community field was established with 4

farmers as a group, and risk corresponding agricultural technologies were introduced to the group. The table below shows the sites of the trial farms, the technologies introduced, and the participants in the first field training.

**Table 2.75 Overview of target kebele and introduced technologies for trial farms in the 4th Cycle**

Zone	Woreda	Kebele	Topic of trial farm (Technique)	Crops	1st			
					Training Date	Number of attendee		
						M	F	Total
West Arsi	Nagale Arsi	Gorbi Arba	Line planting	Wheat	15 / 6 / 2023	43	14	57
			Crop diversification	Swiss chard, Potato, Round cabbage, Beet root				
		Gubata Arjo	Tied ridge	Maize	3 / 6 / 2023	22	10	30
			Compost making	Maize				
East Shewa	Ada,a	Hidi	Line planting	Teff	15 / 8 / 2023	100	58	158
			Crop diversification	Swiss chard, Carrot, Beet Root and round cabbage				
	Adami Tulu	Galo Raphe	Line planting	Wheat	7 / 6 / 2023	34	20	54
			Intercropping	lettuce, carrot Round cabbage, Beet root	17 / 6 / 2023	82	26	108
		Korme Buchure	Tidriger	Wheat	18 / 6 / 2023	50	40	90
			Compost making	Maize and Haricot bean				
South West Shewa	Bacho	Awash Bune	BBM	Maize	5 / 7 / 2023	37	25	62
Arsi	Sire	Ibsata Uduga	Compost making	Wheat	17 / 7 / 2023	16	4	20
			Crop diversification	Karrot, Lettuce, Beet root				
	Dodota	Aminya Dabaso	Line planting	Wheat	21 / 7 / 2023	52	35	87
			Crop diversification	Swiss chard, Carrot, Beet Root				

### 3) Farm tool making WS on water harvesting technology (Tied Ridge)

Water harvest technology (Tied Ridge), which is being implemented as a drought control measure, has been promoted by the Project because it is highly effective in reducing drought damage to crops. However, farmers' lack of access to farm equipment necessary to implement water harvesting technology was identified as a challenge. To improve access to farming tools, a five-day workshop on making farming tools for Tied Ridge was held at the Melkassa Agricultural Research Center from April 25 to 29, targeting town factories located in drought-prone areas in the target area. Two town factories were selected from Shashamane town and one each from Negele Arsi Woreda and Dugda Woreda, and 1 technician from each town factory was invited. The lecturers were 2 people from the mechanical department of the Melkassa Agricultural Research Center.

The price of the materials needed to make the Tie-Ridger differed from region to region, but the 4 factories that participated in the workshop agreed to sell the equipment at a flat price (2,000birr per unit). Initially, the price was set as a promotional period to make it easier for farmers to purchase the equipment.

In addition, farmers who had installed Tied Ridge on their trial farms during the 1st to 3rd Cycles were invited to apply to purchase the farming tool (Tie-Ridger). Since many farmers were unable to purchase the farming tool individually due to a lack of funds caused by last year's drought, it was agreed that farmers who were unable to purchase the farming tool individually could form a group and purchase it as a group.

### 4) Purchase of agricultural farming tool for Water Harvest Technology (Tied Ridge)

The advance payments were collected from the farmers who wanted to purchase the farming tool, and a

total of 24 farmers in 2 kebeles in Dugda woreda (Hate Leman and Abunu Gabreil) and 3 kebeles in Negele Arsi Woreda (Hada Boso, Gubata Arjo, and Keraru) purchased the farming tool (Tie-Ridger). All but one of the purchases were made by groups of farmers. In both woredas, the required number of farming tools have been completed and will be collected from the town factories by woreda officers, stored at the woreda agricultural office, and distributed to farmer groups and farmers before the start of the next crop season.

**Table 2.76 Purchase of Farming Tools (Tie-Ridger)**

Zone	Woreda	Kebele	The number of group members	Sex		Name of Group	Date of Money collected	Amount of money collected
				M	F			
East Shewa	Dugda	Hate Leman	2	2	0	Group 1	16/6/2023	2000 birr
			2	2	0	Group 2		2000 birr
		Abunu Gabreil	1	1	0	Individual	17/6/2023	2000 birr
West Arsi	Nagale Arsi	Hada Boso	10	10	0	Group 1	2023/3/7	2000 birr
		Gubata Arjo	5	4	1	Group 1	2023/4/7	2000 birr
		Keraru	4	3	1	Group 1	2023/5/7	2000 birr

#### 5) Soil analysis in each zone

Since the environmental conditions of soil and climate vary widely in the target areas, soil analysis was conducted at FTCs in each zone to obtain a rough understanding of the soil conditions in each zone in the target areas and to obtain reference information for the introduction of appropriate agricultural technologies. Table 2.77 shows the results of the soil analysis. Soil analysis was conducted by Batu Soil Center located in Adami Tulu woreda in Oromia Region.

The results of the soil texture (Texture below) show that sand content is high in many areas of the West Aris and East Shewa zones, where sandy soils are widespread. The South West Shewa and Arsi zones are also classified as sandy loam soil.

The Cation Exchange Capacity (CEC) indicates the amount of cations a soil can hold, and the higher this capacity, the more nutrients it can hold and the more fertile it is. The CEC values of Shalla woreda and Shiraro woreda in the West Aris zone and Adami Tulu woreda in the East Shewa zone are very small, less than 10, and can be considered low fertile soils with little organic matter. On the other hand, the CEC values in the other three woredas are more than 20, indicating that they are relatively fertile soils. So, it is possible that fertilizer application does not increase yields, etc. in these areas. Therefore, in such areas, the application of soil organic matter such as compost is necessary to increase yields.

Negele Aris woreda in West Arsi, Ada'a woreda in East Shewa, Ilu woreda in South West Shewa zone, and Sire woreda in Arsi zone have sandy soil with normal to high CEC values. It is therefore important to apply soil organic matter and the techniques recommended by the Project.

**Table 2.77 Results of soil analysis**

No.	Zone	Woreda	Kebele	Texture*			pH	CEC* (meq/100 gm soil)	TN* (%)
				Sand (%)	Clay (%)	Silt			
1	West Arsi	Nagale Arsi	Gubata Arjo soil	46	16	38	8.29	21.36	0.25
2		Shalla	Aje Dida soil	70	4	26	6.44	9.41	0.18
3		Sirato	Loke Hada soil	74	4	22	5.7	5.88	0.08
4	East Shewa	Ada,a	Hidi Soil	52	20	28	6.42	22.74	0.24
5		Adami Tulu	Korme Bucure Soil	62	10	28	5.87	7.25	0.24
6	South west shewa	liu	Bili soi	50	14	36	7.61	36.85	0.8
7	Arsi	Sire	Ibsata Uduga soil	46	14	40	8.1	32.93	0.32

※Texture: Soil texture

※CEC: Cation Exchange Capacity

※TN: Total nitrogen content

#### 6) Appropriate techniques for environmental conditions in each region

The areas covered in the 1st and the 2nd Cycles are mainly arid areas with sandy soils, while the Arsi and South West Shewa zones covered in AYII, which began in the third and fourth cycles, are mainly high rainfall areas with Vertisol soils. In arid areas, the main issue is drought damage, and in rainfall-prone areas, flood damage is an issue. To address these risks, appropriate techniques for the environmental characteristics of the four target zones are described below.

**Table 2.78 Appropriate techniques for each target area**

Area	Precipitation	Soil	Main Crops	Line planting	Crop diversification	Inter-cropping	Tied Ridge	BBM	Compost	Bio-fertilizer
East Shewa	Shortage of rainfall	Sandy Loam Soil	Wheat Teff Maize	High	High	High	Very High		Very High	High
West Arsi			Maize HB	High	High	High	Very High		Very High	High
South West Arsi	Heavy rainfall	Vertisol Sandy Loam	Teff Wheat	High		High		Very High	High	High
Arsi		Vertisol Sandy Loam	Wheat Barley	High	High	High		Very High	High	High

As mentioned above, the East Shewa and West Arsi zones are dominated by sandy soils, and some areas have very low soil fertility (low soil cation exchange capacity and weak ability to retain fertilizers and other materials). Therefore, it is important to introduce appropriate technology (especially Tied Ridge in drought areas) while improving soil fertility by applying organic matter such as compost to increase the effectiveness of limited resources such as water and fertilizer. Results from a trial farm showed that composting in soils with low organic matter resulted in stronger plant growth and greater disease resistance than applying chemical fertilizers alone, and in some cases, higher yields were obtained due to increased soil moisture retention.

In some areas of the West Arsi Zone, nitrogen content in the soil is very low as shown in the table above, so when growing maize, it is recommended to intercrop with legumes such as beans to replenish nitrogen

in the soil. This is an effective way to supply nitrogen to the soil and improve soil fertility. In addition, the results of the trial farm indicated that even in years of drought, vegetables with shorter growing seasons tended to be less susceptible to damage than cereals and were more profitable than cereals. Therefore, even in drought-prone areas with limited water supply, there are advantages to introducing crop diversification in areas where vegetable seeds can be secured.

On the other hand, in the South West Shewa and Arsi zones, where sandy loam and Vertisol soils are widespread and fertility is not low, it is recommended to introduce the following technologies adapted to each risk. In particular, for heavy rainfall and flood risks, it is effective to introduce appropriate technologies such as BBM, since the soils are difficult to drain, and it is important to implement basic technologies such as line planting to control the occurrence of diseases and other risks.

Refer to Appendix-6 for the details of the activities and result at the trial farm in the 4th Cycle.

### **(10) Preparation and Implementation of Crop Cutting Experiment (CCE) for AYII Area**

The CCE in 4th cycle was conducted only by insurance companies' staff (OIC and EIC) due to the difficulty of Japanese and national staff traveling to the field due to security issues in the Oromia Region. A wrap-up training was conducted on November 1, 2023, inviting insurance companies' staff and OBoA staff to confirm the technical aspects of the CCE. During the training, the technical aspects were confirmed and materials necessary for the implementation of the CCE were provided to the insurance companies (OIC and EIC). The details of the materials provided to the insurance companies are shown in the table below. The cost of materials for the CCE is approximately JPY50,000 per insurance company.

**Table 2.79 Materials provided to insurance companies for CCE implementation**

No.	Name of Item	Qty.
1	Weighing balance	1
2	Moisture meter	2
3	Measuring tape (30-50 meters)	2
4	Rope (sisal or nylon 30meters long)	3
5	Wooden pegs	some
6	Sickle or knife	3
7	Hessian cloth/plastic sheet (minimum 2mx2m)	2
8	Container/gunny bags (50-100kg capacity)	50
9	Hummer	2
10	Plastic bag	some

The CCE was conducted in the same method as last year, with three farmer plots per kebele per crop. The three criteria for selecting farmer plots were that they be insured farmers, that they be willing to cooperate with the CCE, and that they have good access from the road. If many insured farmers had already finished harvesting their crops, selection was also made from non-insured farmers. Based on the above three criteria, three farmer plots were randomly selected from the list of insured farmers after consultation among the Woreda agricultural staff, the chairman in the Savings and Credit Cooperatives (SACCO chairman), the kebele chairman and DAs. Two square plots were harvested in one farmer's plot. Thus, the average yield

of the three farmers, a total of six samples, was calculated and compared to the trigger value, and the payout was made if the average yield of the farmer plots was below the trigger value.

#### 1) CCE implementation by EIC

The areas where EIC conducted and the dates of the CCE are shown in the table below. In original, agricultural insurance planned to be sold in Gedeb Asasa woreda and Lemo Bibilo woreda, but the insurance was not sold in above two woredas. So, EIC conducted CCE in the following two woredas where insurance was sold: Adaba woreda, where the target crops were barley and wheat; and Degeluna Tijo woreda, where the target crops were barley. The target crop in Degeluna Tijo woreda is barley.

**Table 2.80 Areas where EIC implemented CCE**

Zone	Woreda	Kebele	Date of CCE Implementation
West Arsi	Adaba	Ejersa	2023/11/03
		Furuna	2023/11/16
		Haro Hunxe	2023/11/14-15
Arsi	Degeluna Tijo	Digalu Bora	2023/12/06

#### 2) CCE implementation by OIC

The areas where OIC conducted and the dates of the CCE are shown in Table 2.81 below. Initially, CCE was also planned to be conducted in Liban Chukala woreda, but due to security concerns, CCE could not be conducted there.

**Table 2.81 Areas where OIC implemented CCE**

Zone	Woreda	Kebele	Date of CCE Implementation
East Shewa	Lume	Dhaka Bora	2023/11/14
		T/Re'ee	2023/11/13
		nana,a	2023/11/15
	Adea	Gubesaye	2023/11/17
		Bekajo	2023/11/18
		hidi	2023/11/16
South West Shewa	Dawo	Ulma Busa	2023/11/22
		Maket Suntare	2023/11/24
		Bashi kiltu	2023/11/23
	Kersa Malima	Chancho Robe	2023/11/27
		Kersa Warko	2023/11/26
		Adadi Mariam	2023/11/25
	Sodo Dachi	Tare Shino	2023/11/30
		Saden Muchuchata	2023/11/29
		Haro Homa	2023/11/28
Arsi	Sire	Ibseta Uduga	2023/11/21
		Gasala Shashe	2023/11/20
		Gasala chacha	2023/11/19



### 3) Challenges for implementing CCE in the insurance companies.

The following challenges were raised by the insurance company (OIC) that conducted the CCE.

- a) It is difficult to randomly select sites for CCE, which leads to basis risk issues.
- b) Limited manpower at the insurance company to conduct CCE quickly.
- c) In case of continuous rainfall, it is difficult to conduct CCE because they have to wait for days to conduct CCE.
- d) Threshing is done manually, so it takes time to conduct threshing.
- e) Low crop yields may be caused by lack of agricultural inputs due to shortage of fertilizers and agricultural inputs in all regions.

### 4) Result of CCE

In the area covered by the EIC, insurance claims were incurred for barley and wheat in Adaba Woreda. On the other hand, in the area covered by OIC, insurance claims were incurred for wheat in Sire woreda. For wheat, the damage may have been caused by various complex factors such as rust, low rainfall, heavy rainfall, hail, and disease.

## **(11) Implementation of End-line Survey**

An end-line survey targeting a total of 814 households (Intervention group: 394 households; Control group: 420 households) in a total of 24 kebele in 8 woredas was conducted as sub-contract works from September to November 2023, with the aim of conducting a final analysis of project effectiveness, and impact evaluation. See Chapter-4 of this Report for details.

## 2.2 Activities related to Output-4

### 2.2.1 Dialogue Platform

In Ethiopia, several index-based agricultural insurance projects are being implemented by various donors, but the product design and dissemination methods are not standardized. Therefore, the Project has established the dialogue platform for sharing experiences and lessons learned among the donors and other stakeholders involved in index-based agricultural insurance. The dialogue platform is also expected to contribute to making policy recommendations for scaling up sustainable agricultural insurance schemes in Ethiopia.

The establishment of the dialogue platform began with discussions with the WFP Ethiopia Office, which has a long history of developing index-based agricultural insurance in Ethiopia. The Project Team prepared the concept note for the dialogue platform, including objectives, activities, and expected participating agencies. The Project Team and the WFP Ethiopia Office agreed on the draft concept note for the dialogue platform and to organize the 1st dialogue platform in May 2022. The following are the agreed concepts of the dialogue platform:

**Table 2.82 Concept of Dialogue Platform**

Item	Content
Name	“Dialogue Platform for Supporting Agricultural Insurance in Ethiopia”
Objective and activities	1. Information sharing between government agencies, international organizations, private sector, research institutes and bilateral agencies that support the agricultural insurance sector in Ethiopia and the projects they are implementing. 2. Dedication to Ethiopia’s National Agricultural Insurance Policy
Organizer	JICA Project Team and WFP Ethiopia Office
Expected members	MoA, NBE, OBoA, ATI, international donors, insurance companies, financial institutions, research institutions, etc.
Operation	Quarterly basis

#### (1) The 1st Dialogue Platform Meeting

The 1st Dialogue Platform Meeting was held in Addis Ababa on May 11, 2022. Approximately 27 participants from 16 organizations, including government agencies, donor agencies, and private companies, attended. The 1st Dialogue Platform Meeting was held mainly to discuss the purpose of establishing the Dialogue Platform and its operation and to reach a consensus among the parties concerned. In the 1st Dialogue Platform meeting, donor organizations presented their experiences and plans in the field of agricultural insurance in Ethiopia and shared information on their activities. The program of the 1st Dialogue Platform is shown below.

**Table 2.83 Program of 1st Dialog Platform**

Time	Content	Remarks
9 : 30–9 : 45	Opening and registration	WFP Ethiopia, JICA Office
9 : 45– 10 : 00	Introduction of participants	
10 : 00– 11 : 00	Donor activities	
11 : 00– 11 : 15	Introduction of concept of the dialogue platform	JICA Project Team

Time	Content	Remarks
11 : 15 – 12 : 00	Discussion	
12 : 00 – 12 : 15	Closing	WFP Ethiopia

The presentation materials of this meeting are shown in Appendix-7 of this report, and Aid-memoire including the list of participants are shown in Appendix-8.

### (2) The 2nd Dialogue Platform Meeting

The 2nd Dialogue Platform Meeting was held on April 20, 2023. The number of participants and participating institutions was further expanded compared to the 1st Dialogue Platform, with approximately 5 participants from MoA. At the 2nd Dialogue Platform, a policy advisor from the MoA introduced the Revised Rural and Agricultural Development Policy, and also presented ATI's efforts in the field of agricultural insurance, the DRIVE project launched by the World Bank, and the ZEP-RE project.

During the discussion session, group discussions were held on 2 topics: 1) responsibilities and roles that the government should play in promoting agricultural insurance, and 2) topics that should be addressed in the dialogue platform. The participants confirmed that they would review the results of these discussions with the MoA and discuss future policy recommendations and the holding of a dialogue platform.

**Table 2.84 Program of 2nd Dialog Platform**

Time	Content	Remarks
9 : 15 – 9 : 40	Opening and introduction of participants	
9 : 40 – 9 : 50	Introduction of the Dialogue Platform	
9 : 50 – 10 : 15	Draft Revised Agriculture and Rural Development Policy	MoA
10 : 15 – 10 : 45	ZEP-RE Presentation (Drive Project)	
10 : 45 – 11 : 15	Short presentations from participants	
11 : 15 – 12 : 45	Group Discussions	

The presentation materials of this meeting are shown in Appendix-9 of this report, and Aid-memoire including the list of participants are shown in Appendix-10.

### (3) The 3rd Dialogue Platform Meeting

The 3rd Dialogue Platform Meeting was held on September 19, 2023. A total of 44 participants from about 25 organizations attended the 3rd Dialogue Platform Meeting. At the meeting, WFP introduced its activities, followed by a presentation on public-private partnerships by Nyala Insurance, representing a private insurance company. After that, the Building Resilience in Ethiopia made a presentation on the Dister Risk Finance Strategy. Finally, MoA made a presentation on the training in Kenya and the Agricultural Insurance Task Force. Afterwards, participants made suggestions on the Task Force members, the importance of sharing case studies, and the contents of the presentation at the next Dialogue Platform.

Many stakeholders welcomed the establishment of the Task Force on agricultural insurance by the MoA, and it was confirmed among the stakeholders that the MoA will take the leadership and continue to work on agricultural insurance in cooperation with the stakeholders. Through this active discussion, the importance of information and opinion exchange among stakeholders through the dialogue platform was

reaffirmed.

At the 3rd Dialogue Platform meeting, an outline of the draft ICIP guidelines was presented, and comments and feedback on the draft guidelines from Dialogue Platform attendees are being solicited by the end of October 2023. These comments and feedback are taken into consideration as the guidelines are finalized.

**Table 2.85 Program of 3rd Dialog Platform**

Time	Content	Remarks
8 : 45–9 : 15	Opening and introduction of participants	
9 : 15–9 : 30	Introduction of the Dialogue Platform	
9 : 30–10 : 00	Introduction of WFP and Pula	
10 : 00–10 : 30	Presentation of Public-Private Partnership	Nyala Insurance
10 : 30–11 : 00	Building Resilience in Ethiopia	
11 : 00–11 : 30	Establishment of Agricultural Insurance Committee	MoA
11 : 30–12 : 30	Discussion	

The presentation materials of this meeting are shown in Appendix-11 of this report, and Aid-memoire including the list of participants are shown in Appendix-12.

#### **(4) The 4th Dialogue Platform Meeting**

The 4th Dialogue Platform Meeting was held on January 24, 2024. A total of 48 participants from about 25 organizations attended the 4th Dialogue Platform Meeting. The meeting started from the Opening Remarks by Dr. Sofiya, followed by the presentation by OBoA on the efforts for agricultural insurance promotion in collaboration with the ICIP, particularly in conjunction with the Agricultural Package Training. After that, the presentation on the overview of agricultural insurance in Ethiopia and ATI's efforts in collaboration with WFP and Pula was made by ATI, followed by the presentation by the Project on the achievements during the project period. In addition, MoA made the presentation on the roles of MoA in promoting agricultural insurance and the establishment of Steering Committee and Technical Working Group as the recent movement.

After these presentations, the discussion was done with active participation. The 4th Dialogue Platform Meeting got the appearance of Dr. Sofiya and Dr. Getachew, who is the technical advisor of MoA, and they provided answers and expressed their viewpoints against questions and issues raised by each participant. In particular, the importance of learning from participants and their organizations was emphasized, whether they are donors, private companies, or public institutions. And it was mentioned that MoA welcomes any information and opinion, and the developments within MoA related to agricultural insurance promotion was explained.

Dr. Sofiya expressed her appreciation for the Project on the training in Japan and the training in the third-country (Kenya), and she also evaluated the initiative of the ICIP's initiative in establishing the Technical Working Group. Initially, the movement for the establishment of the Agricultural Insurance Committee was aimed at clarifying the dedicated department for agricultural insurance within MoA. Therefore, it was a big achievement that Dr. Sofiya and Dr. Getachew made opinions and explained their stances and movements of MoA as responsible persons for agricultural insurance and agricultural finance in front of the participants.

**Table 2.86 Program of 4th Dialogue Platform**

Time	Content	Remarks
9 : 15—9 : 30	Opening	Dr. Sofiya (MoA)
9 : 30—9 : 40	Short Message	Mr. Elvis (WFP)
9 : 40—9 : 50	Introduction of Participants	
9 : 50—9 : 55	Introduction of the Dialogue Platform	
9 : 55—10 : 15	Integration of Agricultural Insurance into the extension services	OBoA
10 : 15—10 : 35	Break	
10 : 35—11 : 00	Status of ATI's Agricultural Insurance	ATI
11 : 00—11 : 10	Achievement of the JICA-ICIP Project	JICA-ICIP
11 : 10—11 : 30	The role of the government to support & lead Agricultural Insurance	MoA
11 : 30—12 : 30	Discussion	

The presentation materials of this meeting are shown in Appendix-13 of this report, and Aid-memoire including the list of participants are shown in Appendix-14.

## 2.2.2 Guideline

### (1) Overview of the Guideline

In the expansion of index-based agricultural insurance in Ethiopia, the active involvement of the Ethiopian government is indispensable. Therefore, the Guideline mainly targets government officers from the MoA and regional agricultural bureaus, including Zone and Woreda officers. The Guideline summarizes the establishment of an implementation structure, planning and preparation stages, and implementation methods to be considered when introducing index-based agricultural insurance.

It is supposed that the government officials from the MoA and the regional agricultural bureaus have limited involvement and experience in index-based agricultural insurance. For this reason, the Guideline is divided into two parts, Part I and Part II, with Part I providing an overview of agricultural insurance in general.

Specifically, Part I outlines the concept of agricultural risk management, past efforts and lessons learned in the field of agricultural insurance in Ethiopia, and recommendations for the promotion of agricultural insurance by the Ethiopian government. Part II then summarizes the implementation methodology for implementing the ICIP approach based on the experience of the ICIP in Oromia Region (see Appendix-15 for the Guideline).

In developing the Guideline, the workshop was held with stakeholders to finalize the Guideline based on their comments and feedback. The workshop was held on November 2, 2023, at the Ethiopian Institute of Agricultural Research. A total of 15 participants from the private sector and the MoA attended the workshop and commented on points related to clarification of the roles of the parties involved and description of the coverage and types of insurance. Based on these comments and feedback, the Guideline was finalized.

### (2) Guideline Seminar

On 13 January 2024, the guideline seminar was conducted for officials of the MoA and the regional agricultural bureaus. The purpose of the seminar was to deepen the understanding of the Guideline and to

discuss how index-based agricultural insurance could be considered for the MoA and regional agricultural bureau officials who are expected to introduce index-based agricultural insurance. The following is a summary of the guideline seminar.

**Table 2.87 Outline of the Guideline Seminar**

Item	Contents														
Date and Time	13 January 2024 08:45 – 12:30														
Objective	<ul style="list-style-type: none"> <li>- To learn about the concept of index-based agricultural insurance</li> <li>- To understand the contents of the Guideline</li> <li>- To discuss introduction of index-based agricultural insurance</li> </ul>														
Participants	<p>MoA: 6 participants (Food Security Coordination Office, Agricultural Investment and Product Marketing, Crop Development)</p> <p>Regional Bureau of Agriculture: 13 participants (Oromia, Benishangul-Gumuz, Sidama, South West Ethiopian People's Region, Tigray Bureau of Agriculture)</p> <p>Crop Investment Association: 2 participants</p>														
Program	<table border="0"> <tr> <td>08:45 – 09:15</td> <td>Opening</td> </tr> <tr> <td>09:15 – 09:30</td> <td>Introduction of Index-based Crop Insurance</td> </tr> <tr> <td>09:30 – 09:45</td> <td>Introduction of ICIP</td> </tr> <tr> <td>09:45 – 10:15</td> <td>Final version of the Guideline</td> </tr> <tr> <td>10:15 – 11:00</td> <td>Presentation by the OBoA</td> </tr> <tr> <td>11:00 – 12:15</td> <td>Discussion (Potential usage and anticipated challenges for adaption of the Guideline)</td> </tr> <tr> <td>12:15 – 12:30</td> <td>Closing Remarks</td> </tr> </table>	08:45 – 09:15	Opening	09:15 – 09:30	Introduction of Index-based Crop Insurance	09:30 – 09:45	Introduction of ICIP	09:45 – 10:15	Final version of the Guideline	10:15 – 11:00	Presentation by the OBoA	11:00 – 12:15	Discussion (Potential usage and anticipated challenges for adaption of the Guideline)	12:15 – 12:30	Closing Remarks
08:45 – 09:15	Opening														
09:15 – 09:30	Introduction of Index-based Crop Insurance														
09:30 – 09:45	Introduction of ICIP														
09:45 – 10:15	Final version of the Guideline														
10:15 – 11:00	Presentation by the OBoA														
11:00 – 12:15	Discussion (Potential usage and anticipated challenges for adaption of the Guideline)														
12:15 – 12:30	Closing Remarks														

The guideline seminar was preceded by an introduction to the content of the Guideline, followed by an introduction to the Project and to the characteristics of agricultural insurance and index-based agricultural insurance. Many of the participants had never heard of agricultural insurance before and asked many questions about the features and implementation of index-based agricultural insurance. During the guideline seminar, the Oromia Bureau of Agriculture also presented a case study on how to promote index-based agricultural insurance.

During the discussion, participants were divided into groups by region to discuss 1) major agricultural risks, 2) current status of agricultural insurance, and 3) how to utilize the Guideline and the potential implementation structure of index-based agricultural insurance (e.g., possible insurance products, insurance companies, and intermediary organizations). Each participant actively and concretely discussed how index-based agricultural insurance could be implemented according to the agricultural risks in their respective regions, referring to the Guideline. Detailed results of the guideline seminar are provided in Appendix-16.

**Table 2.88 Discussion Results of each Regional Bureau**

Questions	Tigray	Sidama
1. Major risks	Droughts, erratic rainfall, frost, floods, pests/diseases, and post war shock	Shortage of rainfall, erratic rainfall, pests/diseases, floods, and price fluctuations
2. Current status	ATI, REST, WFP has been implementing the project.	None
3.1 Opportunities	-	Good extension structure and farmers'

Questions	Tigray	Sidama
		interest
3.2 Insurance type	AYII and WII	AYII and WII
3.3 Insurance companies	Lion insurance company	EIC
3.4 Intermediaries	Dedebit micro finance and SACCO	Omo MFI, Sidama Bank, ELTO institution, Development Bank
3.5 Existing programs	<ul style="list-style-type: none"> <li>- Agricultural extension service</li> <li>- Commercialization farming association,</li> <li>- Cluster farming</li> </ul>	-

## 2.3 Gender Mainstream

### (1) General Condition of Women in Ethiopia

In Ethiopia, Gender Inequality Index (GII) was 121-ranking among 160 countries<sup>21</sup> in 2017 and the gap between men and women is still big regarding school attendance rate, literacy rate, unemployment rate, reproductive health and participate in the labor market. In rural area, around 20 % of poor household is women head household<sup>22</sup>. It is general in rural areas that men are engaged in heavy labor or relatively big scale economic activities with going outside, while women are in charge of housework, childcare, and small-scale economic activities. Women generally have lower social and economic status, so that they cannot make a decision at all levels and have very limited access to resources, service, and employment. Furthermore, there is a structure that it is difficult for women to obtain service like land, agriculture training, credit, labor, and agricultural inputs.<sup>23</sup>

### (2) Policy and Administrative Organs relating Gender in Ethiopia

Government of Ethiopia has conducted the activities regarding gender after subscribing of the Convention on the Elimination of all Forms of Discrimination against Women in 1980. Table 2.89 shows a brief overview of the major gender-related policies of the Ethiopian government.

**Table 2.89 Trends of Ethiopian Government Gender-Related Policy**

Year. Month	Trends of Gender-Related Policy
1980.7	The Ethiopian government subscribed Convention on the Elimination of all Forms of Discrimination against Women and ratified in 1981 CEDAW : A treatment which aims to legal system revision relating social, economic, and politic and ratified countries need to make an effort to abolish various discrimination against women.
1992.12	Office for Women's Affairs was established at all government institutes at a level of state and region.
1993	National Policy of Ethiopian Women was drafted by the Government of Ethiopia committing with gender equality.
1998.7	Ethiopian Women Development and Transformation Package were formulated. This strategy presupposed the objectives that aim to make a society where women can participate in equally and can get socially, economically, and politically benefits.
2005.10	Ministry of Women's Affairs: MoWA was established (reorganized from Women's Office for Women's Affairs)
2006.5	PASDEP : Plan for Accelerated and Sustained Development to End Poverty was formulated (including gender related matter as crosscutting issue.) National Action Plan for Gender Equality : NAP-GE、 2006-2010 was formulated.
2010/2011-2014/2015	New Growth and Transformation Plan (GTP) was formulated. Among 7 pillars on GTP, there are the pillar 7th : Promotion of gender equality between women or youth.

National Policy of Ethiopian Women has been pointed out that it is necessary to develop an appropriate

<sup>21</sup> World Bank

<sup>22</sup> Multi-Sector Country Gender Profile-Agriculture and Rural Development North East and South Region (Onar)-, 2004, African Development Bank

<sup>23</sup> Final Report ETHIOPIA: Country Gender Profile, 2006, WABEKON Development Consultant PLC



governmental organization system to (AfDB 2004). Therefore, Office for Women’s Affairs, which established under the Cabinet Office in 1992 was commissioned to provide the necessary coordination and oversight to effectively implement gender equality and national women’s policies (AfDB 2004). The Ministry of Women is now out of the direct control of the Cabinet Office and has been upgraded to the same level as other 24-sector ministries. It still plays the above-mentioned role for other 24 sector ministries. Women’s departments are set up in all sector ministries, and gender officers are arranged in other departments. Table 2.90 shows the position and role of each organization.

**Table 2.90 Government organization of Ministry of Women (National Machinery), Oher Sector & Other Level<sup>24</sup>**

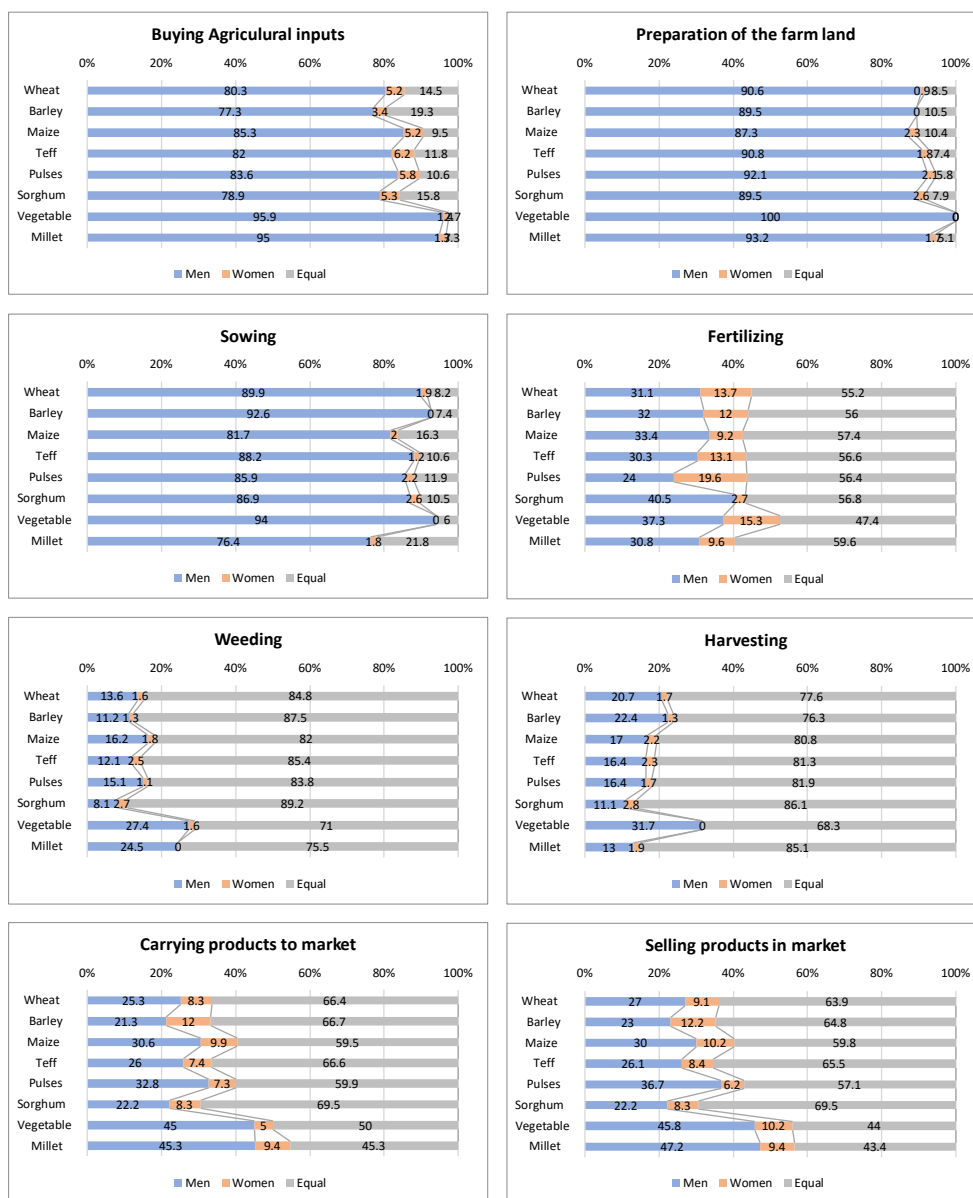
Sector	Position	Role
Ministry of Women	Same level as 24 sector ministries	<ol style="list-style-type: none"> <li>1. Arrangement, Operational oversight</li> <li>2. Policy making for promoting gender mainstreaming</li> <li>3. Implementation of survey research regarding gender issue and collection of relating data information</li> <li>4. Meeting or workshop at a national level to enhance gender consciousness</li> <li>5. Creation of an environment that able to women’s participation and empowerment</li> </ol>
Department of Women	Established under all ministries respectively	<ol style="list-style-type: none"> <li>1. Making a system that gender mainstreaming can be implemented</li> <li>2. Report to Ministry of Women about progress on gender equality and mainstreaming and constraint condition</li> <li>3. Promoting gender mainstreaming in all programs and projects in the sector</li> </ol>
Office for Women’s, Children and Youth Affairs	Established at a level of region, zone and woredas, which located under the control of each administrative management office	<ol style="list-style-type: none"> <li>1. To improve gender mainstreaming of programs and projects at a level of region, zone, woreda, and kebele</li> <li>2. To grasp the needs for gender mainstreaming in each sector within the state</li> <li>3. To make the strategy for gender mainstreaming in each sector</li> <li>4. Implementing survey research regarding gender matched with state context and reporting its result widely</li> <li>5. To hold a workshop aiming to improve gender streaming and enhancing gender consciousness on all sectors in state</li> </ol>

### (3) Women’s issue relating agriculture and firm villages

In Ethiopia, women are thought “not to be farmers” or “do not doing farming” because of the cultural gender bias, whereas it tends to be thought that men as householder is “farmers” (AfDB 2004). However, it is said that there is custom that both men and women engage in agricultural production activities. On the baseline survey conducted by this project, it was clear that although more than 80% of households answered that only men engage in the activities such as purchasing agricultural inputs, leveling, and seedling of each major crop, both men and women equally engage in other activities (Figure 2.13). However, because men as householder are recognized as “farmers”, decision making authority relating farming belongs to men and women do not have that authority in the household and community level because of lack of experiences. Also, since men have the authority for managing and controlling of manufacturing resource like land or

<sup>24</sup> African Development Bank (2004)

livestock and produced agricultural production, access to agricultural production services like extension, training, micro credit, and agricultural inputs strongly tend to be limited only for men. Even though for women head household, if they have a grown-up son, he sometimes has decision making authority instead of women. Thus, there is issue that especially women belonging to men headed household have very limited access to participating farming activities, agricultural inputs, agricultural income, and management and controlling of the household account<sup>25</sup>.



**Figure 2.13 Percentage of Gender Division of Labor for Farming**

**(4) Gender Issue regarding agricultural sector in Oromia Region**

Interview survey for several institutes was conducted by the Project team to grasp gender issue regarding

<sup>25</sup> "East African Region Gender Perspective: Basic Information Collection Survey in the Fields of Agriculture and Rural Development (Federal Republic of Ethiopia) Report"

agriculture in Oromia region where is project targeted area. The following shows the result of each survey.

1) Gender Team at OBoA

a) Institute Outline

This gender team was established directly under Director of OBoA and the team is constituted by 3 officers. The aim of this gender team is to support the activities focused on women, children, and aging people and their main activities are advising for OBoA about gender related activities, policy, planning, and monitoring and evaluation. In addition, they support for making various programs, capacity building and growing knowledge for governmental officers and DAs through trainings. At a level of zone and woreda, officers who are in charge of gender are placed in Agricultural Office and it is especially promoted to involve women in agricultural extension activities. There are on-going programs running under AGP and PSNP and that of collaborating with NGOs.

b) Grasped Gender Issue

It was found that it was the problem that most of agricultural information service or training by DA target only men. This is partly due to the fact that there is a large recognition that men are “farmers” as described above, and that about 80% of the DAs that are allocated to about 6,000 people in Ethiopia are men. In addition, most households purchase agricultural inputs such as fertilizers by men, not by women, and women have almost no access to credit services.

2) Woreda Agricultural and Rural Development Office at Dugda/Bora

a) Institute Outline

Woreda Agricultural and Rural Development Office is constituted of 5 departments namely: 1. Agronomy, 2. Livestock, 3. Natural Resources, 4. Extension, 5. Irrigation and 1 gender personnel is placed under whole departments. However, in Dugda, due to the reorganization, the gender person will also serve as the nutrition person, and in Bora there is 1 gender personnel, but he/she is not very active. The number of women in DA is 18 out of 118 (15%) in Dugda and 6 out of 60 (10%) in Bora.

b) Grasped gender issue

Despite the large number of female farmers, the issue is that management and decision-making regarding agriculture are left to the men. As a result, women simply follow men and are not very active. In some households, sales activities are conducted by couples, but most are by men. Another problem is that women do not have as many opportunities as men to participate in social organizations and businesses such as farmer groups. Opportunities to participate in agriculture-related trainings are extremely low compared to men. In addition, men are responsible for household management and decision-making regarding all things, and women tend not to be involved in them.

## **(5) Introducing gender perspective in this Project**

In Ethiopia, as mentioned above, although men and women are almost equally involved in agricultural production, decision-making in farming is dominated by men. In addition, because men have management and control over production resources such as land and livestock and over the crops they produce, access

to microfinance, including crop insurance, and various services related to agricultural production, such as extension, training and agricultural inputs, tends to be limited to men. Thus, women in male-headed households, in particular, have limited authority to participate in farming and to manage and control agricultural inputs, farm income, household finances, etc.<sup>26</sup> On the other hand, it is also known that the decision-making power of couples (men and women) regarding household management differs depending on household type.<sup>27</sup> In monogamous households and polygamous main-wife households, men often have decision-making power over major household decisions and income. In contrast, in widowed households and non-monogamous main-wife households, women have more decision-making power over the property and resources they own and over these due to the absence of men. In particular, in Muslim polygamous households, the husband distributes plots, money and household goods equally among several wives, so women in households other than the main wife's, where the husband is mostly absent, tend to have greater financial and decision-making power. Women in these households also often have a larger scale of economic activity. Against this background, the Project took a gender perspective in order to develop extension activities that would benefit women with different levels of financial capacity (decision-making power).

#### **(6) Activities related to the gender perspectives**

The contents and results of the activities related to gender perspective during Phase-1 to 3 of the Project are summarized below. They include 1) Lectures on gender in the TOT / Conducting gender analysis workshops, 2) Promotion of women's participation in insurance sales (REPs training), and 3) Involving women in agricultural extension activities.

##### 1) Lectures on gender in the TOT / Conducting gender analysis workshops

The project has conducted lectures on gender and gender analysis workshops in the TOT for CPs since the Phase-2, with the aim that the project activities will benefit both men and women. The objective was to raise awareness of gender issues in rural areas and to create awareness among CPs to involve more women in the project activities. In the lectures, it was mentioned that men and women are equally involved in many parts of agricultural activities, resulting from the baseline survey conducted in the 1st Cycle. Also, the results of the review survey conducted after the 1st Cycle explained that there needed to be more outreach to women farmers to participate in the REPs training.

Participants deepened their awareness of gender issues related to agricultural activities through group work and discussed ways of encouraging women's participation in insurance sales and extension activities, which were reflected in the Action Plan as the target number of training participants/buyers by gender. Through the group work, the following gender issues related to agricultural activities were identified.

- a) Women are less likely than men to participate in agricultural extension training (e.g. agricultural package training organized by the Oromia Government).
- b) Women do not have the same access as men when they want to buy agricultural inputs. (and also, do not have enough money)

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<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

- c) Men often regard women only as housewives.
- d) Women do not have as much decision-making power as men when it comes to household management.
- e) Women lack communication with extension workers.

In addition to lectures and group work on gender, a gender analysis WS was conducted in the 3rd Cycle. The participants were divided into groups for each woreda and filled in worksheets on each of the main topics of gender analysis: 1) Gender roles in productive activities (Productive Role), 2) Gender roles in non-productive activities (Re-Productive Role), and 3) Access to and Control of Resources. A summary of the results is shown below. For detailed results of the gender analysis, see Appendix-17.

- a) Productive Role: Overall, with regard to production activities, it was observed that men were more involved than women in ploughing and land preparation, but that men and women were relatively equally involved in watering and weeding and harvesting. There were also some items where differences in perceptions between women and men were observed: in Negele Arsi Woreda, men reported that men were more involved in watering, purchasing agricultural inputs, threshing and income management, while women reported that both men and women were equally involved. Similar trends were found for watering in Boset, purchase of agricultural inputs in Bora, sales in Dugda and land preparation in Ilu.
- b) Re-Productive Role: In terms of re-productive activities, women are mainly responsible for most household chores such as cooking, washing dishes, laundry, fetching water, cleaning and childcare. However, it was found that men are mainly responsible for house repairs and security.
- c) Access to and Control of Resources: In all woredas, poultry farming is a job that women are responsible for. Many woredas indicated that income management was the role of men, while in Shalla, women were considered to be the main role of men and women equally, while men were considered to be the main role of women. More woredas said that women have more access to marketing than men, while in terms of training, women are considered less accessible by both men and women.

In the 4th Cycle, due to the shortened program schedule of the TOT, sufficient time was not available to conduct a gender analysis WS, so only lectures on gender perspectives were conducted.

## 2) Promotion of women's participation in insurance sales (REPs training)

Since, in most cases, only men are approached for training regardless of whether they are agriculture-related or not, it is important that DAs and other related parties encourage and create opportunities for women to participate in insurance sales (i.e. REPs training) opportunities and to be able to participate, in order to give women equal opportunities to purchase insurance under this project. As mentioned above, as a result of the project's emphasis in the TOT on the importance of extension activities that incorporate a gender perspective and the recommendation to announce the implementation of REPs training and target women's groups, etc., from Phase-2 to Phase-3, the following methods were mainly used Promoting women's participation in REPs training was done in each target area (Kebele).

- a) Encourage female heads of households and female SACCO staff to attend REPs training
- b) Calling on spouses to participate together with male farmers to REPs training
- c) Call for participation of women's groups, social groups, Iddir and SACCO members (or conduct REPs training in conjunction with those meetings).

In Gorbi Arba Kebele in Negele Arsi Woreda, crop diversification was also introduced in the garden of the health center in the kebele by transplanting vegetable seedlings grown in FTC plots to plots. The production methods and benefits were explained in the garden on vaccination days for mothers and children, and training sessions were organized at the DAs' initiative. These collaborative activities between FTCs and health centers are good examples of how to involve more women.

Tables below show the number of insurance purchases (registrations) and the percentage of insurance purchases (registrations) in each Cycle from the 1st to 4th Cycles. Note that the total number of the 3rd Cycle is the sum of VICI and AYII.

In terms of the proportion of women in the total number, the number of insurance registrations increased from 20% in the 1st Cycle to 28% in the 2nd Cycle, 32% in the 3rd Cycle and slightly decreased to 26% in the 4th Cycle. However, women buyers cover 25-30% of the total. It is likely because of the increase in sales activities to female members of SACCOs from the 2nd Cycle in each target area. It is also considered that the results were achieved through the above-mentioned efforts to involve women in each kebele. This suggests that, in promoting insurance sales, it is necessary to diversify sales opportunities to women through the use of SACCOs and women's groups and to create an environment that is accessible even to female farmers. This would enable husbands and wives to purchase insurance separately, even in the same household, thereby benefiting women.

**Table 2.91 Ratio of male to female insurance buyers (1st Cycle)**

Zone	Training Actual			Registered Farmer		
	Male	Female	Total	Male	Female	Total
East Shewa	1,436	180	1,616	281	47	328
West Arsi	2,210	778	2,988	412	153	565
Arsi	1,088	211	1,299	48	7	55
South West Shewa	1,291	206	1,497	156	11	167
<b>Total</b>	<b>6,025</b>	<b>1,375</b>	<b>7,400</b>	<b>897</b>	<b>218</b>	<b>1,115</b>
(%)	81%	19%	100%	80%	20%	100%

**Table 2.92 Ratio of male to female insurance buyers (2nd Cycle)**

Zone	Training Actual			Registered Farmer		
	Male	Female	Total	Male	Female	Total
East Shewa	806	364	1,170	575	142	717
West Arsi	4,969	3,053	8,022	802	457	1,259
Arsi	220	8	228	55	19	74
South West Shewa	235	76	311	235	40	275
<b>Total</b>	<b>6,230</b>	<b>3,501</b>	<b>9,731</b>	<b>1,667</b>	<b>658</b>	<b>2,325</b>
(%)	64%	36%	100%	72%	28%	100%

**Table 2.93 Ratio of male to female insurance buyers (3rd Cycle)**

Zone	Training Actual			Registered Farmer		
	Male	Female	Total	Male	Female	Total
East Shewa	1,173	70	1,243	227	4	231
West Arsi	896	166	1,062	245	62	307
Arsi	1,560	287	1,847	217	53	270
South West Shewa	1,279	182	1,461	191	18	209
Total	4,908	705	5,613	880	137	1,017
(%)	87%	13%	100%	87%	13%	100%

**Table 2.94 Ratio of male to female insurance buyers (4th Cycle)**

Zone	Training Actual			Registered Farmer		
	Male	Female	Total	Male	Female	Total
East Shewa	7,015	1,303	8,318	2,293	775	3,068
West Arsi	3,867	2,174	6,041	2,263	943	3,206
Arsi	2,384	579	2,963	739	204	943
South West Shewa	1,016	204	1,220	336	12	348
Sub-Total	14,282	4,260	18,542	5,631	1,934	7,565
WASASA	2,178	479	2,657	43	17	60
<b>Grand-Total</b>	<b>16,460</b>	<b>4,739</b>	<b>21,199</b>	<b>5,674</b>	<b>1,951</b>	<b>7,625</b>
(%)	78%	22%	100%	74%	26%	100%

### 3) Involving women in agricultural extension activities

With regard to ‘agricultural technology’ combined with crop insurance in the REPs, one of the project activities was the establishment of demo-farms (called trial farms) and technical training for farmers there. Encouraging more women to participate in technical training would be more effective in improving household agricultural risk management capacity. Therefore, when conducting training for farmers at the trial farm, it was recommended to reach out to female-headed households and female farmers. And also, it was recommended that at least 1 female member was included in the demo farms at the Model Farmers’ field conducted in the 2nd Cycle and the Community Field (demo farms by farmers groups) started in the 3rd Cycle to increase the effectiveness of extension to female farmers.

In the 2nd Cycle, some project areas, particularly poor households, were severely affected economically due to extreme weather events in 2020 and inflation caused by COVID-19. Widowed farmers belonging to people with low incomes in the 4 woredas of Shiraro, Shala, Negele Arsi and Boset were particularly affected and therefore, the Project team supported them with agricultural inputs for them. Specifically, fertilizers (NPS and UREA) were distributed free of charge to eligible farmers in each kebele of the trial farm areas on the condition that they participate in agricultural technical training provided by the FTC. Since these poor households are in an economic situation where they cannot purchase insurance, basic information on their economic situation and farming was interviewed during the distribution of materials (65 people in total, 5 from each kebele) in order to understand their current situation.

The average age of the women interviewed was 40 years, the average number of meals per day was 2.3,

and the average area of farmland owned was 1.4 ha. The main crops were, from top to bottom, maize, teff, beans, barley and wheat, with an average farm income of 7,923birr/year. The main challenges in farming were lack of agricultural inputs due to insufficient income, followed by lack of labor (manpower and cattle) (see table below).

Various studies have mentioned women's lack of access to agricultural inputs. For example, according to Girma Gezimu Gebre (2020), a comparison of the maize land productivity gap between male-headed and female-headed households shows that male-headed households are 44.3% more productive in value terms than female-headed households. However, if female-headed households have the same access to resources as male-headed households, their productivity would increase by 42.3%.<sup>28</sup> These examples show that low agricultural productivity due to women's lack of access to agricultural inputs is an issue to be taken into account in the Project area, and the high demand for agricultural insurance in combination with seeds and fertilizers in the REPs.

**Table 2.95 Results of interviews with widowed farmers (1) (basic information)**

		(N=65)	
Contents		No.	%
Average age		40	
The average rate of meals per day		2.3	
Education Level	None	44	68%
	1-4 Grade	18	28%
	5-8 Grade	2	3%
	9-12 Grade	1	2%
	Higher Education	0	%
Oromifa skill	Speaking	65	100%
	Reading	3	5%
	Writing	3	5%
Main income source	Mainly farming	63	97%
	Mainly non-farming work	2	3%
	Type of job	Small trading	
Area of farmland (ha)		1.4	
Amount of HH's Income from farming (birr/year)		7,923	
Member of PSNP		22	34%

**Table 2.96 Results of interviews with widowed farmers (2) (crops grown)**

Type of Crop	No. of HH	% (N=65)	Ave. Area (ha)
Maize	58	89%	0.55
Teff	40	62%	0.63
Haricot bean	29	45%	0.40
Barley	16	25%	0.40
Wheat	14	22%	0.40
Potato	10	15%	0.30
Sorghum	7	11%	0.30
Finger millet	3	5%	0.36
Lentil	1	2%	0.50

<sup>28</sup> A Study on Gender Dimensions of the Maize Value Chain and Food Security in Dawuro Zone, Southern Ethiopia, Girma Gezimu Gebre, 2020



**Table 2.97 Results of interviews with widowed farmers (2) (livestock)**

Possessed household's livestock								
Type	Cattle	Sheep	Goat	Camel	Horse	Donkey	Mule	Chicken
Number of HH (N=65)	17	5	13	2	1	7	0	2
Average number	1.5	2.2	3.2	1.0	1.0	1.4	0.0	5.0

**Table 2.98 Results of interviews with widowed farmers (2) (main agricultural risks)**

(N=65)

Problems regarding farming activities	No.
Lack of income to purchase agri-inputs	20
Lack of Ox and manpower for ploughing of farmland	38
Lack of rainfall	5
Lack of income	2

With regard to the above-mentioned support for agricultural inputs (NPS and Urea) to widowed households, interviews were conducted in the Phase-3 to understand the condition of usage of the inputs, cultivating, and also know about the condition of access to agricultural inputs for females. The results of the interviews with 1 female farmer on behalf of the Project are shown below.

**Table 2.99 Results of Interviews with Female farmers**

Status before support	Usage of Agri- Input	Status of this season
<ul style="list-style-type: none"> <li>The only input was livestock manure; they had never purchased inputs (e.g., chemical fertilizers).</li> <li>The farmers did not know where they could buy agricultural inputs (e.g. shops).</li> </ul>	<ul style="list-style-type: none"> <li>Urea was used for maize and teff. Yields approximately doubled for maize (from 15 qt to 30 qt) and tripled for teff (from 50 qt to 150 qt). (Yield of the entire cropped area).</li> <li>Last year, the rains ended before maturity, resulting in damage to the maize crop by the African bollworm. However, where fertilizer was applied, the damage rate was only 20%. Where no fertilizer was applied, the damage was about 50%.</li> <li>Last year's yields were good and income increased, but was used to pay for medical expenses for her daughter. The only agricultural material purchased was 12 kg of NPS (unit price: 80birr/kg) for maize and teff.</li> </ul>	<ul style="list-style-type: none"> <li>This quarter, she purchased NPS from a private seller in woreda, but the price was about double the official price. Small quantities of less than 25 kg are not sold by the Multi-purpose Corporative (MC). The unit price was 80birr/kg when purchased from private sellers, compared to 40birr/kg at the MC. This kebele has no group purchases and has to rely on private sellers with high unit prices to purchase small quantities of materials.</li> </ul>

This female farmer had never used chemical fertilizers before, and her yield increased by 2 to 3 times after using them. The results of the above interview also suggest that the challenges related to access to agricultural inputs are significant for female farmers. In particular, it was found that when the farmland

owned is small and the amount of fertilizers needed is low, there is no suitable outlet and they incur extra costs for acquiring fertilizers. The results of these interviews suggest that in disseminating agricultural techniques in REPs, it is important to consider the limited access to agricultural inputs such as fertilizers. Moreover, it is essential to work on improving access to agricultural inputs and soil improvement through composting. The importance of promoting the greater use of compost and other forms of composting that do not rely on fertilizers in agricultural risk management was confirmed.

## 2.4 Public Relation Activities

In Ethiopia in general, insurance is not so widely common (except medical/health insurances) in the rural area. Furthermore, index-based crop insurance is still new concept to farmers, so it is quite necessary to provide adequate information to people concerned to insurance promotion and purchase.

Therefore, ICIP Project Team has been implemented with emphasis on the activities related to public relations by using various visual and printed materials.

### (1) Public Relation Activities Using Project Facebook and YouTube

The Project Team actively assisted operation of Project Facebook Page<sup>29</sup> also Project YouTube Channel<sup>30</sup> opened by OBoA. The contents of the Facebook include information on the important events/meetings with their contents, introduction of field activities which aims to promote interest of people to more people. Also on this Facebook, videos of trainings are being uploaded for the viewers who could not attend the trainings and also people outside the target areas of the Project. Also, interviews with people concerned (such as participants of trainings) are uploaded, which resulted in the increase of motivations of interviewee, not only public relations.

### (2) Dissemination of Monthly Project Newsletter

Also, issuance and distribution of ICIP Newsletter has been made since the commencement of the Project, to share information and progress of ICIP. The Newsletters issued are attached to this report as Appendix-23.

### (3) Project Promotion Movie

The Project Team prepared the visual material for project promotion. 2 video material both normal version (approximately 8m30s) and short version (approximately 4m30s) are prepared in English and local language (Oromo). The contents of promotion video are project background, interview of related stakeholders, and an outline of the Project. Anyone can see these video through the Project YouTube channel, and videos are utilized at the field level as a project introduction.

### (4) Radio Program for Famers from the 2nd Cycle to 4th Cycle

In the 2nd Cycle, a radio program for famers was broadcasted as part of the REPs promotion activities through Oromia Broadcasting Network. The contents consisted of an overview of the Project, importance of index insurance, explanation of insurance products, and interviews with related stakeholders including farmers. In the Project target areas, some farmers who participated the REPs training had already obtained and understood the basic information of agricultural insurance through our radio program. In that case, the radio program is expected to contribute to REPs promotion and improve the literacy of risk management for famers. In addition, radio program also broadcasted with additional contents from December 2021 to June 2022 during the promotional activities in the 3rd Cycle.

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<sup>29</sup> Facebook Page (Index-based Crop Insurance Promotion Project – ICIP: <https://www.facebook.com/ICIP.Ethiopia/>) has 852 followers as of 1 February 2024.

<sup>30</sup> YouTube Channel (ICIP channel: <http://www.youtube.com/@icipchannel9456>) has 22 subscribers and 17 videos, with 754 total view as of 1 February 2024.

During the period of broadcasting, the Project Team received several responses from the audience from the field. For example, the Project Team collected the voices from the field like the following.

“The radio program was very helpful to understand the index-based crop insurance”,

“I heard about the radio program when joining the training conducted by the Project. I had a better understanding of the Project and Agricultural Insurance”,

“I got the interest in agricultural insurance after listening the radio program by chance. After that, I have decided to purchase the insurance.”

Also, 1 Woreda Agricultural Office shared the information of the radio program with the farmers through DAs. In addition, the Project Team received inquiries about the insurance sales and expansion of project target areas from the out of Project target area (i.e., out of the target Woreda or Zones, in the target Woredas but not in the target Kebeles).

In the 4th Cycle, radio programs for farmers were also broadcast as part of the REPs promotion activities. The programs were broadcast from March 7 to May 3, 2023. The content was edited from previous broadcasts and consisted of an overview of the Project, the importance of risk management in agriculture, an overview of index insurance, explanation of insurance products, and interviews with relevant parties including farmers.

#### **(5) Public Relation Activities through the REPs Promotion Activities**

The Project Team also made printed materials (banners, posters, pamphlets), T-shirt, polo-shirts and caps distributed to participants of REPs promotion trainings. The team also printed and distributed REPs Notebook to farmers who purchased insurance as part of public relation activities. (See pictures on Attachmet-10.)

#### **(6) Other Public Relation Activities**

In addition, Deputy Team Leader of the Project Team joined JICA training course named “Financial Inclusion and Poverty Reduction” as one of instructors on 2020 and 2021 as part of public relation activities and introduced ICIP followed by the discussions on questions/answers.

## 2.5 Training in the Third-Country and in Japan

### 2.5.1 Insurance Training (Phase-2)

Training in Japan was planned in Phase-2 for the purpose of developing policies related to agricultural insurance and gaining knowledge of agricultural insurance practices. Specifically, the training plan included to learn about the history of agricultural insurance scheme in Japan and the role of the government as well as visit an agricultural mutual association. However, it was difficult to conduct the training in Japan because of the COVID-19 pandemic globally since the beginning of 2020. Therefore, the Project Team planned to conduct the training in Japan in Phase-3.

In addition to the training in Japan, the Project Team planned to conduct the training in Kenya as a third-country training program. Originally, it was planned to conduct the training in Kenya in April 2020 to learn about agricultural insurance schemes in Kenya as well as other African countries. However, it was difficult to conduct a third country training in Kenya because of the COVID-19 pandemic. In addition, there were travel restrictions on JICA's operation due to the presidential election in August 2022 in Kenya. Considering these circumstances, the Project Team conducted the training in Addis Ababa instead of the training in Kenya.

The training in Addis Ababa was conducted in the form of face-to-face lectures and focused on case studies of agricultural insurance schemes in African countries as well as non-African countries. The following table is a summary of the training program:

**Table 2.100 Summary of the Training Program**

Item	Content
Date	20 September, 2022 9:00 – 16:00 21 September, 2022 9:00 – 14:00 (2-day training)
Objective	Learn case studies of agricultural insurance in other countries and reflect to agricultural insurance policies in Ethiopia.
Training Style	Face-to-face lectures
Venue	Harmony Hotel, Addis Ababa
Program	Day 1 <ul style="list-style-type: none"> <li>• Introduction of agricultural insurance</li> <li>• Case studies (African countries)</li> <li>• Lecture of a guest speaker</li> <li>• Case studies (non-African countries)</li> <li>• Discussion</li> </ul> Day 2 <ul style="list-style-type: none"> <li>• Introduction of index-based crop insurance in Ethiopia</li> <li>• Discussion on how to scale-up agricultural insurance in Ethiopia</li> </ul>
Participants	MoA, OBoA, ATI, NBE, Ministry of Finance, Insurance companies, Financial institutions, other private companies
No. of participants	48

The training mainly focused on case studies of agricultural insurance in African countries as well as non-African countries. Particularly, in Africa, agricultural insurance scheme in Kenya, Ghana and Zambia were

presented as case studies. Agricultural insurance scheme in these countries is relatively new so that their approach towards agricultural insurance scheme will be useful to Ethiopian stakeholders to develop agricultural insurance scheme in Ethiopia in terms of institutional arrangement, private-public partnership and the roles of the government.

On the other hand, the case studies outside of Africa focused on countries such as Japan, the United States, India and Mexico. In these countries, participants could learn how agricultural insurance schemes are evolving and the challenges they face in the mid- to long-term. In addition to these case studies, a guest speaker shared his experiences in agricultural insurance. The Project Team invited an officer from the insurance company in Zambia as a guest speaker to share his experience in agricultural insurance business. In the 2nd day of the training, the training participants discussed how to scale-up agricultural insurance in Ethiopia through introducing current activities of index-based crop insurance in Ethiopia.

The participants included both public sector and private sector. The government institutions included MoA, Ministry of Finance, Agricultural Transformation Institute, NBE and OBoA. As for the private sector, it included insurance companies and financial institutions. The Project Team invited insurance companies through the Association for Ethiopian Insurers, an association of insurance companies in Ethiopia. Also, the financial institutions are invited through the Association of Ethiopian Microfinance Institutions, an association of Ethiopian MFIs.

The materials prepared for these trainings, such as nature of insurances, case studies in other countries and analysis on the natural disaster in Ethiopia, etc. are consolidated in Appendix-1.

## 2.5.2 Training in the Third-Country and in Japan (Phase-3)

In Phase-3, travel restrictions on entry to Kenya and Japan due to COVID-19 were lifted, therefore these overseas trainings were made in May-June 2023 for Kenya and July for Japan.

### (1) Training in the Third-Country (Exposure Visit to Kenya)

Exposure Visit to Kenya was made by the participants and itinerary as follows:

**Table 2.101 Participants of Exposure Visit to Kenya**

Name	Office	Position
Sintayehu Demissie Admasu	MoA Food Security Coordination Office	Office Head
Esayas Lemma Hayi	MoA Crop Development	CEO
Dereje Abebe Wubie	MoA, Agricultural Investment & Product Marketing	Lead Executive
Lema Bogale Demie	Oromia Bureau of Agriculture, Crop Development Directorate	Director
Solomon Mekonnen	Ethiopian Insurance Corporation, Micro insurance Department	Director
Mosisa Soboka Gemechu	WASASA Microfinance S.C., Credit Department	Manager
Melkachew Temesgen	Kifiya Financial Technology Tilla Microinsurance Subsidiary	General Manager

**Table 2.102 Itinerary of the Exposure Visit to Kenya**

Date	Itinerary
29-May (Mon)	Move from Addis Ababa to Nairobi (KQ401)
	Courtesy call : JICA Kenya Office
	Briefing the exposure program
30-May (Tue)	Ministry of Agriculture
	APA Insurance
31-May (Wed)	ACRE AFRICA
	Apollo Agriculture
	Africa RE Reinsurance
1-Jun (Thu)	Farm Visit
2-Jun (Fri)	Discussion: Findings of exposure visit
	Move from Nairobi to Addis Ababa (KQ402)

Main contents of this Visit were as follows:

On the first day (May 29), the group paid a courtesy visit to the JICA Kenya office upon arrival in Kenya.

On the second day (May 30), the group visited the Kenyan Ministry of Agriculture in the morning and met with 3 officers in charge of agricultural insurance. The CPs briefed the participants on efforts in the agricultural insurance sector in Kenya, including past initiatives, the role of the government, the legal system and policies, and relations with the private sector. During the Q&A session, participants actively asked questions and discussed a wide range of topics. In the afternoon, the participants visited APA Insurance, one of the major agricultural insurance companies in Kenya. The participants were mainly briefed on the business situation of index-based agricultural insurance, the consortium consisting of insurance companies and other related organizations, and the roles of the government and the private sector.

On the third day (May 31), the participants visited ACRE Africa, a service provider in the agricultural insurance sector that offers insurance design and other services, in the morning. Then, the participants visited Apollo, a private company that provides farmers with a package of services including loans, agricultural inputs, insurance, and technical advice at the field level. Also, they visited Africa Re, a reinsurance company. At each organization, the participants were briefed on their operations and relationships with other stakeholders in the agricultural insurance sector, including both the public and private sectors.

On the fourth day (June 1), the group visited Nakuru County near Nairobi and interviewed farmers and extension workers who actually purchase agricultural insurance. The interviews focused on farming conditions and the process of purchasing insurance, with a question-and-answer session.

On the final day (June 2), the participants discussed the contents of the training program before returning to Ethiopia and the contents of the report to the Minister of Agriculture, which was to be made after their return to Ethiopia. Since the participants came from both government and private sectors, they organized the contents of their reports from their respective standpoints.

After returning to Kenya, the participants reported to Dr. Sofiya, State Minister in charge of Input & Investment at MoA, on June 10. Dr. Sofiya was presented the contents of the training program in Kenya and the future initiatives that are expected to be implemented in Ethiopia based on the training program, including: (1) insurance promotion targeting cluster farmers being developed by MoA, and (2) organization of a task force to study agricultural insurance. In particular, (2) is almost synonymous with the Agricultural Insurance Committee, which was mentioned in discussions with Dr. Sofiya in January 2023, but the members include not only MoA, but also other government agencies such as OBoA, ATI, NBE, insurance companies, Kifiya, JICA project teams, WFP, etc.

The task force will be led by Mr. Dereje appointed by Dr. Sophia, the Lead Executive of Input & Investment who participated in the Exposure Visit to Kenya, as the focal person for the purpose of organizing future policies based on the past experience of the task force in project implementation, etc.

## (2) Training in Japan

Training in Japan was made by the participants and itinerary as follows:

**Table 2.103 Participant of the Training in Japan**

Name <sup>31</sup>	Position
MoA:	
H. E. Dr. Sofiya Kassa	State Minister of Agriculture (Agricultural Investment and Input)
H. E. Dr. Meles Mekonen	State Minister of Agriculture (Crop and Horticulture)
Sintayehu Demissie Admasu	Head, Food Security Coordination Office
Fisseha Tolesa Haile	Head, Oil crops development Desk
OBoA:	
Menkera Beriso Feyisa	Deputy Head

**Table 2.104 Itinerary of the Training in Japan**

Date	Lecture and Discussion Items	lecturer	Location
July 3	Briefing on Action Plan	Akira Sudo, Team Leader (ICIP Team) Kota Hirayama, Deputy Team Leader (ICIP Team)	JICA Tsukuba Center
July 4	Japan's Agricultural Insurance System	Teruaki Nishino, Assistant Director, Agricultural Insurance Division, Management Improvement Bureau	Ministry of Agriculture, Forestry and Fisheries
July 5	Mutual Aid Associations and Discussion with Farmer	Masayuki Kimura, Hideaki Mitani (Hokuso Branch, Chiba Prefecture Agricultural Mutual Aid Association), Shigeru Someya (Someya Farm)	Kashiwa City, Chiba Prefecture
July 5	JIRCAS overview and Related projects	Keisuke Omori, Keiichi Hayashi, Jun Furuya, Papa Saliou Sarr	JIRCAS
July 5	Agricultural insurance schemes	Shunichi Nakata (Senior Adviser, Economic	JICA Tsukuba

<sup>31</sup> Among the participants listed above, 2 State Ministers left Japan on 7 July due to the order from home country.



Date	Lecture and Discussion Items	lecturer	Location
	in various countries Sharing the results of the Monitoring Survey on ICIP	Development Department, JICA), Fumihiko Suzuki (Director, Team 4, Agricultural and Rural Development Group 2, Economic Development Department, JICA)	Center
July 6	Overview and Use of GsMAP	Munehisa Yamamoto, Earth Observation Research Center (EORC), Space Technology Division 1	JAXA
July 7	Creating an Action Plan	Akira Sudo, Team Leader (ICIP Team) Kota Hirayama, Deputy Team Leader (ICIP Team)	JICA Headquarters
July 7	Japan's Private Insurance System	Kiyoshi Fukuwatari (ICIP Team)	SOMPO Risk Management, Inc.
July 10	Presentation of Action Plan	Akira Sudo, Team Leader (ICIP Team) Kota Hirayama, Deputy Team Leader (ICIP Team)	JICA Headquarters

Main contents of this training were as follows:

On the first day (July 3), the program was explained at JICA Tsukuba Center, followed by an orientation on Action Plan preparation. At first, Mr. Sudo, Team Leader of ICIP, explained the purpose of the training in Japan and the program. Then, Mr. Hirayama, Deputy Team Leader, explained the preparation of the Action Plan for the enhancement of agricultural insurance.

On the second day (July 4), a lecture on Japan's insurance system was given by the Agricultural Insurance Division of the Management Improvement Bureau of the Ministry of Agriculture, Forestry and Fisheries. Mr. Nishino of the Insurance Division of MAFF's Management Improvement Bureau gave a presentation on Japan's agricultural insurance system and agricultural mutual aid system. In the Q&A session, many questions were raised mainly about the differences between mutual aid insurance (yield insurance) and income insurance in Japan, as well as the procedures for joining the program, the status of membership, and the mechanism for dissemination, resulting in a meaningful discussion.

On the third day (July 5), in Kashiwa City, Chiba Prefecture, the Chiba Hokuso Agricultural Mutual Aid Association and an individual farmer (Someya Farm) gave presentations and held discussions. Mr. Mitani, Director of the Chiba Prefecture Hokuso Agricultural Mutual Aid Association, and Mr. Kimura, Director of the Chiba Prefecture Hokuso Branch Agricultural Mutual Aid Association, gave an overview of the association, followed by an explanation of agricultural insurance and farming from a farmer's perspective by Mr. Someya, a farmer. After that, the participants visited Mr. Someya's rice center (drying facility) and actual rice field (paddy field), and had a question-and-answer session. In the afternoon of the same day, the participants moved to JIRCAS, where Mr. Omori of JIRCAS gave an overview of JIRCAS, followed by lectures by Mr. Hayashi, Mr. Furuya, and Mr. Papa on climate change measures, weather index insurance, and phosphorus compost and nitrogen cycle, respectively.

On the fourth day (July 6), in the morning, Mr. Nakada, a senior adviser in the Economic Development Department of JICA, who has been deeply involved in agricultural insurance in Ethiopia since the request for this project and visited Ethiopia in June to exchange views with the concerned stakeholders, gave a

lecture on the agricultural insurance system in other countries. Mr. Suzuki, Director of the Economic Development Division, who also acted as the leader of the monitoring survey team, explained and discussed the report of the survey. In the afternoon the participants moved to JAXA, where Mr. Yamamoto of JAXA's EORC gave a lecture on the GSMaP (Global Satellite Precipitation Maps) provided by JAXA, including its contents and current applications.

On the fifth day (July 7), all participants moved from Tsukuba to JICA headquarters. First, State Minister Dr. Sofiya gave a presentation on the draft action plan, which was followed by discussions and a question-and-answer session. After the discussion, the participants paid a courtesy call to Mr. Shimokawa, Director of the Economic Development Department, JICA Headquarters. In the afternoon, at SOMPO Risk Management, Mr. Fukuwatari, a member of ICIP Team in charge of index-based crop insurance design, gave a presentation on private-sector insurance in Japan, and gave a lecture on agricultural insurance initiatives in the private sector and the system of agricultural insurance in Japan.

On July 10, the last day of the program, a review and summary meeting was held at JICA headquarters. The trainees made a presentation on the action plan discussed on July 7, including the revisions made after the discussion, followed by a discussion among the trainees, JICA Headquarters (Economic Development Department), and the ICIP Team, and the contents were agreed upon.

For details of the lectures, discussions, and question-and-answer sessions, please refer to the attached report (Appendix-18).

### **(3) Contents of the Action Plan and Implementation Status**

On the first day of the training in Japan, the Action Plan format was explained, and a brief discussion was held on possible action items. Thereafter, the participants continued to discuss the details of the Action Plan, and on the fifth day of the training, the draft Action Plan was shared with the Project Team. It was then finalized through a question-and-answer session.

The Action Plan identified the following 5 major activity topics: 1) establishment of the Agricultural Insurance Committee, 2) implementation of the activities of the Agricultural Insurance Committee, 3) regular holding of dialogue platform meetings, 4) continued implementation of index-based agricultural insurance in the Oromia Region, and 5) expansion of the areas covered by the REPs. For each of these topics, an Action Plan has been prepared with further details on activities, deadlines, contact persons, and results/progress items. The following table summarizes the status of implementation for each item.

**Table 2.105 Contents of the Action Plan and Implementation Status**

Item	Action Plan	Progress (as of February 2024)
1. Establish “Agricultural Insurance Committee” within the MoA	<ul style="list-style-type: none"> <li>Assign a focal person and key members from the different department in the Mistry.</li> <li>Discussion with the small members and development partners (JICA, WFP and WB)</li> <li>Prepare TOR for the Committee</li> <li>Introduce members to JICA team and other stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Mr. Dereje, Director of Agricultural Investment and Inputs, has been assigned as a focal person.</li> <li>The consultation workshop was held on 1 September 2023 to discuss the establishment of the agricultural task force.</li> <li>The consultation workshop was held on 9 January 2024 to discuss the concept note for the government roles for agricultural insurance. Discussions on taskforce members and TORs are still ongoing.</li> </ul>
2. Activities for “Agricultural Insurance Committee”	<ul style="list-style-type: none"> <li>Desk review on agricultural Insurance and organize information from different sources and exposure visits</li> <li>Field visit in one of beneficiary woreda to get evidence based / practical information from members of the insurance</li> <li>Review the draft IbCI guideline which will be developed by JICA team</li> <li>Collect feedback on draft “Guideline” for IbCI</li> <li>Propose for further popularization and dissemination of Agricultural Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Activities for Agricultural Insurance Committee was discussed at the consultation workshop on 1 September 2023.</li> <li>A field visit has not been done yet.</li> <li>The Guideline review workshop was held on 2 November 2023.</li> <li>On 13 January 2024, the Guideline seminar was organized inviting regional agricultural bureaus.</li> </ul>
3. Organize the “Dialogue Platform Meeting” including after the Project regularly	<ul style="list-style-type: none"> <li>Co-organize the 3rd Dialogue Platform Meeting</li> <li>Co-organize the 4th Dialogue Platform Meeting</li> <li>Develop action plan to make sustain the Dialogue Platform Meeting after the Project (after Feb. 2023)</li> </ul>	<ul style="list-style-type: none"> <li>The 3rd Dialogue Platform was held on 19 September 2023.</li> <li>The 4th Dialogue Platform was held on 24 January 2024.</li> </ul>
4. Continue to conduct the promotion of agricultural insurance in Oromia Region	<ul style="list-style-type: none"> <li>Secure the budget for Agricultural Package Training.</li> <li>Arrange materials and trainers.</li> <li>Conduct monitoring for the implementation of agricultural insurance training.</li> </ul>	<ul style="list-style-type: none"> <li>OBoA, OIC, Kifiya and EIC have agreed to continue the insurance training and promotion activities in the 2024 season.</li> </ul>
5. Expand the agricultural insurance (REPs) promotion beyond the project areas	<ul style="list-style-type: none"> <li>Approve and adopt the National Guideline for Index-based Crop Insurance</li> <li>Coordinate with the relevant stakeholders including technical experts, insurance companies and intermediaries, etc.</li> <li>Prepare the implementation plan for new areas.</li> </ul>	<ul style="list-style-type: none"> <li>The Guideline was approved at the final JCC Meeting on 31 January 2024.</li> </ul>

The MoA held a Consultation Meeting on 9 January 2024, and prepared a new document, “A Concept Note on The Role of Government to Support and Lead Agricultural Insurance in Ethiopia”. This document outlines the implementation structure and activities to promote agricultural insurance within the MoA. Although this document is only a draft version and has not been approved by the MoA officially, it is expected that the MoA will take the initiative in promoting agricultural insurance after further examination of its contents.



## CHAPTER 3 ACHIEVEMENTS OF THE PROJECT

### 3.1 General

#### 3.1.1 Phase-1

The Project started its field activities of Phase-1 in March 2019. Immediately after the commencement, the Project team obtained agreement of the concerned Counterpart (CP) personnel on general implementation method of the Project, and also agreed on the implementation set-up as well as the selection of target woreda/kebele. As a result, agreement was made on the implementation during the Phase-1 in 36 kebeles in 12 woredas, in 4 zones. Since such selection, together with indicators of PDM, were approved during the 1st Kick-off Meeting held in April 2019 unanimously by all participants, a baseline survey for all target kebele was started. By this survey, important and detailed information were obtained such as basic data, farming practices, agricultural risk, farm management, etc.

Such progress of the Project was presented at the 1st Joint Coordination Committee (JCC) meeting held in July 2019, and final approval was made on the indicators of PDM. By such approval, kebele level workshops were started in all 36 target kebeles of this Phase, and also Index-based Insurance Seminar was held mainly for the staff of private insurance companies, to present and discuss on the current situation of risks by climate change in Ethiopia as well as the cases of projects for index-based insurances in other countries.

Based on the result of baseline survey and information obtained by kebele level workshops, the Project team conducted; i) consideration and finalization of insurance product, ii) packaging Resilience Enhancement Packages (REPs) by the identification of agricultural techniques to be combined with insurance as REPs, iii) consideration and finalization of promotion methods of REPs, and iv) preparation of REPs promotion manuals both on insurance and agricultural techniques. After such preparation, the Project started capacity building for Development Agent (DA), Saving and Credit Cooperative (SACCO) staff and Microfinance Institution (MFI) staff by coordinating intensive trainings in November and December 2019. For these trainings, capacity buildings for 247 DAs and related officers, 236 SACCO/MFI staff and related officers were completed, for the commencement of REPs promotion activities from January 2020.

The actual REPs promotions in the target kebeles were started from the end of January 2020, however the promotion activities were seriously affected by COVID-19 in March, at their most important period.

Under such circumstance, the Project re-started the promotion of REPs by assigning national staff in the field to assist Promotoin Agents, and monitored by Japanese experts in Japan till end of May. As a result, 8,000 farmers participated in REPs trainings and 1,115 farmers purchased insurances, while 1,796 farmers showed their intention to purchase insurances but did not pay insurance premium before the closing date of insurance sales.

#### 3.1.2 Phase-2

The Phase-2 of the Project (from the beginning of the 2nd Cycle to the end of the 3rd Cycle) began with the conclusion of Phase-2 contract in October 2020.

At the start of the 2nd Cycle, both Ethiopia and Japan were in the peak of COVID-19 pandemic, and the Project was started in a remote style in which Japanese team members instructed and supported national staff from Japan. Similar to the 1st Cycle, the selection of target kebele for the 2nd Cycle was carried out in parallel with the process of collecting information at kebele level, selecting agricultural technology for packaging as REPs, and finalizing the package. In the selection process, considering the inefficiency of training for the people involved in the new target areas, the number of new target kebele was limited to 18 villages. As result, total of 46 kebeles were selected, including these new 18 kebeles, for some of which national staff were dispatched to conduct REPs training while regular extension (staff support and REPs training by local officials) were made in other area.

Based on the results, training for MFIs, training for DAs, and follow-up training for those involved in the target kebele which would be continued in the 2nd Cycle were made, to strengthen the capacity of those involved, for the start of promotion activities from January 2021.

After completing these trainings, REPs promotion activities for the 2nd Cycle were started from January 2021. A total of 9,838 farmers from 46 kebeles participated in the REPs training (insurance sales) for the 2nd Cycle, despite restrictions such as the COVID-19 pandemic and situation related to the country's general election in June 2021. A total of 2,352 people purchased insurances, equivalent to 25% of the people attended REPs training. These results exceeded the achievement of the 1st Cycle.

In April 2021, the 2nd JCC meeting was held online to report on these progresses, and the contents of the 2nd Cycle and subsequent activities were approved. As a result, the preparatory work for the 3rd Cycle (selection of target kebele and information gathering) was started.

On the other hand, although the resumption of the dispatch of Japanese experts which was once to be materialized in March 2021 was again postponed due to the tight medical situation caused by the rapid spread of COVID-19 as well as travel restrictions related to the general election in January 2021. The dispatch was made on June 8, and original project implementation set-up was restored with a total of 6 trips by 5 experts. Under these circumstances, the Project selected target kebele for the start of the 3rd Cycle, developed new insurance products, considered promotion channels, and held kebele level workshops in target kebele from August to October 2021. In addition, TOT (follow-up training) was conducted for a total of 217 people in subject kebele that had been implemented up to the 2nd Cycle.

However, in November 2021, just before the start of full-scale TOT training for new kebele in the 3rd Cycle, due to the deterioration of the security situation in the country, the members of the team were evacuated, and new travel was prohibited for the time being. By the end of January 2022, a total of 5 training sessions for new kebele in the 3rd Cycle were made in remote style. Team members from Japan participated for the entire schedule remotely.

Insurance dissemination activities in the 3rd Cycle consisted of 1) dissemination of vegetation index insurance through DA and SACCO, which had been continued from the previous year; 2) dissemination of vegetation index insurance in new areas (including sales by small financial institutions) from this fiscal year; and 3) dissemination of Area Yield Index Insurance (AYII) which was newly introduced in the 3rd Cycle. In particular, for AYII, the actual promotion activities were conducted after careful preparation, including discussions with insurance companies after the product design was made in sub-contract works,

development of a sales channel, and implementation of various training programs related to promotion activities.

As a result, as a final result of the 3rd Cycle, the number of farmers participating in REPs training was 19,871, of which 4,598 purchased insurances. Of these, AYII, a new insurance product introduced in the 3rd Cycle, was sold in 12 counties and 36 villages, resulting in 1,259 sales. In addition, WASASA Microfinance S.C. (WASASA), an MFI that has been in operation since the 2nd Cycle, sold 472 policies at its branches in the target areas.

In addition, the 1st Dialogue Platform meeting was held during the Phase-2 with the aim of reflecting the promotion of agricultural insurance in agricultural policy at the Ministry of Agriculture (MoA).

### 3.1.3 Phase-3

The Phase-3 of the Project (from the start to the 4th Cycle to the end of the Project) began in October 2022 with the signing of the contract for the implementation of Phase-3.

At the start of the 4th Cycle, the impact of COVID-19 infection in both Ethiopia and Japan had largely ended, and work began under conditions where travel restrictions and other restrictions were no longer in place. As in previous Cycles, the selection of the target kebele for the 4th Cycle proceeded concurrently with the process of gathering information at the kebele level, selecting agricultural technologies to be packaged as REPs, and finalizing the packages. In the selection process, the number of new kebele for Vegetation Index Crop Insurance (VICI) dissemination was limited to 24, taking into consideration the wishes of the insurance companies and the inefficiency of training for the people involved in the new target areas, and adding 56 (continuing villages) from the target villages in the 3rd Cycle to the total of 80, based on past sales and other factors. On the other hand, for AYII, there were requests from farmers for an insurance policy that could respond to a variety of risks. However, reflecting time constraints related to the implementation of the required Crop Cutting Experiment (CCE) and the intention of the insurance company, we decided not to expand to new villages in the 4th Cycle, and selected 35 kebele from those implemented last year as continuing villages.

Based on the results, training for MFIs, DA training, follow-up training for those who were involved in the kebeles implemented the previous year were continued in the 4th Cycle, and TOT training for those who are newly covered by the vegetation index insurance were conducted to strengthen the capacity of the relevant personnel. Capacity building was provided to 409 individuals, completing the preparation for the insurance sales that will start in January 2023.

After the completion of this training, the REPs promotion activities for the 4th Cycle started in January 2023. In the 4th REPs promotion activities (insurance sales), a total of 14,249 farmers in 46 kebele participated, and a total of 4,659 people purchased insurance, with the percentage of insurance buyers among those who received training reaching 32.7%, far exceeding that of the 3rd Cycle.

The 4th and 5th JCC meetings were held in September 2022 and September 2023, respectively, to report on these progresses, and the 2nd and 3rd Dialogue Platform meetings were held in April 2023 and September 2023, respectively.

In addition, the training in the third-country was held in Kenya from May to June 2023, and a training in

Japan was held in July 2023. These overseas training programs were originally scheduled to be held every year from the 2nd year of the Project but were postponed due to COVID-19. It was very significant that they were held during the cooperation period of this Project despite the reduced frequency.

In the latter half of the Phase-3, all activities were completed with a guideline seminar, the 4th Dialogue Platform Meeting, and the 6th (final) JCC meeting.

The activities described above were summarized in reports on project implementation (activity plans, work plans, and progress reports), various training materials, and REPs manuals distributed at training sessions, as well as in a project introduction video and pamphlet to disseminate the project contents. In addition, a video introducing the Project, brochures, and newsletters were published to disseminate the project contents to the public, and also supported operation of a Facebook page which was set up by the CP organization.

The status of achievement for each Item Is as follows.



## 3.2 Achievements of the Project

### (1) Achievement of Project Purpose

<b>Project Purpose</b>	The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed
<b>Indicators</b>	<b>Achievements</b>
1. The Guidelines for Index-based Crop Insurance (IbCI) promotion to other regions are finalized and agreed by the stakeholders.	Achieved: The Guidelines were approved by MoA and Regional Agricultural Bureaus at the Guideline Seminar on 13 January 2024, and given final approval at the 6th JCC Meeting on 31 January, 2024.
2. The number of the insured farmers in Oromia Region is increased by 12,000.	Achieved: Total 12,734 farmers purchased Insurances 1st Cycle: 1,125 farmers 2nd Cycle: 2,352 farmers 3rd Cycle: 4,598 farmers 4th Cycle: 4,659 farmers

### (2) Achievement of Outputs

<b>Output-1</b>	Resilience Enhancement Packages (REPs) meeting local needs are developed
<b>Indicators</b>	<b>Achievements</b>
1.1 Baseline survey for impact analysis completed.	Achieved: Baseline survey was completed in August 2019. (Mid survey and endline survey were also completed in August 2022 and December 2023, respectively.)
1.2 REPs are available for dissemination.	Achieved: REPs were prepared for dissemination as follows: 1st Cycle: August 2019 2nd Cycle: December 2020 3rd Cycle: October 2021 4th Cycle: October 2022

<b>Output-2</b>	Human resources for promoting the REPs are developed in Oromia Region
<b>Indicators</b>	<b>Achievements</b>
2.1 700 trainees received the training and fulfilled the requirements. <sup>32</sup>	Achieved: The following officers received necessary trainings. 1st Cycle: 483 2nd Cycle: 326 3rd Cycle: 686 4th Cycle: 346 TOTAL: 1,841

<sup>32</sup> Regarding the fulfillment of the requirements, the level of understanding of TOT Training was surveyed through questionnaire in the 1st and 2nd Cycles.

1st Cycle: 81% understood the role of extension workers, 76% understood the system of index-based insurance, and 78% understood the concept of REPs. 2nd Cycle: 82% understood the role of extension workers, 92% understood the system of index-based insurance, and 93% understood the concept of REPs.

<b>Output-3</b>	
The REPs are promoted in Oromia Region	
<b>Indicators</b>	<b>Achievements</b>
3.1 Activities for promoting REPs carried out in 130 kebeles.	Achieved: Promotion Activities of REPs were carried out in the following kebele. 1st Cycle: 36 new (VICI) 2nd Cycle: 39 new (VICI), 27 continues (VICI) 3rd Cycle: 70 new (34 VICI, 36 AYII), 41 continued (VICI) 4th Cycle: 24 new (VICI), 91 continued (56 VICI, 35 AYII) TOTAL: 169 (New), 335 (accumulative)
3.2 50,000 farmers complete the REPs training.	Achieved: The following farmers completed REPs Training 1st Cycle: 7400 farmers 2nd Cycle: 9,838 farmers 3rd Cycle: 19,871 farmers 4th Cycle: 14,249 farmers TOTAL: 51,358 farmers

<b>Output-4</b>	
The REPs are promoted in Oromia Region	
<b>Indicators</b>	<b>Achievements</b>
4.1 The experiences and the lessons are shared among the players of IbCI.	Achieved: Dialog Platform Meetings were held 4 times in total, to discuss on the agricultural insurance in Ethiopia with governmental agencies and donors (May 2022, April 2023, September 2023 and January 2024)
4.2 A draft of guidelines to promote IbCI prepared.	Achieved: The draft Guidelines were made on November 2023, and discussed on the 3rd Dialogue Platform Meeting and the Guideline Seminar and approved at 6th JCC Meeting on 31 January 2024.
4.3 37 officers both regional and federal governments are trained.	Almost achieved: 32 officers of MoA and Regional Agricultural Bureaus were trained. Representatives from Amhara Region could not attend the Seminar in Addis Ababa due to security concerns.

As for the Overall Goal of this project (“Index-based agricultural insurance for resilience enhancement is widely disseminated and sustainably managed”), JICA Ethiopia Office proposed to the CP organizations to revise Indicator 2: “The coverage of IbCI is expanded outside Oromia Region “ to “The coverage of IbCI is expanded outside the Project target area”. This modification proposal was approved by the CP organizations.

### 3.3 Prospects to achieve Overall Goal

The Project has implemented activities during the project period to establish mechanism for the implementation agencies to continue the promotion of index-based crop insurances, to achieve its Overall Goal “Index-based agricultural insurance for resilience enhancement is widely disseminated and sustainably managed”, through the expansion of insurance promotion and inclusion in national agricultural policies.

Through the joint undertaking with Oromia Bureau of Agriculture (OBoA) for the inclusion of insurance promotion in its Agricultural Package Trainings, it is expected that OBoA expands insurance promotion activities outside ICIP area. In addition, OBoA has made Memorandum of Understandings (MOU) with insurance companies to promote insurance products in the Oromia region in January 2024. Considering this situation, OBoA is expected to continue insurance promotion activities even outside of the ICIP target area in the future. However, periodical monitoring on the implementing status of this activity is important as stated in 3.5 stated below, and necessary technical assistance may be required when need arises.

As for the policy advocacy, in the Revised Agriculture and Rural Development Policy (Draft), Finance is one of the 10 Major topics and agricultural insurance is positioned as one of the four policy directions in Finance. Also, the MoA prepared the draft concept note for “The Role of Government to Support and Lead Agricultural Insurance in Ethiopia”. In this document, the MoA stated the policy development process for agricultural insurance. The Guideline for Implementation of Index-based Crop Insurance prepared by ICIP is expected to support this policy development process.

### 3.4 Plan of Operation and Implementation Structure of the Ethiopian side to achieve Overall Goal

For the inclusion of insurance promotion in OBoA's Agricultural Package Trainings, MOU was signed on 29 January 2014 between OBoA and Oromia Insurance S.C. (OIC) (tripartite MOU with Kifiya Financial Technologies), and between OBoA and Ethiopia Insurance Corporation respectively.

The roles and responsibilities of OBoA and insurance companies are agreed as follows:

Oromia Bureau of Agriculture:

- 1) Overall coordination and supervision among the stakeholders, including governmental agencies, private companies, and other relevant institutions,
- 2) Conduct training about agricultural insurance to agricultural officers and DAs as a part of the agricultural training package,
- 3) Support for promotional activities of index-based crop insurance, including marketing campaigns and awareness creation,
- 4) Support for institutional arrangement, including coordination SACCOs, Rural SACCOs, and other relevant organizations to operate index-based crop insurance activities.

Insurance companies (OIC and Ethiopian Insurance Corporation (EIC)):

- 1) Introduce an appropriate index-based crop insurance product in the Oromia region,
- 2) Provide the underwriting services to target beneficiaries,
- 3) Conduct institutional arrangement for insurance operation, including delivery channels, intermediaries, and other relevant service providers,
- 4) Provide insurance operation, including sales enrolment, claim procedures, crop cutting experiments, and other back-office processes.
- 5) Support training and promotional activities related to agricultural insurance.

Since responsibilities of both parties are clearly indicated and signed on this MOU, both parties are expected to perform these agreed responsibilities for the next planting season.

### 3.5 Monitoring Plan from the end of the Project to Ex-post Evaluation

After the ICIP period, JICA Ethiopia Office is expected to monitor the activities by OBoA and MoA stated above, such as holding periodical meetings, attendance to the meetings organized by the Task Force, and attendance to the Dialog Platform Meetings to be held by MoA.



## CHAPTER 4 IMPACT ANALYSAIS

### 4.1 Design and Implementation of Impact Analysis

#### 4.1.1 Design of Impact Analysis

To assess the impact of project implementation, household surveys were conducted from the Phase-1 to Phase-3 of the Project. For the impact analysis, rather than a pre- and post-comparison design, a cluster randomized trial (cluster-randomized controlled trial (RCT))<sup>33</sup> at the kebele level) was applied on the mid-term survey and the Matched Method<sup>34</sup> for the end-line survey. First, a baseline survey was conducted at the beginning of the Phase-1 to grasp the current situation in the project area. Then, an interim survey in the Phase-2 was conducted to grasp the impact at the mid-point of the Project. Finally, in the Phase-3, an end-line survey was conducted to grasp the Project's impact at the final stage. An overview of each survey and a summary of the results is provided below.

#### 4.1.2 Implementation of Baseline Survey

The baseline survey was conducted through a contract out to a local company from April to August 2019, targeting total 600 households of 24 kebeles selected within 12 targeted woredas of the Phase-1. Objectives of the survey were to grasp the current situation, risks relating to agricultural production and their countermeasures, condition of farmers' livelihood, and knowledge about agricultural insurance of each targeted kebele, and to form the Resilience Enhancement Packages (REPs) reflecting local needs.

A questionnaire was made by the Project team, and the total targeted number of Interviewees were 600 households consisting of 25 households from 24 kebeles each. However, because of bad accessibility to the targeted area, the number of households was shifted to 603 at the end. It shall be noted that targeted households were randomly selected from the household list obtained. During the interview, the participation with husband and wife together was encouraged to collect accurate information.

Targeted areas of the baseline survey were 24 kebeles selected from 12 woreda within 4 zones, namely East Shewa, South East Shewa, West Arsi, and Arsi as promotion targeted area of Phase-1. Two kebeles were randomly selected from 4 prioritized kebeles from each targeted woreda listed by participants of woreda workshop previously mentioned by woreda agricultural officers and zone agricultural officers. Table 4.1 shows summary of baseline survey which is also relating to impact evaluation.

**Table 4.1 Contents of Baseline Survey**

Items	Contents
Targeted area / Number	<ul style="list-style-type: none"> <li>• 25 households randomly selected from 12 kebeles which are targets for the Index-based Crop Insurance (IbCI) promotion in the Phase-1, Total: 300 households</li> <li>• 25 households randomly selected from 12 kebeles where the IbCI promotion will be implemented in the final Phase, Total: 300 households</li> <li>• Grand total : 600 households</li> </ul>

<sup>33</sup> Randomized Controlled Trial (RCT): The intervention group and the control group are divided by random assignment before the implementation of the project. The difference in the indicators can be purely understood to be caused by whether the intervention was applied or not which is the only difference during the process. The effect of external factors does not need to be considered as they are exactly the same.

<sup>34</sup> Matched Method: A control group which is as similar as possible to the intervention group is selected for comparison.

Items	Contents
Survey method	<p><b>【Method】</b> Data collection was conducted by local company. Data cleaning was conducted by the Project Team</p> <p><b>【Style】</b> Questionnaire survey with household interviews</p>
Survey item	<ul style="list-style-type: none"> <li>• Household information: number of family members (male/female), marital status, existence of family members working away from home, educational level, usable language, possession of a mobile phone</li> <li>• Asset holdings: farmland, livestock, household belongings</li> <li>• Gender: gender division of labor for farming, gender division of labor for livestock Rearing</li> <li>• Farm management: Planted area, production (yield), situation of utilization of improved seed/fertilizer, marketing, risk, experience of livestock selling, situation of debt</li> <li>• Social activity: cooperative activities, village group</li> <li>• Knowledge of IbCI: existence of knowledge about IbCI and experience of purchasing insurance</li> </ul>

**Table 4.2 Targeted Kebele of Baseline Survey**

Zone	Woreda	Targeted Kebele
East Shewa	Adama	Bokoj dawaro
		Cheke hunta
	Boset	Borchata
		Gari
	Dugda	B/Girisa
		J/bofo
	Bora	Gora lamon
		D/matu
South West Shewa	Illuu	Jigdu mida
		Wesarbi Naddo
	Becho	Awashi bune
		Jato
West Arsi	Siraro	Loke Hada
		Jarti bakule
	Negele Arsi	G/Arjo
		H/Boso
	Shalla	Lejjo
		S/Gobu
	Heban Arsi	Amba goda sade
		Dagaga
Arsi	Degeluna Tijo	Bu/ Alkesa
		Fi/ketaka
	Lude Hitosa	Adamare
		Fursa

The summary of the result of the survey are shown below, while baseline survey report is in Appendix-19 of this Report.

- a) The number of respondents was 535 (88.7%) for male and 68 (11.3%) for female. The average age of male respondents was 44.8 and that of female respondents was 47.8. The data revealed that the average number of livestock was 3.0. The data showed that almost all the respondents (95.5%) have their own farmland. The average size of the farmland in hectares is 1.55 ha. The data on the



availability of mobile phone in the family showed that 54.7% of families possessed mobile phones.

- b) The data shows that men are more engaged (80%) in the activities such as buying agricultural input and sowing, but the other activities, not only men but also women take part in the activities. In addition, for fertilizing and keeping money, more women are engaging compared with other activities.
- c) The key findings of the study indicate that almost all of the respondents (i.e. 576 HHs (95.5%)) have their own farmland. Among these respondents, who have irrigated land was only 26. It was found out that the average size of their farmland in hectares was 1.55 ha (1.55 ha for rain-fed and 0.93 ha for irrigated).
- d) About agricultural production cost, seedling for vegetable has the highest average price (3,973birr) followed by barley (2,630birr) and wheat (2,616birr). Sorghum was found having the lowest average price (291birr). Cost for fertilizer/agri-chemicals has also similar trend. Vegetable has the highest price (6,818birr) followed by wheat (2,905birr) and barley (2,350 burr).
- e) Regarding the crop loss after drought, Dugda Woreda had the lowest loss rate (31.8%) and Lude Hitosa Woreda had the highest rate (53.0%). As a responses to such crop losses, 52% of all respondents mentioned that they used money from savings, and 43% answered that they sold their livestock.
- f) Data about farmers ‘participation of social activity revealed that about 88% of total respondents reported that they had heard about an insurance, and a total of 5.0% of the respondents reported that they had heard about Index-based Crop Insurance.

#### 4.1.3 Implementation of Mid-term Survey

A mid-term survey targeting 1,050 households (35 households in each of 30 kebeles in all 12 woredas) was conducted from October to early December 2021 as sub-contract works, to conduct mid-term analysis of the Project’s effectiveness and an impact assessment. However, the number of households surveyed in each kebele varied due to access problems, therefore 1,053 households were actually surveyed (526 households for the Intervention group and 527 households for the Control group).

##### **(1) Survey objectives and methodology**

This study aimed to verify the impact of the REPs training provided by the Project, based on the hypothesis that the REPs training would contribute to (i) countering agricultural risks, (ii) increasing agricultural inputs and (iii) increasing farmers’ motivation to farm. The methodology employed was a cluster randomized trial (cluster-randomized controlled trial (RCT) at the kebele level) comparing areas where REPs training was provided with those that were not. Namely, the Project considered it desirable to make comparisons at the rural level (at the kebele level) rather than at the individual level. The reasons for selecting the kebele level comparison were 1) to measure the effect of REPs training on the kebele as a whole, regardless of whether they were insurance buyers or non-buyers, and 2) because the Project aims to ultimately contribute to strengthening ‘rural resilience’ by disseminating REPs, and therefore the effect should be measured at kebele level, rather than at the individual level. In addition, 11 of the 15 kebeles in the intervention group

are implementing trial farm activities. Therefore, as a sub-group analysis<sup>35</sup>, we will also compare effects between households (between individuals) by dividing households into 4 patterns: with/without insurance purchase and with/without experience participating in training at the trial farm.

The table below provides an overview of the Interim survey with a view to such an Impact evaluation.

**Table 4.3 Content of the Mid-term Survey**

Item	Description
Target area / number of households	<ul style="list-style-type: none"> <li>Intervention group: 35 randomly selected households from 15 kebeles in the 12 woredas covered by indexed agricultural insurance extension in the Phase-1 and Phase-2: 525 households in sub-total (Actual number: 526 households).</li> <li>Control group: 35 randomly selected households from 15 kebeles in the above 12 woredas scheduled for implementation in the 3rd and 4th Phases: sub-total 525 households (Actual number: 527 households).</li> <li>Total: 1,050 households (Actual number: 1,053 households)</li> </ul>
Survey methodology	<p>[Method] Primary data collection by subcontracting company. Data analysis was carried out by the Project Team.</p> <p>[Style] Household interview format using a questionnaire (using CAPI (Computer Assisted Personal Interviewing) technology with tablets).</p>
Survey item	<ul style="list-style-type: none"> <li>Household information: number of men and women, marital status, migrant family members, education level, language level, and mobile phone ownership.</li> <li>Property: farmland, livestock, household goods, etc.</li> <li>Livelihoods, farming situation: land area by variety, production (unit yield), use of improved seeds/fertilizers, risks, adoption of farming techniques, involvement with Farmers Training Centers (FTCs,) debt status</li> <li>ICIP-related activities: knowledge of ICIP, the experience of purchasing insurance</li> </ul>

## (2) Selection of Target Kebeles

Of the target kebeles, 15 kebeles (intervention group) were selected from areas where REPs training was conducted in the 1st and 2nd Cycles (areas where insurance sales had already been conducted), while the remaining 15 kebele (control group) were selected from areas outside the REPs training areas in the 1st and 2nd Cycles. The latter 15 kebeles are planned to be included in the areas targeted for REPs training in the 3rd and 4th Cycles. The number of households was set to a reasonable number based on a simulation of the number of households that could cover the effect size assumed in the impact assessment, and the surveyed households in each target kebele were randomly selected from the list of households available. The table below provides an overview of the surveyed kebeles.

**Table 4.4 Overview of Surveyed Kebeles**

Item	Intervention Group	Control Group
Definition	Target areas for REPs training *Insurance sales already conducted in the 1st and 2nd Cycles	Non-REPs training target areas *Insurance sales to be implemented in the 3rd and 4th Cycles
Number of kebeles and households	35 households in each of 15 kebeles Total: 525 households	35 households in each of 15 kebeles Total: 525 households

<sup>35</sup> Sub-group analysis: A specific target group is extracted and stratified for analysis from the overall population, and then the effect is analysis within that group.

Item	Intervention Group	Control Group
	(Actual number: 526 households)	(Actual number: 527 households)
Note	Trial farm in 11 of the 15 kebeles – Trial farm in 11 of the 15 kebeles	-

A total of 1,050 households (30 kebele, 35 households each) (Actual number: 1,053 households) were selected from a total of 12 woredas in 4 zones – East Shewa, South East Shewa, West Arsi and Arsi – where Phase-1 was implemented. The following table lists the kebeles surveyed.

**Table 4.5 Target Kebeles of Mid-term Survey**

Zone	Woreda	Targeted Kebele	
		Intervention	Control
East Shewa	Adama	Bokoj Dawaro	Cheke hunta
	Boset	Tedecha	Buta Badasso
	Dugda	Bekele Grisa	Haxe Laman
		Oda Bokota	J/bofo
	Bora	Malima Bali	Gora Iamon
South West Shewa	Ilu	Wasabi Nado	Jigdu mida
	Becho	Sodo Liban	Awashi bune
West Arsi	Siraro	Loke Hada	Alam Tena Sirbo
		Loke Sifo	Jarti bakule
	Nagelle Arsi	H Boso	Kersa Gera
		R Hargisa	Gubeta Arjo
	Shalla	Lejjo	S/Gobu
	Heban Arsi	Sanbaro Logicha	Tufa
Arsi	Degeluna Tijo	Jammo	Fi/ketaka
	Lude Hitosa	Fursa	Adamare

 : Trial farm implementation kebeles

### (3) Summary of the Result

The results are summarized as below:

- Respondent attribute: Of the 1,053 total respondents, 958 (91.0%) were male and 95 (9.0%) were female and the average age of male respondents was 45.8 years and that of female respondents was 49.8 years.
- Economic situation: The percentage of all households owning agricultural land was 100%. The average farmland area of households was 1.67 ha. The average number of livestock owned by households was 4.5 head, and the average unit sale price was 5,452birr. It was also found that 83.0% of households owned mobile phones.
- Agricultural production: the average harvested area was largest in teff at 1.14 ha, while other major crops (maize, wheat, barley, millet, sorghum pulses and vegetables) were found to be less than 1.0 ha. The crop with the highest yield was vegetables at 112.96 qt/ha, followed by barley at 26.28 qt/ha and wheat at 23.60 qt/ha. The average farmgate price was highest in teff at 3,472birr/qt, followed

by pulses at 2,612birr/qt and barley at 1,905birr/qt.

- d) Agricultural inputs: The average used amount of improved seed is the highest for barley (211.3 kg/ha), followed by wheat (175.5 kg/ha) and pulses (112.5 kg/ha). On the other hand, purchased price is the highest in finger millet (150.0birr/kg) followed by teff and maize. For Urea, average used amount is highest in pulses (92.9 kg/ha) followed by barley (90.9kg/ha) and wheat (86.3 kg/ha). Average purchased price is highest in teff (21birr/kg) followed by finger millet 17.1birr/kg). For NPS, average used amount is highest in Barley (121.3 kg/ha) followed by wheat (118.7 kg /ha) and teff (112.9 kg/ha). Average purchased price is highest in barley (16.9birr/kg) followed by wheat (16.8birr/kg).
- e) Information on production loss: The damage rate to agricultural land (crops) due to various agricultural risks (drought, floods, pests and diseases, animal damage, etc.) was calculated. It was found that 55.1% in Adama is the highest decrease rate and 38.4% in Lude Hitosa is the lowest decrease rate among these 12 woredas. Dugda, Ilu, Degeluna Tijo has the rate of around 40% to 45%, and the other woredas are around 45% to 50%. The most common measure taken after the damage was ‘selling livestock’, which was 53.1% of all responding households. This was followed by ‘use savings’, which was the second most common measures taken (33.9%).
- f) Recognition of “ICIP”: 308 out of a total of 1,053 households (29.2%) reported recognizing ICIP and all households belonged to the intervention group. As the number of household that belonged to the intervention group was 526, it can be said that about 60% of the households in the implementation areas are aware of ICIP (40% of them are not aware of it).

An impact evaluation was also conducted in the mid-term survey to analyze the effects of the Project at the interim phase. The mid-term survey questionnaire included questions corresponding to the analysis items of the impact evaluation, and the results of these questions were analyzed separately as an “impact evaluation”. The impact evaluation was implemented to “verify the impact of the REPs training provided by the Project”. The respondents were divided into the intervention group (526 households) and the control group (527 households) and compared their mean value by the indicators regarding (i) measures to address agricultural risks, (ii) agricultural inputs and (iii) increased motivation for farming activities. In other words, if the farming conditions are the same, it can be assumed that farmers of the intervention group (where REPs training was implemented) are more likely to (i) adopt more farming technologies to cope with risks (Effect Indicator 1), (ii) increase the amount of agricultural inputs per unit area (Effect Indicator 2), and (iii) visit FTC more often (effect indicator 3) and consult with Development Agent (DA) more often (effect indicator 4), with statistical significance.

The results of (i) The adoption rate of farming techniques was 1% in the intervention group and 2% in the control group for Tied Ridge, 12% in the intervention group and 15% in the control group for intercropping, 72% in the intervention group and 74% in the control group for line planting and 81% in both intervention and control groups for crop diversification, and there were no significant differences between two groups. The results also showed that (2) the amount of agricultural inputs were higher in the intervention group than in the control group for all inputs: 78.5 kg/ha in the intervention group and 73.4 kg/ha in the control group for UREA, 100.4 kg/ha in the intervention group and 89.8 kg/ha in the control group for NPS, 1.4 L/ha in the intervention group and 1.2 L/ha in the control group for pesticides. Although the results showed

that the intervention group had higher inputs per unit area than the control group for all inputs, the differences were not statistically significant. Regarding (iii) motivation for farming activities, the average number of visits to the FTC in the intervention and control groups were 1.7 and 1.6 respectively, and the average number of consultations with the DA in the intervention and control groups were 1.7 and 1.6 respectively, and there were no significant differences between two groups.


However, through sub-group analysis, the following things were confirmed. With regard to the adoption of farming techniques as means of agricultural risk control, the rate of adoption by insurance-purchasing farmers was higher than non-purchasing farmers for some techniques (81% and 72% for line planting, 87% and 88% for crop diversification). With regard to the motivation for farming activities, farmers who participated in the trial farm activity visited FTC and consulted with DA more often than farmers who did not participate in the trial farm activity (Average times of visit were 2.7 and 1.4 for the FTC, and 2.6 and 1.4 for consultations with the DA). Furthermore, in addition to the confirmed increase in agricultural inputs as a result of trial farm activities (118.3 kg/ha and 82.5 kg/ha for UREA, 120.9 kg/ha and 97.5 kg/ha for NPS, 1.6 L/ha and 1.2 L/ha for Agri-chemicals), it was also found that among farmers who purchased insurance, those who participated in trial farm activities had higher average amount of agricultural inputs compared to those who did not participate in trial farm activities (406.4 kg/ha and 166.7 kg/ha for UREA, 301.8 kg/ha and 140.9 kg/ha for NPS, 7.3 L/ha and 1.8 L/ha for Agri-chemicals).

For the detailed results of the mid-term survey, see Appendix-20.

#### 4.1.4 Implementation of End-line Survey

An end-line survey of a total of 1,050 households (24 kebele, 35 households in each of the 10 woredas) was conducted from 22 September to 8 October 2023 as sub-contract works, with the aim of conducting an impact evaluation on the Project's effectiveness. However, due to security concerns and other factors, it was not possible to reach some of the planned targeted kebeles, which forced a change of targeted area and a reduction in the number of households, and a total of 816 households (395 in the intervention group and 421 in the control group) were actually surveyed in a total of 24 kebeles in 8 woredas.

**Table 4.6 Target kebeles for impact evaluation (End-line survey)**



Zone	Wareda	Intervention		Control	
		Kebele	No. of HH	Kebele	No. of HH
East Shewa	Boset	Dallacha Gadaa	37	Sirrii Birreetti	35
		Butta Badhasoo	36	Digaluu Wangaa	36
South West Shewa	Ilu	Bili	35	Ketta Asgori	35
	Bacho	Soyama	22	Dhaga Guddaa	35
West Arsi	Siraro	Loke Hada	35	Bareda Ashoka	35
		Siraro Bilacha	35	Damine Laman	35
	Nagelle Arsi	Rafu Hargissa	35	Adaba Fiita	35
		Hada Bosso	35	Sayo Maja	35
	Shalla	Awara Gama	35	Lencha Laman	35
Lejjo Kertefa		35	Bakela Deya	35	
Arsi	Degeluna Tjo	Jammo	20	Sagure Molle	35
	Lude Hitosa	Fursa	35	Boru Addecha	35
		Total HH:	395	Total HH:	421

Legend: Trial Farm implemented

The survey was conducted on the hypothesis that REPs training contributes to improve (i) the capacity for agricultural risk management, (ii) the amount of investment in agricultural inputs, (iii) farm income and (iv) Agricultural productivity. The methodology employed was a Matched Method (at the village level) by comparing areas where REPs training was provided with those where it was not. In this impact evaluation, comparisons at the village level were adopted rather than at the individual level (i.e. comparisons by clusters). The main reason for this is that the intervention was being implemented at the village level, and the Project aimed to contribute to improving ‘rural resilience’ by promoting crop insurance in the long term, so the impact should be measured at the rural level rather than at the individual level.

In this study, in order to grasp the longer-term effects of the intervention, it was decided to select households in the intervention group that had purchased the crop insurance promoted by the Project at least twice in the past. Note that in some areas, no more than 35 households purchased more than twice, and households that purchased less than once were also included. It should be noted that seven of the 12 villages in the intervention group are implementing trial farm activities through the Project. Therefore, as a subgroup analysis, households were divided into four patterns, combining ‘with/without insurance purchase’ and ‘with/without experience of training participation in the trial farm’ to compare effects between households (and between individuals).

The table below shows an overview of the end-line survey with a view to such impact assessments.

**Table 4.7 Content of the End-line Survey**

Item	Description
Target area / number of households	<ul style="list-style-type: none"> <li>Intervention group: 35 randomly selected households from 15 kebeles in the 10 woredas covered by indexed agricultural insurance extension during the Phase-1 to Phase-3 which have purchased Crop Insurance more than 2 times: 525 households in sub-total (Actual number: 8 woreda, 12 kebele, 394 households).</li> <li>Control group: 35 randomly selected households from 15 kebeles in the above 10 woredas where the Project was not implemented: sub-total 525 households (Actual number: 8 woreda, 12 kebele, 420 households).</li> <li>Total: 1,050 households (Actual number: 814 households)</li> </ul>
Survey methodology	<p>[Method] Primary data collection by subcontracting company. Data analysis was carried out by the Project Team.</p> <p>[Style] Household interview format using a questionnaire (using CAPI (Computer Assisted Personal Interviewing) technology with tablets (Used system: SCPPro)).</p>
Survey item	<ul style="list-style-type: none"> <li>Household information: number of men and women, marital status, migrant family members, education level, language level, and mobile phone ownership.</li> <li>Property: farmland, livestock, household goods, etc.</li> <li>Livelihoods, farming situation: land area by variety, production (unit yield), use of improved seeds/fertilizers, risks</li> <li>Risk management, types of risk, situation of debt</li> <li>ICIP-related activities: knowledge of ICIP, the experience of purchasing insurance ICIP, Relation with FTC</li> </ul>

## 4.2 Result of Impact Analysis

Based on the results of the above end-line survey, an impact assessment analysis was conducted. Details of the analysis are given in Appendix-21. Only an overview of the analysis and results is presented below.

**Table 4.8 Outline of the Impact Analysis**

Item	Contents
Objective	To verify the impact of the REPs training to be implemented in the Project.
Hypothesis	To confirm that the implementation of REPs training contributes to improve (i) the capacity for agricultural risk management, (ii) the amount of investment in agricultural inputs, (iii) farm income and (iv) Agricultural productivity. In other words, given the assumption that farming conditions are the same, in areas where REPs training (intervention) is not implemented and in areas where REPs training is implemented, farmers in the latter will be more likely to (i) improve their risk management capacity (Effect Indicator (EI) 1), (ii) increase their investment in agricultural inputs (EI 2), (iii) increase their farm income (EI 3), and (4) enhance productivity (yield per unit area) (EI 4), with statistically significant differences.
Method	Matching Method

**Table 4.9 List of indicators (survey items) in Impact Analysis**

Item	Contents	Target
(i) The capacity for agricultural risk management	Variety of measures to address risks (in the form of scores).	Kebele
(ii) The amount of investment in agricultural inputs	Total purchases of agricultural inputs	Kebele
(iii) Farm income	Farm income	Kebele
(iv) Agricultural productivity	Yield	Kebele

In this study, an impact evaluation with a Matched Method was conducted in order to identify the multiple benefits (impact) of the implementation of the REPs training by the ICIP project. Table 10-1 shows the results of this impact evaluation (list of results for each impact indicator). The results of the analysis showed that the mean values for (i), (ii), and (iii) were higher in the intervention group than in the control group, which is under the hypothesis of increment of (i) the capacity for agricultural risk management, (ii) investment in agricultural inputs, (iii) farm income and (iv) agricultural productivity. Also, it was found that the difference of (i) the capacity for agricultural risk management was statistically significant. It is considered that one of possible reasons for the lack of statistically significant differences for EI (ii) and (iii) is that the number of samples was not sufficient.

With regard to agricultural productivity, the average yield in the main crops were not shown to be higher in the intervention group than in the control group. Although the average values for the results of EI (i) to (iii) were 'intervention group > control group', the result of EI iv was different. The reason why the results for (iv) did not show intervention group > control group could be that the expected duration of the intervention effect was short, suggesting that more time is needed for behavioral change to occur among farmers in kebele where REPs training was conducted.

**Table 4.10 Results for each effectiveness indicator**

Item	Measured Value	Intervention group	Control group
(i) The capacity for agricultural risk management	Variety of measures to address risks (in the form of scores).	6.3	5.3
(ii) The amount of investment in agricultural inputs	Total purchases of agricultural inputs	16,330birr	11,349birr
(iii) Farm income	Farm income	98,873birr	73,469birr
(iv) Agricultural productivity	Yield	Teff : 13.0q/ha Maize : 20.0q/ha Wheat : 24.0q/ha Barley : 29.0q/ha Pulses : 19.0q/ha	Teff : 11.0q/ha Maize : 29.0q/ha Wheat : 34.0q/ha Barley : 22.0q/ha Pulses : 24.0q/ha

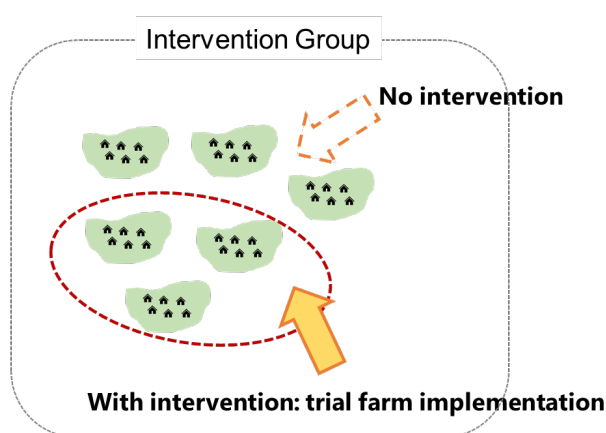
**Table 4.11 Results of Impact Analysis**

Item	Contents	Target	Result	t-test
(i) The capacity for agricultural risk management	Variety of measures to address risks (in the form of scores).	Kebele	Intervention > Control	Significant difference
(ii) The amount of investment in agricultural inputs	Total purchases of agricultural inputs	Kebele	Intervention > Control	No significant difference
(iii) Farm income	Farm income	Kebele	Intervention > Control	No significant difference
(iv) Agricultural productivity	Yield	Kebele	Control > Intervention	No significant difference

In this study, households within the intervention group are classified into four (2 x 2) patterns, with or without insurance purchase and with or without participation in trial farm activities, and the trends of each group are also analyzed (i.e. sub-group analysis). This will allow the effects of combining insurance sales and agriculture technology extension to be examined.

Classification of individuals into four groups

Sub-Group		Training on Agriculture techniques	
		Yes	No
Purchasing Insurance	Yes	①	②
	No	③	④



**Figure 4.1 Conceptual diagram of Sub-group analysis**



**Table 4.12 List of comparison items in Subgroup analysis**

Item	Description	Target
(i) The capacity for agricultural risk management	Variety of measures to address risks (in the form of scores).	Individual
(ii) The amount of investment in agricultural inputs	Total purchases of agricultural inputs	Individual
(iii) Farm income	Farm income	Individual
(iv) Agricultural productivity	Yield	Individual

Regarding (i) The capacity for agricultural risk management, the result of score was 7.3 for Group 1, 5.6 for Group 2 and 5.1 for Group 4. From these results, among insurance buyers, it can be said that households that have experienced training in farming techniques have better risk management capacity rather than those who with only insurance purchasing. This suggests that providing farm technique training together with agricultural insurance sales is more effective than promoting insurance alone in improving farmers' risk management capacity. Regarding (ii) The amount of investment in agricultural inputs, the total amount was approximately 19,000birr for group 1, 14,500birr for group 2 and 11,100birr for group 4. The total purchase of agricultural inputs was found to be higher for households that also had experience in agricultural technical training than for households that only purchased insurance, as well as investing considerably more than households that neither purchased insurance nor had experience in agricultural technical training. This suggests that insurance purchases increase the willingness to invest in agricultural inputs and that the addition of agricultural technology training further increases this willingness. Regarding (iii) farm income, the amount was approximately 93,700birr for group 1, 72,200birr for group 2 and 76,000birr for group 4. Farm income was higher for households that also had experience in agricultural technical training than for households that only purchased insurance, indicating the usefulness of the REPs. Finally, about (iv) Agricultural productivity, the results do not indicate that higher yields are associated with group 1 > group 2 > group 4, suggesting that the purchase of insurance and participation in agricultural technical training may not lead to higher yields or that it may take an additional period of time for the effect to be felt up to yield.

The above confirms that combining insurance sales with agricultural technique extension has positive effects on (i) The capacity for agricultural risk management, (ii) Investment in agricultural inputs and (iii) farm income, suggesting that the packaging of agricultural insurance and agricultural technique has certain benefits for improving rural resilience.



## CHAPTER 5 LESSON LEARNED DURING THE OPERATION OF THE PROJECT

### 5.1 Insurance Products and Promotion

#### (1) Establishment of Product Review System

In the first cycle of the Project (2020 season), the Vegetation Index Crop Insurance (VICI) was introduced as an insurance product. Subsequently, farmers were interviewed to review the insurance product and promotion methods. The results revealed that in some areas, risks other than drought and low rainfall are significant, and there is a high demand for insurance products that can cover multiple agricultural risks. Specifically, many farmers asked for agricultural insurance products that could provide coverage for damage caused by pests and diseases and floods.

Considering this situation, Area Yield Index Insurance (AYII), which can cover multiple risks such as pests and diseases and floods, was introduced in the third cycle (2022 season) for areas with significant non-drought risks. It is important to continue conducting this kind of product review on these insurance products to understand farmers' needs and feedback on specific insurance products. Based on the results of the review survey, the risk coverage, target crops, yield survey method, and basis risk can be improved, and the agricultural insurance products can be revised.

The Ministry of Agriculture (MoA) and the Oromia Bureau of Agriculture (OBoA) should take the lead in conducting reviews of insurance products, and by creating a system to share the results with relevant stakeholders, continuous improvement will be possible. In addition, sharing the results of these review studies with insurance companies and other stakeholders is expected to lead to the introduction of new insurance products. Therefore, the MoA and regional agricultural bureaus should take the lead in establishing a system for conducting reviews of insurance products.

#### (2) Sharing the Experience of Product Development Process

Three main types of index-based agricultural insurance products have been introduced in Ethiopia: 1) weather index insurance, 2) vegetation index insurance, and 3) area yield index insurance. For these index-based agricultural insurance, insurance products are designed by each project/program. Therefore, it is assumed that even the same type of index-based agricultural insurance may have different design concepts depending on the project/program. For example, it is assumed that the scope of coverage and data used in the design of area yield index insurance might be different.

It is important for projects/programs implementing index-based agricultural insurance to learn from each other about product design. Particularly in product design, the involvement of government officials and insurance companies is often limited, and outside experts and consultants are responsible for the actual design work. Of course, it is effective for government officials and insurance companies to design products while utilizing outside resources, but it is important to understand the design policy of each product in order to continue to implement the activities.

To this end, technical workshops on product design and insurance product reviews among projects/programs could be held. In fact, Africa Re, one of the leading reinsurers in the African region, has

held a technical workshop on insurance product development in Addis Ababa. It would be effective for each project/program to coordinate and provide experience in insurance product design at such a technical workshop.

### **(3) Strengthening Capacity of Regulatory Authority for Agricultural Insurance**

In Ethiopia, the National Bank of Ethiopia (NBE) is the regulatory authority for insurance operations. Therefore, for index-based agricultural insurance, the NBE also conducts examinations for the licensing of insurance products. In fact, in this project, vegetation index crop insurance and area yield index insurance products have been reported to the NBE by the insurance companies. However, stakeholders noted that not all such approvals have been obtained for all projects/programs. In addition, it can be said that there are limited examples of indexed insurance products in Ethiopia.

Therefore, it is considered necessary to further improve the capacity of NBE staff who review insurance product approvals for index-based agricultural insurance. It is important to strengthen the capacity of a wide range of stakeholders involved in the development of index-based agricultural insurance by involving the NBE in the development of insurance products.

### **(4) No Premium Subsidies for Ensuring Sustainability**

One of the unique features of this Project was the promotion of IbCI without providing subsidies for insurance premiums. Other donors, such as WFP and the World Bank, have implemented agricultural insurance projects with providing premium subsidies to farmers. Under the ICIP, despite the lack of premium subsidies, approximately 12,000 farmers paid the premiums from their own pockets. This indicates that there is a possibility to operate agricultural insurance scheme even without premium subsidies.

Encouraging farmers to spend their own money for purchasing insurance, it is indeed necessary for farmers to understand the advantages and disadvantages of index-based crop insurance thoroughly and be convinced the necessity of insurance properly. This would ultimately increase farmers' awareness and understanding of insurance. For example, around 60% of the farmers re-purchased insurance in the first two cycles of the Project. By contrast, according to the World Bank, the re-purchase rate from the 1st to 2nd year was around 30% for their Project. This suggests that the lack of premium subsidies has led to a better understanding of insurance among farmers, resulting in a higher percentage of farmers continuing to purchase insurance.

Yet, it is a time-consuming and costly activity for farmers themselves to understand insurance and actually pay for it themselves. Farmers interview revealed that many of the farmers who purchased insurance had participated in several extension activities carried out by DAs before they decided to pay for insurance. In other words, it is difficult to expect a significant number of farmers to join the Project at the beginning when there is no subsidy. For insurance companies, this situation might be concerned because the small scale of the Project could lead the low profitability of the company. For this reason, it is also important to take a long-term perspective and gain the understanding of insurance companies for the no-premium subsidy approach.

### **(5) Synchronization of Insurance Promotion Activities with Agricultural Technology Extension Activities**

In this project, trial farms were established at the Farmers Training Center (FTC) in kebele to practice agricultural technologies that contribute to agricultural risk reduction. The purposes of these trial farms were to disseminate the technology to farmers through technical exhibitions and training, and to verify whether the technology should be included in the Resilience Enhancement Packages (REPs) based on its profitability and technical effectiveness.

Technical trainings at the trial farms were made in several sessions from April to December each year as based on the farming calendar, while insurance promotion activities started approximately from January to February in each cycle due to the need to complete sales before planting. In other words, in many FTCs, insurance promotion activities started before, agricultural technology dissemination (training) which is the other half of the REPs. Conversely, agricultural technology training sessions are held in areas where insurance promotion activities have been completed.

The project's policy was that insurance promotion activities should be integrated with agricultural technology, and insurance promotion activities in kebele have been conducted as REPs training along with introduction of agricultural technology. However, perfect synchronization with insurance promotion activities has not been achieved since the timing of insurance and agricultural technology extension activities are based on the farming calendar, and efforts should continue to be made to eliminate even gap in future similar projects.

## 5.2 Agricultural Techniques Extension

### (1) The extension method of agricultural techniques

Trial farm activities have provided not only classroom lectures on agricultural technology, but also practical technical training at FTC. Extension officers and farmers who participated in the trial farm said that the Agriculture Package Training provided by the OBoA was mainly classroom training, and that the lack of practical training in the field made it difficult for farmers to learn and implement agricultural technology on their own. Therefore, it is necessary to improve the training programs. It is important to incorporate practical training in the field when conducting risk management and agricultural technology training in the future as part of the agriculture package training.

### (2) Implementation method of trial farms

The trial farm activities were conducted in only by FTC in the 1st Cycle. In the 2nd Cycle, the activities were conducted by FTC and individual model farmers from the viewpoint of sustainability. In the 3rd Cycle, a "model farmer group" (Community Field) was formed to facilitate further dissemination of the technologies to farmers. The farmers who conducted the trial farm as a model farmers group also commented that the technologies were effective in terms of sharing technologies, connecting farmers at the time of labor, and exhibiting and disseminating the technologies outside the farm. Therefore, it is effective to form a "model farmer group" from the viewpoint of dissemination to farmers.

### (3) Agricultural tools necessary for agricultural techniques

All of the agricultural technologies implemented in the trial farms are simple technologies, but some of them require specific tools. Therefore, many farmers did not have access to the necessary tools for the recommended agricultural techniques, and the Project, with the cooperation of the Melkasa Agricultural Research Center, strengthened the capacity of four local factories in drought-prone areas for the production of agricultural tools. In addition to strengthening the capacity of the OBoA, it is necessary to strengthen the capacity of the private sector to produce agricultural tools and other equipment.

### (4) Training for Soil Management

Before considering the introduction of agricultural techniques, an attention should be paid to the fact that areas with low soil fertility and low productivity (areas with extremely low organic matter) are spread mainly in the West Arsi and East Shewa zones. In addition, the price of chemical fertilizers has also been rising, limiting the number of farmers who can afford them. Therefore, soil management, such as Compost, is an important technique, especially in areas with low soil fertility.

Although the complete synchronization of the timing of insurance promotion activities and the training for agricultural techniques is not possible as mentioned above, it is possible to conduct the training for soil management even before planting crops. In fact, the Project organized the soil management training at the same time as insurance promotion of the 3rd and the 4th Cycles. In the future, when disseminating agricultural techniques through the Agriculture Package Training conducted by OBoA, it would be effective to conduct insurance promotion activities and practical training in soil management at the same time.

### 5.3 Other lessons

#### (1) Strengthening the motivation of Woreda and Kebele staff

In the REPs promotion activities and the TOT trainings which is a preliminary step, not only the Agriculture Officers but also the Administration Officers participated at the woreda level, and at the kebele level, not only agricultural Development Agent (DA) but also cooperative DA, union officers, and even village heads (kebele chairpersons) participated. This wide range of participation has undoubtedly contributed greatly to the achievement of the REPs promotion activities.

However, it is undeniable that the securing of these participants was partly based on instructions from above (order from higher authorities) due to the vertical hierarchical structure that is prominent in Ethiopian government agencies. While the Project has utilized this system to secure participants for training (specifically, the regional/zonal offices have sent letters instructing them to participate), there have been no concrete measures to promote proactive, positive, and voluntary participation in the Project, except for the provision of daily allowances for training participation and trips as incentives for the staff. On the other hand, it is also true that there were limitations in concrete measures to promote proactive, positive, and voluntary participation in projects. Further consideration should be given to motivating local staff to participate in projects in similar cases in the future.

#### (2) Lessons Learned in Training in Japan

The initial plan was to conduct the first batch for ministerial level and director level trainees, and the following three batches for working level trainees (daily counterparts, zone and woreda officials), as was the case with this training visit to Japan. However, it was extremely unfortunate that only one batch was made this time due to the impact of COVID-19. Nevertheless, the initial objective of the training was achieved, as they were able to create an action plan for the establishment of an insurance committee within the MoA, as mentioned above.

Two State Ministers had to leave Japan three days before they were scheduled to return to their home countries due to a sudden order from the president's office in their home countries to return to Japan. Although the training program was originally designed for the two State Ministers to stay in Japan on the original schedule, however they were able to participate in the training program up to the most important events: a lecture at the Ministry of Agriculture, Forestry and Fisheries on July 4, a discussion with the union and farmers at the Chiba Hokuso Mutual Aid Association on July 5, and the preparation of an action plan on July 7. Therefore, it was judged that the initial purpose of the training was fulfilled. As a recommendation for future similar training programs, if such a situation can be foreseen even a little before departure, it would be worth considering setting up important visits in the first half of the training program.

#### (3) Importance of Public Relations Activities

As described in Chapter 2 of this report, publicity for this project focused on electronic media (SNS, promotional videos) and media (radio program broadcasts) rather than paper media such as pamphlets and posters.

These publicity activities greatly contributed to the understanding of the effectiveness and mechanism of agricultural insurance among many people in internet environment and within the reception range of the

radio stations that broadcast the radio programs, without being restricted by geographical limitations as was the case with print media. On the other hand, although the actual insurance coverage, i.e., the number of kebele where the insurance company sold insurance in this project, reached 169 villages in four years, it can be said that the wide-area publicity activities such as radio were wider as compared to the former areas. In other words, the Project was not able to directly meet the needs of the many people who had come to understand the effectiveness of insurance through wide-area publicity activities and who now wished to purchase insurance.

Of course, this PR activity was highly significant, and it helped to spread the effectiveness of insurance not only in targeted kebele of this project but also in a wider area, and contributed to the future development of the Ethiopian government's own insurance dissemination activities. From this perspective, it will be important for other similar projects in the future to distinguish between public relations activities targeting a wide area and those limited to the areas where the Project can actually be deployed.

#### **(4) Promotion of On-line**

As mentioned in this report, the Project faced travel restrictions due to COVID-19 and the emergency evacuation and travel prohibition of Japanese experts due to the deteriorating security situation in Ethiopia, which forced a major change in the number of Japanese expert to be mobilized in Ethiopia, especially from the end of Phase-1 to Phase-2. The project was able to avoid major delays and reductions in training results by switching to on-line participation and monitoring of TOT from Japan and the creation and operation of video materials.

On the other hand, the inability to dispatch project staff to field, especially in Phase-3 due to the deterioration of local security, affected field activities in the latter phases of the Project. Although the Project had no choice but to adopt a remote system from the capital, the poor communication environment in the rural areas, the increased burden of communication costs on local staff (in woreda and kebele), and the low computer penetration rate remained as challenges that were difficult to solve.

Generally, in international cooperation, the main focus of on-line methodologies is often on the establishment of a remote system connecting the donor country and recipient country. However, in countries like Ethiopia where the domestic situation is not favorable, the establishment of a remote system within the country (between the capital and the project area) will become increasingly important.



## CHAPTER 6 RECOMMENDATION FOR THE ACHIEVEMENT OF OVERALL GOAL

### 6.1 Recommendation on the Promotion of Index-based Crop Insurance by MoA

#### (1) Institutionalization of Agricultural Insurance in MoA

A strong initiative by the Ethiopian government is essential for the effective and sustained implementation of agricultural insurance as a national program. Initiating agricultural insurance in Ethiopia, not only does the government clarify the policy direction on agricultural insurance, but it is also necessary to create an implementation structure within the Ministry of Agriculture (MoA) to determine who and how agricultural insurance will be promoted. One of the steps to create an implementation structure would be the establishment of an Agricultural Insurance Committee within the MoA.

Many pilot activities related to agricultural insurance have been implemented in Ethiopia. However, the involvement of the MoA has varied from project to project, and different departments of the MoA have been involved differently. As a result, experience and knowledge of past agricultural insurance activities have yet to be accumulated and is fragmented within the MoA.

One of the reasons for this situation is there is no specific department within the MoA for implementing and managing agricultural insurance. The establishment of the Agricultural Insurance Committee is expected to resolve this situation and allow the MoA to promote agricultural insurance more effectively.

The Agricultural Insurance Committee should be established under the control of the Agricultural Investment & Input Sector, considering the roles and responsibilities of each department within the MoA. Also, the Agricultural Insurance Committee should comprise members from different sectors/departments within the MoA. This is because agricultural insurance involves various issues related to different departments such as crop, livestock, agricultural finance, agricultural inputs, and food security. Therefore, assigning committee members from these related departments should be considered.

#### (2) Operation of Dialogue Platform for Agricultural Insurance

The MoA, in partnership with the ICIP and WFP, initiated the “Dialogue Platform for Supporting Agricultural Insurance in Ethiopia” to facilitating and upscaling successful agricultural insurance approaches. The Dialogue Platform is the place where stakeholders engaging in the agricultural insurance sector share experiences and knowledge, establish synergies, and extract good practices to inform the National Agricultural Insurance Policy that the Ethiopian government is developing.

The Dialogue Platform has been organized three times since 2022. Many stakeholders have participated in the Dialogue Platform and contributed to the discussions, such as the expected roles and responsibilities of the Ethiopian government, an effective public-private partnership model, and management and operation of the Dialogue Platform.

This Dialogue Platform should be continuously organized to provide a place for stakeholders to discuss agricultural insurance. In addition, the MoA, particularly the Agricultural Insurance Committee, can communicate with the private sector, donors, and other relevant organizations through the Dialogue Platform. Thus, it is recommended that the MoA should organize the Dialogue Platform quarterly or every

six months.

### **(3) Utilization of Agricultural Extension Services**

Promoting agricultural insurance as part of the government's agricultural extension services is the key to extending agricultural insurance nationwide. This is because 1) it is important to comprehensively strengthen farmers' risk management not only by promoting agricultural insurance but also by extension of agricultural techniques, and 2) the government's extension services offer good opportunity to raise farmers' awareness about agricultural insurance efficiently and effectively.

- 1) **Comprehensive risk management:** Combining the agricultural insurance program with the agricultural technology extension activities is crucial. Agricultural insurance is one of the important risk management tools for farmers against natural disasters, but agricultural insurance is not the panacea for all the farmers' risks. The existing extension channels should be utilized for the training of both agricultural insurance and other agricultural practices for strengthening farmers' risk management comprehensively.
- 2) **Effective awareness-raising:** One of the most common challenges in the past agricultural insurance pilot activities has been conducting awareness-raising activities to educate farmers about agricultural insurance. In Ethiopia, agricultural insurance is still a new concept, and the challenge is that it takes time and cost to educate farmers about agricultural insurance. It is difficult for insurance companies to conduct these activities on their own, which hinders the continued implementation of the agricultural insurance business.

Since the MoA and the regional agricultural bureaus conduct agricultural extension activities each year, integrating agricultural insurance training into these existing agricultural extension systems would effectively increase the understanding of agricultural insurance among a more significant number of farmers. Creating a business environment for agricultural insurance through these mechanisms is essential as the government's efforts to promote the agricultural insurance.

### **(4) Utilization of the Input Voucher System (IVS)**

The combination of agricultural insurance with the IVS is essential for the effective and efficient operation of agricultural insurance. Promoting agricultural insurance by bundling with agricultural inputs can reduce the cost of insurance promotion.

In the current situation, where the government implements the IVS and private input dealers are still limited, the MoA is expected to take the lead in the collaboration between the IVS and the agricultural insurance program. The following are the key considerations when this arrangement happens:

#### **1) Promotion Period**

The purchase and distribution period for inputs is concentrated just before planting. Therefore, combining insurance promotion with the IVS would be very efficient in terms of time and costs for insurance sales and registration. However, regarding awareness raising about agricultural insurance, this short input distribution period alone might be insufficient. Thus, it is necessary to consider how to keep enough opportunities to raise farmers' awareness about insurance while making the operation for insurance

registration efficient but short.

The utilization of the existing agricultural extension services mentioned above would be a solution to this matter. If the awareness raising is well organized and conducted through annual extension practices, the short period for insurance sales and registration may not cause a big problem. Another strategy could be the effective utilization of additional promotion tools, such as pamphlets, radio programs and SNS.

## 2) Customer Management

Proper management of insured farmers' information is very important for continuously improving the agricultural insurance program. For sustainable business operations, it is necessary for insurance companies to conduct effective insurance sales activities based on information such as farmers' experience of payouts and whether they continue to purchase insurance.

Considering how such customer information management can be operated when combined with the IVS is necessary. In addition to the record of input purchases, farmers' information related to insurance should also be compiled for better business operation. This kind of information would be useful even to analyze the relationship between farmers' preference for insurance and their behaviors of farming practices.

## (5) Establishment of an Insurers' Consortium

The Public and private sectors should work together to scale up sustainable agricultural insurance in Ethiopia. It is the role of the Ethiopian government to create an enabling environment for insurance companies to be appropriately involved in the agricultural insurance business. One of the activities for creating such an environment is to establish a consortium of insurance providers. An insurers' consortium is a group of insurance companies that work together to manage insurance projects/businesses and underwrite risks.

As the government expands sustainable agricultural insurance in Ethiopia, the establishment of a consortium of insurance providers should be considered for the following reasons:

- 1) **Risk Sharing:** Insurance business is generally with significant risks that cannot be undertaken by a single insurer alone, but cooperation with multiple insurers can make this possible. Scaling up agricultural insurance means scaling up the risks assumed. Insurance companies might be concerned about their risk capacity if there is a large-scale risk. This situation also causes high premiums for the insurance product. Therefore, if agricultural insurance is introduced over a wide area as a government project, creating a system that allows multiple insurance companies participating in the consortium to share the risks is desirable.
- 2) **Capacity Enhancement:** Activities through the consortium will strengthen the capacity of insurance companies in the consortium. Although there are more than 10 insurance companies in Ethiopia, only a limited number of insurance companies have experience in the agricultural insurance business. Many insurance companies have expressed interest in the agricultural insurance business but have yet to be able to participate due to a lack of know-how and experience. For insurers, even with no experience in the agricultural insurance business, participation in the consortium will allow them to

absorb experience and know-how of the agricultural insurance business.

- 3) **Cost Efficiency:** The agricultural insurance program is expected to be implemented more efficiently and cost-effectively through working with the consortium. For the MoA, the consortium makes it possible to utilize each insurance company's experience, expertise, and human resources efficiently. For the insurance companies participating in the consortium, it will be possible to develop and promote insurance products more efficiently than a single company. This is a mutually beneficial approach for both the public and private sectors involved in the agricultural insurance business.

While the insurers' consortium offers the above advantages, they also have potential disadvantages. One of the disadvantages is complex decision-making. Insurance companies in the consortium will need to discuss detailed arrangements for insurance operations, including setting up premium rates, area allocations, and so forth. Disagreements among members can slow down the decision-making process. Therefore, clarifying the decision-making and coordination process is necessary when the consortium is established.

#### **(6) Formulation of a Mid-Long Term Resilience Enhancement Strategies**

In Ethiopia, a number of agricultural insurance projects has been implemented over the years. Most of them were small-scale pilot activities that have been implemented in high-risk areas with natural disasters such as drought prone areas. Responding to these vulnerable areas is important to mitigate their shocks against natural disasters. However, targeting only high-risk areas raises concerns about the sustainability of the agricultural insurance scheme. This is because the operation of the agricultural insurance scheme involved private insurance companies. Private insurance companies may raise concern for economical validity of the agricultural insurance scheme if the target area is only high-risk areas.

One of the conditions for the sustainable agricultural insurance scheme is that it should retain a certain size of risk pool, involving various risk areas. In other words, it is essential to diversify risk by covering a wide geographic area and avoid a situation where insurance claims are paid in all areas at once. Therefore, starting in high-risk areas and then scaling up may not be viable as an insurance business.

Getting the private sector involved in the continuous development of agricultural insurance scheme, it is necessary to create an environment in which the private sector can continue its business, such as government initiatives for the national wide insurance program, using input voucher system, and utilizing agricultural extension programs. It is important for the Ethiopian government to present a mid-long term strategy to promote agricultural insurance. In particular, agricultural insurance is closely linked with other agricultural programs, food security, disaster management, and social security system. The Ethiopian government needs to formulate a mid-long term resilience enhancement strategy to move toward an agricultural insurance system that effectively share risks with the private and public sectors.

## 6.2 Recommendation on the Expansion of ICIP Model outside Project area by OBoA

### (1) Strengthening Integration of Agricultural Insurance into Agricultural Package Training

The project has made it possible to incorporate agricultural insurance training into the Agricultural Package Training (APT), which is conducted annually by the Oromia Bureau of Agriculture (OBoA), to achieve more efficient dissemination activities related to agricultural insurance. It is important to further strengthen these efforts and continue to implement them. In particular, in order to continuously integrate agricultural insurance into the APT, it is important to 1) train internal trainers and 2) incorporate the training into the regular APT budget.

Currently, agricultural office staff trained through the project activities serve as trainers to implement the APT, and it is expected that further increasing the number of such trainers will further strengthen the integration of the APT. There is a need to train trainers on agricultural insurance at the OBoA or relevant zonal agricultural offices through continuous TOT implementation.

In addition, annual budgeting will be an important factor for continued implementation, and it will be necessary to include agricultural insurance training in the overall budgeting process for the implementation of the APT. Within the OBoA, stakeholders should be made aware of the inclusion of agricultural insurance in the APT, and budgetary measures and training programs should be developed based on the assumption that training on agricultural insurance is incorporated during budgeting discussions.

### (2) Setting up a Focal Point for Agricultural Insurance

In this project, the Natural Resources at the OBoA was the department in charge of implementing project activities. On the other hand, the Crop Department was in charge of substantive activities regarding the incorporation of agricultural insurance into the APT and training activities in the field. Given this situation, it is expected that the Crop Department will take the lead in implementing activities related to agricultural insurance after the Project is completed. The crop department is expected to continue to implement activities related to agricultural insurance by assigning a person in charge of agricultural insurance.

### (3) Updating the Implementation Structure for Index-based Agricultural Insurance

In the OBoA, it is expected to promote agricultural insurance with Oromia Insurance S.C. (OIC) and Ethiopian Insurance Corporation (EIC), based on the history of collaboration in the project activities. In addition, it is expected that the OBoA will continue to collaborate with microfinance institutions called WASASA Microfinance S.C. (WASASA) in addition to the Saving and Credit Cooperative (SACCO) for insurance sales. However, it is anticipated that the partners will be recombined according to the characteristics of the areas where insurance is introduced.

For example, in areas where there are active microfinance institutions other than WASASA, new microfinance institutions could be added as insurance distribution channels. As for insurance companies, it is also possible for new insurance companies to sell vegetation index crop insurance and area yield index insurance; therefore, it is expected that the implementation partners for agricultural insurance will be flexible, depending on local conditions. In the case of Oromia, the area is vast and regional conditions vary greatly, it is necessary to establish a flexible implementation system that is tailored to local conditions.

## 6.3 Recommendations on other issues

### (1) Build relationships of trust with local stakeholders

As mentioned in this report, throughout the cooperation period, the Project had to make changes to the implementation system each time due to travel restrictions imposed by COVID-19 and the inability to evacuate and travel due to deteriorating security conditions in the area. However, thanks to the efforts of both the Project and counterpart sides, the Project was able to be completed without any major negative effect on the achievement of results or the process. The project team's frequent trips to Addis Ababa as well as to the target areas of woreda and kebele during the Phase-1 and first half of the Phase-2 of the Project, and the establishment of human relations and trust with the local people, contributed to the smooth operation of the Project remotely.

It may be difficult for the domestic security situation in Ethiopia which is currently JICA's travel regulation is based to be rapidly improved. Considering the possibility that future similar projects may have restrictions on travel to the project site from the start of the Project, it would be effective to proactively invite the relevant parties in the project site to the capital during the first year to build human relations and then gradually deepen mutual understanding. Likewise, the training in the third-country may also contribute not only to the establishment of human relation with relevant parties but also to motivate these stakeholders concerned.

### (2) Agreement on cost sharing with related parties

In this project, a Memorandum of Agreement (MOA) was concluded every year between the Project team and the insurance companies to implement the Project. The Memorandum of Agreement clearly stipulates the responsibilities of both parties and the division of tasks, but it does not fully cover the detailed item of cost sharing because there are expenses that cannot be assumed at the time of conclusion of the agreement, and these are discussed on a case-by-case basis. This has resulted in spending time in agreeing on expenditures, especially for items such as the detailed cost sharing for Crop Cutting Experiment (CCE) in the spread of Area Yield Index Insurance (AYII). In future similar projects, it would be desirable for agreements with these stakeholders to be concluded with detailed cost sharing specified as much as possible in advance.

# Attachments

- Attachment-1 Input for the Project
- Attachment-2 Record of Discussion
- Attachment-3 All Versions of PDM
- Attachment-4 Minutes of the Kick-off Meeting on 19 April, 2019
- Attachment-5 Minutes of the Meeting for the 1st JCC Meeting on 18 July, 2019
- Attachment-6 Presentation Materials for the 2nd JCC Meeting on 28 April, 2021
- Attachment-7 Minutes of Meeting for the 2nd JCC Meeting on 28 April, 2021
- Attachment-8 Presentation Materials for the 3rd JCC Meeting on 28 April, 2022
- Attachment-9 Minutes of Meeting for the 3rd JCC Meeting on 28 April, 2022
- Attachment-10 Presentation Materials for the 4th JCC Meeting on 29 September, 2022
- Attachment-11 Minutes of Meeting for the 4th JCC Meeting on 29 September, 2022
- Attachment-12 Presentation Materials for the 5th JCC Meeting on 21 September, 2023
- Attachment-13 Minutes of Meeting for the 5th JCC Meeting on 21 September, 2023
- Attachment-14 Presentation Materials for the 6th JCC Meeting on 31 January, 2024
- Attachment-15 Minutes of Meeting for the 6th JCC Meeting on 31 January, 2024
- Attachment-16 Monitoring Sheets





## Attachment-1 Input for the Project



## Inputs to the Project

### 1. Input from Japan Side

#### 1.1 Assignment of Experts and Staff

##### (1) Phase-1

When the Phase-1 of the Project started, assignment of Japanese Experts had been operated in accordance with the Work Plan submitted in April 2019. However, implementation of the Project had to be modified due to the effect of COVID-19. After the long discussion between the Project team and JICA for the change of work plan as possible countermeasures, an agreement was made for the change of person-months (P/M) of experts by shifting P/M for the works in Ethiopia to that of the works in Japan. Based on this plan, amendment of the consultancy contract was made in July 2020.

**Table 1 Shift of Experts' Overseas Person-Months to Works in Japan**

Position	Name	Original (Works in Ethiopia)		Shifted (Works in Japan)	
		Major Tasks	P/M	Major Tasks	P/M
Team Leader/ Risk Management	SUDO, Akira	Planning of Review Survey	1.03	Remote monitoring of the Survey	1.03
Deputy Team Leader/ Risk Management	HIRAYAMA, Kota	- do -	1.03	- do -	1.03
Farm Management/ IbCI Promotion	FUNAYAMA, Takahiro	Plan, implementation and result analysis of Review Survey	1.53	- do -	1.53
Rural Survey/ Gender	NONOSHITA, Moe	- do -	0.33	- do -	0.33
Agricultural Extension (2)/M&E/Coordinator	KANNO, Miho	Supervision of activities in Trial Farm	0.50	- do -	0.50
Total			4.42		4.42

##### (2) Phase-2

After the start of Phase-2 of the contract, the timing of resuming travel for Japanese team members was changed (postponed) several times due to the infection status of the COVID-19 both in Japan and Ethiopia. After frequent discussions with JICA time to time regarding the shift of person-months to home office works in Japan, the person-month in Ethiopia were modified, as shown in the table below. Also, since November 2021 it has become impossible to travel to Ethiopia due to the deterioration of the security situation, the amendment of the contract was made in December 2021, to increase person-months for home office works to create audio-visual teaching materials in Japan due to travel bans. The table below shows the transfer of person-months.

**Table 2 Shift of Experts' Overseas Person-Months to Works in Japan**

		Original Contract	1st Allocation <sup>(1)</sup>	2nd Allocation <sup>(2)</sup>	3rd Allocation <sup>(3)</sup>	Contract Amendment <sup>(4)</sup>	5th Allocation <sup>(5)</sup>	6th Allocation <sup>(6)</sup>
		2020/10/21	2020/10/22	2021/2/25	2021/4/7	2021/12/14	2022/8/17	2022/9/15
Akira SUDO (T/L, Agri. Risk Management)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	4.50	4.50
	In Japan	0.00	1.00	2.00	2.50	3.50	3.50	3.50
Kota HIRAYAMA (Deputy T/L, Agri. Risk Management)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	4.50	4.50
	In Japan	0.00	1.00	2.00	2.50	2.50	2.50	2.50
Kiyoshi FUKUWATARI (IbCI Design)	In Ethiopia	1.33	1.33	1.33	1.33	1.33	1.33	0.66
	In Japan	3.00	3.00	3.00	3.00	3.00	3.67	3.67
Takahiro FUNAYAMA (Farm Management/IbCI Promotion)	In Ethiopia	6.00	5.00	4.00	3.50	3.50	3.50	3.50
	In Japan	0.00	1.00	2.00	2.50	2.50	2.50	2.50
Moe NONOSHITA (Rural Survey/Gender)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	4.37	4.26
	In Japan	0.00	1.00	2.00	2.50	3.50	3.50	3.50
Ai NAGINO (Agricultural Extension)	In Ethiopia	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	In Japan	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Takuo NISHIKAWA (Agricultural Policy)	In Ethiopia	0.00	0.00	0.00	0.00	0.00	1.23	1.24
	In Japan	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miho KANNO (M&E/Agricultural Extension(2))	In Ethiopia	7.00	6.00	5.00	5.00	5.00	4.46	4.00
	In Japan	0.00	1.00	2.00	2.00	3.00	3.00	3.00
Sub-Total	In Ethiopia	37.33	32.33	27.33	25.33	25.33	24.66	24.66
	In Japan	3.00	8.00	13.00	15.00	18.00	18.67	18.67
TOTAL		40.33	40.33	40.33	40.33	43.33	43.33	43.33

1) Total 5.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.

2) Total 5.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.

3) Total 2.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.

4) No changes of P/M for Works in Ethiopia, while total 3.00 P/M were increased in the Home Office Work in Japan.

5) Minor adjustment to generate P/M for new member by decreasing P/M of some member. No changes of total P/M.

6) Minor adjustment to allocate P/M between some members. No changes of total P/M.

### (3) Phase-3

In the previous phases, this project suffered from transferring person-months from overseas (in Ethiopia) to to Japan due to deteriorating security conditions and travel restrictions imposed by COVID. However, for the Phase-3, there have been no major events that would cause major changes to the dispatch plan (travel plan to Ethiopia) from the contract and work plan.

## 1.2 Equipment

### (1) Phase-1

The list of procurement and delivery of equipment for C/P is shown in Table 3. Regarding the procurement of motorbikes for extension officers, there is the following change from the procurement plan described in Work Plan.

Project team decided not to procure the motorbikes since it was more likely that the JICA office would place the order quickly than Project team orders. In addition, as for the 24 motorbikes planned to be procured, it was agreed to have 16 motorbikes with C/P after the discussions.

**Table 3 Equipment purchased in Ethiopia for Phase-1**

Name of equipment	Specification	Quantity	Remarks
Computer	Desktop 1PC, Laptop 9PC, Windows10, Antivirus	10	For technical staffs and main C/P
Printer	(1) A4 Color, Laser type (2) A4 Black and white, Laser type	2	For using in Addis Ababa project office and main C/P
Projector	3000Lumens, HDMI terminal, SVGA 800×600PIXEL, Screen 60inch	2	For using in Addis Ababa project office and main C/P
Copier	A3 Color, Both side printing, Laser type	1	For using in Addis Ababa project office

## (2) Phase-2

In the Phsse-2 contracts, equipment listed on the table below were procured.

**Table 4 Equipment purchased in Ethiopia for Phase-2**

Name	Specification	Quantity	Remarks
Personal Comupter	Notebook, Windows10, Antivirus	2	For Monitoring Purpose
Projector	120ANSI Lumen, HDMI	1	For presentation at site

## (2) Phase-3

There was no equipment procured in Phase-3.

## 2. Input from Ethiopia Side

### 2.1 Assignment of Counterpart Personnel

#### (1) Ministry of Agriculture

Project Director : Ms. Sintayehu Demissie (Director, Food Security Coordination Office)

#### (2) Oromia Bureau of Agriculture

Project Manager: Mr. Endalkachow Tefari (Deputy Head for Natural Resources and Food Security)  
(Replaced by Mr. Elias Kadir in September 2021, due to personal shift)

Project Focal Person: Mr. Solomon Begne (Director, Natural Resources and Food Security)  
(Replaced by Mr. Kebede Genbe in April 2023 due to resignation)

### 2.2 Office Space

From the start of the Project till January 2020:

3rd Floor, Oromia Irrigation Development Authority Building

From February 2020 till completion of the Project:

### 3. Outputs

#### 3.1 Phase-1

##### (1) Reports

- Work Plan (Japanese) : Submitted on 13 February 2019
- Work Plan : Submitted on 8 May 2019
- Monitoring Sheet : No. 1  
Submitted on 2 September 2019
- No. 2  
Submitted on 1 March 2020
- Progress Report (in Japanese) : Submitted on 30 April 2020
- Project Progress Report for Phase-1 : Submitted on 11 August 2020

##### (2) Technical Cooperation Materials

- Report on Baseline Survey: Attached to the Project Progress Report for Phase-1

#### 3.2 Phase-2

##### (1) Reports

- Work Plan (in Japanese) : Submitted on 4 November 2020
- Work Plan : Submitted on 19 January 2021
- Monitoring Sheet : No. 3  
Submitted on 31 March 2021
- No. 4  
Submitted on 1 September 2021
- No. 5  
Submitted on 1 March 2022
- No. 6  
Submitted on 1 September 2022
- Progress Report (in Japanese) : Submitted on 25 February 2022
- Project Progress Report for Phase-2 : Submitted on 14 October 2022

##### (2) Technical Cooperation Materials

- Report on Mid-Survey : Attached to the Project Progress Report for Phase-2

#### 3.3 Phase-3

##### (1) Reports

- Work Plan (in Japanese) : Submitted on 8 November 2022
- Work Plan : Submitted on 24 November 2022
- Monitoring Sheet : No. 7  
Submitted on 31 March 2023
- No. 8  
Submitted on 1 September 2023

- Progress Report (in Japanese) : Submitted on 12 October 2022
- Project Completion Report for Phase-3 : (This Report)

## **(2) Technical Cooperation Materials**

- Report on End-line Survey : Attached to the Project Completion Report for Phase-3
- Guideline : Attached to Project Completion Report for Phase-3

## **4. Assignment Table for Japanese Experts**

Refer to Figure 1 to Figure 3.

## **5. Plan of Operation (with Actual Achievement)**

Refer to Figure 4.

**PHASE-1**

	Position	Name		Phase-1												Total Day	Total P/M								
				2019						2020															
W o r k s  i n  E t h i o p i a				2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7				
				Team Leader/ Rural Risk Management	SUDO, Akira	Plan			(30)				(30)				(30)				(30)				
		Actual	(43540)	(16)	(21)	4/21			(43659)	(19)	(9)	(43719)	(20)	(10)	10/10	11/14	12/21			(17)	(18)	2/13	3/18	168	5.60
Deputy Team Leader/ Rural Risk Management	HIRAYAMA, Kota	Plan			(45)				(30)				(30)				(30)			(30)	165	5.50			
		Actual	(43540)	(16)	(28)	4/28			(43639)	(8)	(22)	7/22	(43698)	(11)	(19)	9/19	(43759)	11/19				1/7	2/5	164	5.47
Index-based Crop Insurance (IbCI) Development	FUKUWATARI, Kiyoshi	Plan							(20)												20	0.67			
		Actual							(43707)	(2)	(18)	9/18									20	0.67			
IbCI Promotion(1)	NISHIGAKI, Tomoko	Plan							(30)								(30)				60	2.00			
		Actual							(43681)	(28)	(7)	4/37	10/3								35	1.17			
Farm Management/ IbCI Promotion(2)	FUNAYAMA, Takahiro	Plan							(60)								(30)			(30)	120	4.00			
		Actual							(43682)	(27)	(18)	9/18			11/5	12/4					75	2.50			
Rural Survey/Gender	NONOSHITA, Moe	Plan			(60)							(60)					(60)				180	6.00			
		Actual	(43540)	(16)	(30)	(12)	5/12					(43759)	(11)	(30)	(21)	12/21					120	4.00			
Agricultural Extension	NAGINO, Ai	Plan							(30)												30	1.00			
		Actual							(43712)	(27)	(3)	10/3									30	1.00			
Project Coordinator/M&E/ Agricultural Extension(2)	KANNO, Miho	Plan			(40)				(60)							(30)			(60)		190	6.33			
		Actual	(43556)	(30)	(12)	5/12			(43663)	(15)	(31)	9/25				1/13	2/29	3/19			161	5.37			
		Sub-Total																			915	30.50			
		Actual																			773	25.78			

W o r k s  i n  J a p a n	Team Leader/ Rural Risk Management	SUDO, Akira	Plan	(5)																				5	0.25	
			Actual	(5)																	(21)				26	1.30
	Deputy Team Leader/ Rural Risk Management	HIRAYAMA, Kota	Plan																						0	0.00
			Actual															(6)			(15)				21	1.05
	Index-based Crop Insurance (IbCI) Development	FUKUWATARI, Kiyoshi	Plan										(30)												30	1.50
			Actual										(30)												30	1.50
	IbCI Promotion(1)	NISHIGAKI, Tomoko	Plan																						0	0.00
			Actual																						0	0.00
	Farm Management/ IbCI Promotion(2)	FUNAYAMA, Takahiro	Plan																						0	0.00
			Actual																(16)			(29)			45	2.25
	Agricultural Extension	NAGINO, Ai	Plan																						0	0.00
			Actual																						0	0.00
	Rural Survey/Gender	NONOSHITA, Moe	Plan																						0	0.00
			Actual																			(15)			15	0.75
Project Coordinator/M&E/ Agricultural Extension(2)	KANNO, Miho	Plan																						0	0.00	
		Actual																			(10)			10	0.50	
		Sub-Total																						35	1.75	
		Actual																						147	7.35	

Legend: ■ Assignment ■ By Own Input by Company

TOTAL	Plan	32.25
	Actual	33.13

**Figure 1 Assignment of Japanese Experts for Phase-1**





PHASE-3

	Position	Name		Phase-3												P/D	P/M														
				2022			2023											2024													
				10	11	12	1	2	3	4	5	6	7	8	9			10	11	12	1	2	3								
W o r k s  i n  E t h i o p i a	Team Leader/ Rural Risk Management	SUDO, Akira	Plan																					94	3.13						
			Actual				(21)				(21)						(14)							(38)			86	2.87			
	Deputy Team Leader/ Rural Risk Management	HIRAYAMA, Kota	Plan																							102	3.40				
			Actual				(24)				(30)								(10)							(38)			94	3.13	
	Index-based Crop Insurance (IbCI) Development	FUKUWATARI, Kiyoshi	Plan																								20	0.67			
			Actual																									20	0.67		
	Farm Management/ IbCI Promotion(2)	FUNAYAMA, Takahiro	Plan																									80	2.67		
			Actual				(40)				(40)																		80	2.67	
	Rural Survey/Gender	NONOSHITA, Moe	Plan																										109	3.63	
			Actual				(29)				(30)								(14)							(36)				104	3.47
Agricultural Extension	NAGINO, Ai	Plan																										0	0.00		
		Actual																											0	0.00	
Agricultural Policy	NISHIKAWA, Takuo	Plan																											88	2.93	
		Actual								(30)															(20)				(38)		
Project Coordinator/M&E/ Agricultural Extension(2)	KANNO, Miho	Plan																											127	4.23	
		Actual				(30)				(30)															(29)				(38)		
			Sub-Total	Plan	620	20.66	Actual	583	19.45																						

W o r k s  i n  J a p a n	Team Leader/ Rural Risk Management	SUDO, Akira	Plan																											5	0.25			
			Actual																										(5)				11	0.55
	Deputy Team Leader/ Rural Risk Management	HIRAYAMA, Kota	Plan																													0	0.00	
			Actual																													(5)		
	Index-based Crop Insurance (IbCI) Development	FUKUWATARI, Kiyoshi	Plan																														30	1.50
			Actual																															30
	Farm Management/ IbCI Promotion(2)	FUNAYAMA, Takahiro	Plan																														0	0.00
			Actual																														0	0.00
	Rural Survey/Gender	NONOSHITA, Moe	Plan																														0	0.00
			Actual																															4
Agricultural Policy	NISHIKAWA, Takuo	Plan																														0	0.00	
		Actual																														(5)		
Project Coordinator/M&E/ Agricultural Extension(2)	KANNO, Miho	Plan																														0	0.00	
		Actual																														(5)		
			Sub-Total	Plan	35	1.75	Actual	60	3.00																									

TOTAL	Plan	22.41
	Actual	22.45

**Figure 3 Assignment of Japanese Experts for Phase-3**

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs		Year	2018	2019	2020	2021	2022	2023	2024	Remarks	
		Month	1-12	1-12	1-12	1-12	1-12	1-12	1-12		
<b>Expert</b>	1) Team Leader/Rural Risk Management	Plan								Some Adjustments of the timing and the duration to be engaged in the activities in Ethiopia have been made for each of the Experts, however there has not been seen any significant delay in the engagements.	
		Actual									
	2) Deputy Team Leader/Rural Risk Management	Plan									
		Actual									
	3) Index-based Crop (IbCI) Development	Plan									
		Actual									
	4) IbCI Promotion	Plan									
		Actual									
	5) Farm Management/IbCI Promotion (2)	Plan									
		Actual									
<b>Equipment</b>	6) Rural Survey/Gender	Plan									
		Actual									
	7) Agricultural Extension	Plan									
		Actual									
	8) Agricultural Policy	Plan									
		Actual									
	9) M&E/Agri.Extension(2)	Plan									
		Actual									
	Office Equipment	Plan									
	Actual										
Motorbyke	Plan										
	Actual										
Training in Japan/ 3rd Countries	Plan										
	Actual										
Training in Japan	Plan										
	Actual										
Training in 3rd Countries	Plan										
	Actual										
									Plan cannot be made due to COVID-19.		
									Plan cannot be made due to COVID-19.		
<b>Activities</b>		Year	2018	2019	2020	2021	2022	2023	2024	Responsible Organization	
<b>Sub-Activities</b>		Month	1-12	1-12	1-12	1-12	1-12	1-12	1-12	Japan Ethiopia	
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>											
1.1 Carry out a baseline survey for impact evaluation,		Plan								JICA	MoA OBoA
		Actual									
1.2 Identify target areas for promoting REPs,	○ ○	Plan								JICA	MoA OBoA
		Actual									
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	○ ○	Plan								JICA	MoA OBoA
		Actual									
1.4 Design and develop IbCI products,		Plan								JICA	MoA OBoA
		Actual									
1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	○ ○	Plan								JICA	MoA OBoA
		Actual									
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	○ ○	Plan								JICA	MoA OBoA
		Actual									
1.7 Set up the institutional arrangement for REPs,		Plan								JICA	MoA OBoA
		Actual									
1.8 Formulate the implementation plan for REPs		Plan								JICA	MoA OBoA
		Actual									
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>											
2.1 Develop training materials and manuals for REPs,		Plan								JICA	MoA OBoA
		Actual									
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders		Plan								JICA	MoA OBoA
		Actual									
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs,		Plan								JICA	MoA OBoA
		Actual									
<b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b>											
3.1 Promote REPs based on implementation plan in 1.8,		Plan								JICA	MoA OBoA
		Actual									
3.2 Monitor and evaluate REPs promotion activities,		Plan								JICA	MoA OBoA
		Actual									
3.3 Revise and modify the implementation plan and components of REPs regularly		Plan								JICA	MoA OBoA
		Actual									
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>											
4.1 Convene annual platform meeting to exchange information and advocate IbCI		Plan								JICA	MoA
		Actual									
4.2 Prepare the guidelines for promoting IbCI,		Plan								JICA	MoA
		Actual									
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments		Plan								JICA	MoA
		Actual									
<b>Duration / Phasing</b>		Plan									
		Actual									
<b>Monitoring Plan</b>		Year	2018	2019	2020	2021	2022	2023	2024	Remarks	
		Month	1-12	1-12	1-12	1-12	1-12	1-12	1-12		
<b>Monitoring</b>		Plan								The 2nd JCC Meeting was held on 28 April 2021.	
Joint Coordinating Committee (JCC) Meeting		Actual									
Baseline and endline surveys		Plan								Mid-Survey is on-going.	
		Actual									
Set-up the Detailed Plan of Operation		Plan								The 5th Monitoring Sheet was made in 28 Feb..	
		Actual									
Submission of Monitoring Sheet		Plan									
		Actual									
Monitoring Mission from Japan		Plan									
		Actual									
Joint Monitoring		Plan									
		Actual									
Post Monitoring		Plan									
		Actual									
<b>Reports/Documents</b>		Plan									
Training Materials		Actual									
Project Progress Report		Plan								Interim Report (2) was made in February 2022.	
		Actual									
Guidelines		Plan								Drafting of Guideline was started.	
		Actual									
<b>Public Relations</b>		Plan									
Newsletter		Actual								Being issued at the end of every month.	

Figure 4 Plan of Operation (with Actual Achievement)





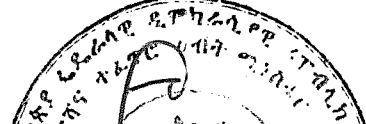

Attachment-2 Record of Discussion




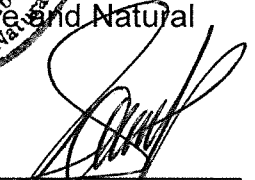
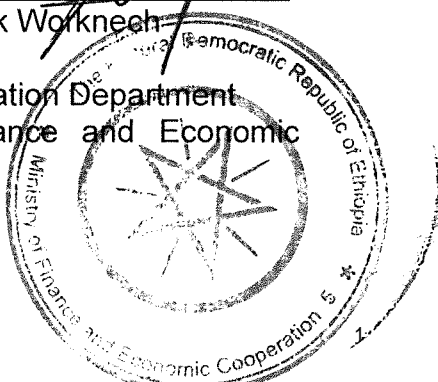
**RECORD OF DISCUSSIONS**  
**ON**  
**INDEX-BASED CROP INSURANCE PROMOTION PROJECT FOR**  
**RURAL RESILIENCE ENHANCEMENT**  
**IN**  
**THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA**  
**AGREED UPON BETWEEN**  
**MINISTRY OF AGRICULTURE AND NATURAL RESOURCES**  
**AND**  
**JAPAN INTERNATIONAL COOPERATION AGENCY**

Addis Ababa, July 27, 2017

  
\_\_\_\_\_  
Mr. Ken YAMADA  
Chief Representative  
Japan International Cooperation  
Agency (JICA) Ethiopia Office  


  
\_\_\_\_\_  
H.E. Mr. Damena Darota  
State Minister  
Rural Job Opportunity Creation and  
Food Security Sector  
Ministry of Agriculture and Natural  
Resources  


\_\_\_\_\_  
H.E. Ato Sileshi Getahun  
With the status of Vice President,  
Head  
Oromia Bureau of Agriculture and  
Natural Resources  


  
\_\_\_\_\_  
Mr. Kokeb Misrak Workneh  
Director  
Bilateral Cooperation Department  
Ministry of Finance and Economic  
Cooperation  


Based on the minutes of meetings on the Detailed Planning Survey on the Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (hereinafter referred to as “the Project”) signed on 29<sup>th</sup> September, 2016 between Ministry of Agriculture and Natural Resources (hereinafter referred to as “MoANR”) , Oromia Bureau of Agriculture and Natural Resources (hereinafter referred to as “OBoANR” ) and the Japan International Cooperation Agency (hereinafter referred to as “JICA”), JICA held a series of discussions with MoANR and relevant organizations to develop a detailed plan of the Project.

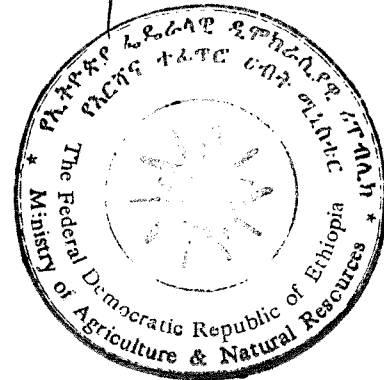
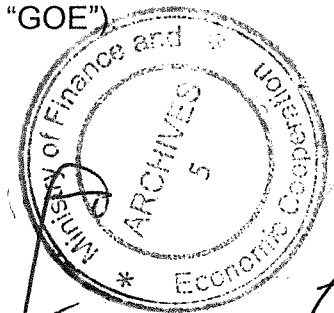
Both parties agreed the details of the Project and the main points discussed as described in the Appendix 1 and the Appendix 2 respectively.

Both parties also agreed that MoANR and OBoANR, the counterpart to JICA, will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of the Federal Democratic Republic of Ethiopia (hereinafter referred to as “Ethiopia”).

The Project will be implemented within the framework of the Agreement on Technical Cooperation signed on 1<sup>st</sup> December, 2011 (hereinafter referred to as “the Agreement”) and the Note Verbales exchanged on 8<sup>th</sup> June, 2017 (hereinafter referred to as “the Note Verbales”) between the Government of Japan (hereinafter referred to as “GOJ”) and the Government of Federal Democratic Republic of Ethiopia (hereinafter referred to as “GOE”).

Appendix 1: Project Description

Appendix 2: Main Points Discussed





## PROJECT DESCRIPTION

Both parties confirmed that there is no change in the Project Description in the minutes of meetings for Detailed Planning Survey Survey on the Project signed on 29<sup>th</sup> September, 2016.

### I. BACKGROUND

Agriculture is the main industry in Ethiopia, contributing around 40% share in the gross domestic product (GDP), and more than 80% of the population is engaged in agriculture. With this importance, agricultural productivity and production is being improved, through long-standing agriculture and rural development programs implemented by the Government of Ethiopia and the development assistance agencies.

However, Ethiopia is one of the most drought prone countries in the World. Particularly, droughts severely affect livelihoods of rural farmers dependent on rain-fed agriculture and cause serious food shortage in the country. It was reported that as many as over four and half million population fell into food crisis due to the prolonged drought having taken place in 2010/2011. Additionally, shortage of rainfall in *kiremt* season caused by the El Nino in 2016 influenced to more than ten million populations.

One of the most common measures to cope with the drought prone situation is to conduct emergency assistance. On top of this urgent measure, resilience itself should be built in the societies bridging over to mid and even long term future, thus resilience in their societies towards sustainable future is now sought.

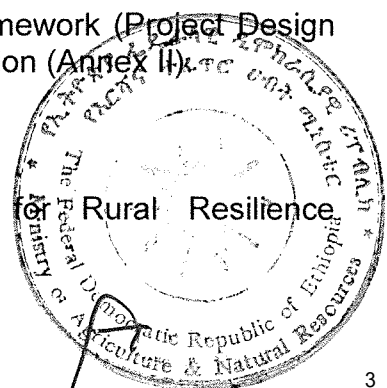
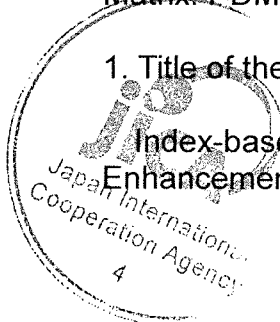
In response to the above situation, JICA has implemented a pilot project titled "Rural Resilience Enhancement Project (RREP)" for four years from 2012 to 2016. One of the components of the RREP was Weather Index Insurance Promotion to protect farmers from shortage of rainfall as well as droughts risk. One of the remarkable findings of the Weather Index Insurance pilot project was farmers' behavioral change, and it reveals that Weather Index Insurance potentially contributes to enhancing rural resilience through reducing drought risk and increasing agricultural productivity. Recognizing this result, GOE requested GOJ for the technical cooperation to develop Index-based Crop Insurance further, and to scale up beyond the RREP pilot areas.

### II. OUTLINE OF THE PROJECT

Details of the Project are described in the Logical Framework (Project Design Matrix: PDM) (Annex I) and the Tentative Plan of Operation (Annex II).

#### 1. Title of the Project

Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement



A handwritten signature in black ink, appearing to be "S. J.", is located to the right of the seals.

## 2. Expected Goals which will be attained after implementing the Proposed Plan

The institutional capacity of the Index-based Crop Insurance (IbCI) for rural resilience enhancement is developed

## 3. Outputs

Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed

Output 2: Human resources for promoting the REPs is developed in the Oromia Region

Output 3: The REPs are promoted in the Oromia Region

Output 4: A basis for promoting IbCI nation-wide is established

## 4. Activities

### <Activities for Output 1>

- 1.1 Carry out a baseline survey for impact evaluation,
- 1.2 Identify target areas for promoting REPs,
- 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),
- 1.4 Design and develop IbCI products,
- 1.5 Identify and develop agricultural techniques, technologies and extension for REPs,
- 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,
- 1.7 Set up the institutional arrangement for REPs,
- 1.8 Formulate the implementation plan for REPs

### <Activities for Output 2>

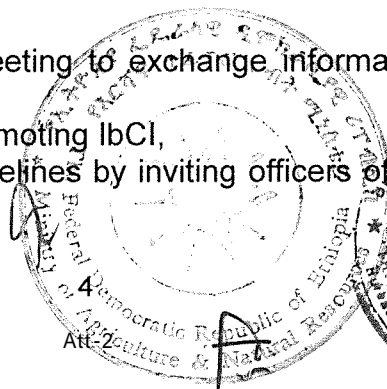
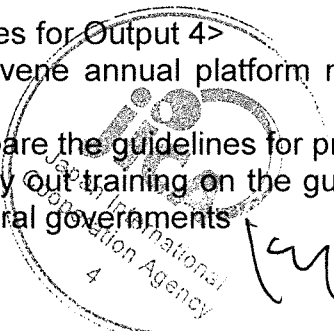
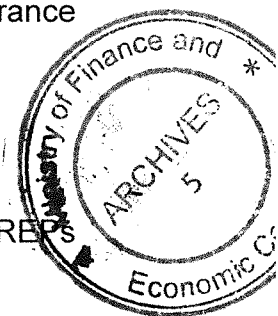
- 2.1 Develop training materials and manuals for REPs,
- 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,
- 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.

### <Activities for Output 3>

- 3.1 Promote REPs based on implementation plan in 1.8,
- 3.2 Monitor and evaluate REPs promotion activities,
- 3.3 Revise and modify the implementation plan and components of REPs regularly

### <Activities for Output 4>

- 4.1 Convene annual platform meeting to exchange information and advocate IbCI
- 4.2 Prepare the guidelines for promoting IbCI,
- 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments



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## 5. Input

### (1) Input by JICA

#### (a) Dispatch of Experts

Chief Advisor/ Rural Risk Management, IbCI Product Design, IbCI Promotion, Agricultural Extension, Farm Management (input, saving & credit, insurance, etc.), Rural Survey/Gender, Project Coordinator/ M&E etc.

#### (b) Training

Training of Counterparts in Japan, in Ethiopia, and in third countries

#### (c) Machinery and Equipment

Office equipment, Vehicle, and supplies etc.

Input other than indicated above will be determined through mutual consultations between JICA, MoANR and OBoANR during the implementation of the Project, as necessary.

### (2) Input by MoANR and OBoANR

MoANR and OBoANR will take necessary measures to provide at their own expense:

(a) Services of MoANR/OBoANR's counterpart personnel as referred to in II-6;

(b) Suitable office space with necessary equipment;

(c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;

(d) Information as well as support in obtaining medical service;

(e) Credentials or identification cards;

(f) Available data (including maps and photographs) and information related to the Project;

(g) Running expenses necessary for the implementation of the Project;

(h) Expenses necessary for transportation within Ethiopia of the equipment referred to in II-5 (1) as well as for the installation, operation and maintenance thereof; and

(i) Necessary facilities to the JICA experts for the remittance as well as utilization of the funds introduced into Ethiopia from Japan in connection with the implementation of the Project.

## 6. Implementation Structure

The project organization chart is given in the Annex III. The roles and assignments of relevant organizations are as follows:

### (1) MoANR

#### (a) Assignment of Project Director

Food Security Coordination Directorate under the MoANR will be responsible for the coordination of the Project.



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(2) OBoANR

(a) Assignment of Project Manager and person in charge

Food Security Coordination Directorate under the OBoANR will be responsible for implementation and management of the Project in collaboration with JICA experts.

(3) JICA Experts

The JICA experts will provide necessary supports including technical guidance, advice and recommendations to MoANR and OBoANR on any matters pertaining to the implementation of the Project, and support implementation of project activities in collaboration with MoANR and OBoANR.

(4) Joint Coordinating Committee

Joint Coordinating Committee (hereinafter referred to as "JCC") will be established in order to facilitate inter-organizational coordination. JCC will be held at least once a year and whenever deems it necessary. JCC will review the progress, revise the overall plan when necessary, approve an annual work plan, conduct evaluation of the Project, and exchange opinions on major issues that arise during the implementation of the Project. A list of proposed members of JCC is shown in the Annex IV.

7. Project Site(s) and Beneficiaries

(1) Project Site(s): Oromia Region (Detail Woreda, Kebele and its number will be selected after the project launched)

(2) Beneficiaries: Small-holder farmers in the target area of Oromia Region

8. Duration

The duration of the technical cooperation for the Project will be five (5) years from the date of dispatching the first Japanese Expert

9. Reports

MoANR, OBoANR and JICA experts will jointly prepare the following reports in English.

(1) Project Monitoring Sheet every six months until the project completion

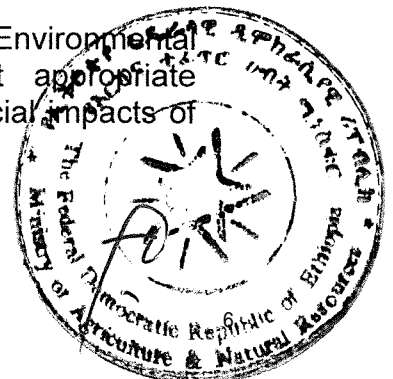
(2) Project Completion Report one month before the project completion

10. Environmental and Social Considerations

(1) MoANR and OBoANR will abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.



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### **III. UNDERTAKINGS OF MoANR AND GOE**

1. MoANR and GOE will take necessary measures to:

- (1) ensure that the technologies and knowledge acquired by the Ethiopia nationals as a result of Japanese technical cooperation contributes to the economic and social development of Ethiopia, and that the knowledge and experience acquired by the personnel of Ethiopia from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (2) grant privileges, exemptions and benefits to the JICA experts referred to in II-5 above and their families, which are no less favorable than those granted to experts and members of the missions and their families of third countries or international organizations performing similar missions in Ethiopia.
- (3) grant other privileges, exemptions and benefits in accordance with the Agreement and the Note Verbales between the GOJ and the GOE.

### **IV. MONITORING AND EVALUATION**

MoANR, OBoANR and JICA will jointly and regularly monitor the progress of the Project through the Monitoring Sheets based on the Project Design Matrix (PDM) and Plan of Operation (PO). The Monitoring Sheets will be reviewed every six (6) months.

JICA will conduct the following evaluations and surveys to verify sustainability and impact of the Project and draw lessons. MoANR and OBoANR are required to provide necessary support for them.

1. Ex-post evaluation three (3) years after the project completion, in principle
2. Follow-up surveys on necessity basis

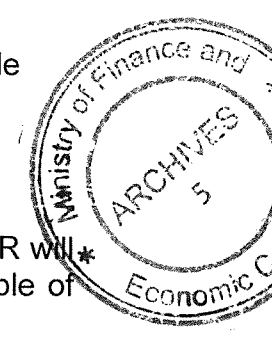
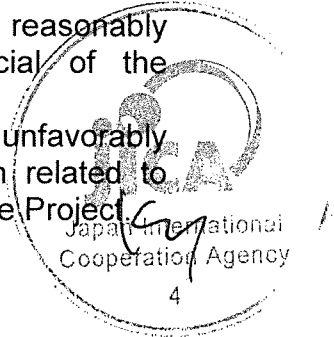
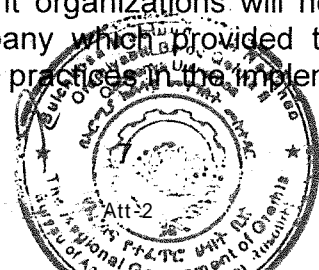
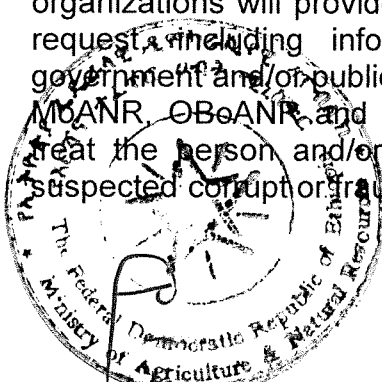
### **V. PROMOTION OF PUBLIC SUPPORT**

For the purpose of promoting support for the Project, MoANR and OBoANR will take appropriate measures to make the Project widely known to the people of Ethiopia.

### **VI. MISCONDUCT**

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, MoANR, OBoANR and relevant organizations will provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of the Ethiopia.

MoANR, OBoANR and relevant organizations will not, unfairly or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.



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**VII. MUTUAL CONSULTATION**

MoANR, OBoANR and JICA will consult each other whenever any major issues arise in the course of Project implementation.

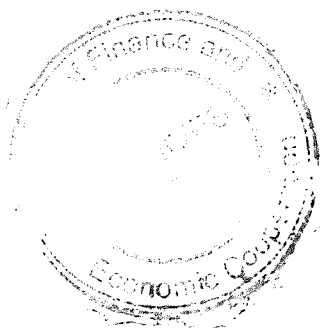
**VIII. AMENDMENTS**

The record of discussions may be amended by the minutes of meetings between MoANR, OBoANR and JICA. However, PO may be amended in the Monitoring Sheets.

The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

- Annex I Logical Framework (Project Design Matrix: PDM)
- Annex II Tentative Plan of Operation
- Annex III Project Organization Chart
- Annex IV A List of Proposed Members of Joint Coordinating Committee/  
Steering Committee

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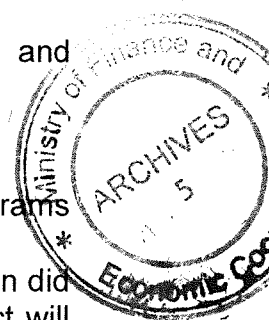


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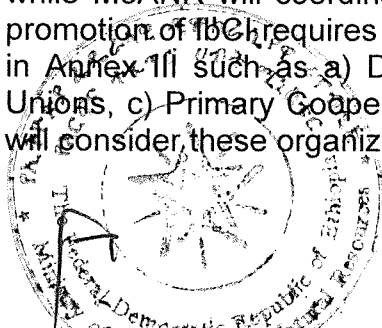


**MAIN POINTS DISCUSSED**

1. Project target area and farmers
  - Insurance products will be developed and sold only in Oromia region. It is expected that MoANR will extend the project experience to the surrounding regions through development of IbCI guideline and capacity building of stakeholders outside Oromia region.
  - The JICA mission took note a proposal from OBoANR about 16 candidate woredas as the project target area. Final decision will be made after the project launched, based on a consultation between the project team and Ethiopian side.
  - The project will support the country's graduation from food aid as stated in the Second Growth and Transformation Plan (GTPII). To achieve this, the project will focus on medium to longer term agricultural development rather than emergency food relief. In this sense, the project will set criteria of major target farmers as "a farmer who can afford insurance premium without financial support from the government, in other word, a farmer who is nearly exiting from the Productive Safety Net Programme (PSNP) but still under the coverage of the Food Security Program (FSP)".
  
2. The structure of IbCI promotion
  - The mission identified multiple options for IbCI promotion pathway as indicated in Appendix 5 of Minutes of Meetings on the Detailed Planning Survey. To identify an optimal pathway suited for locally specific condition, field level implementation and verification are required.
  - In this sense, preferred IbCI promotion structure will be discussed and determined after the project launched.
  
3. Design of the insurance products
  - The mission confirmed existing index-based crop insurance programs including a) Kifiya, b) Harita, and others.
  - Recognizing drastic progress in the area of index insurance, the mission did not specify a single design scheme for the project. Instead, the project will examine the status of above different insurance systems and identify a suitable design of the insurance product under activity 1, out of three options; a) to utilize existing insurance products, b) partially modify/improve existing products, c) develop new insurance products for its own.
  
4. Collaborating organizations
  - As indicated in II.6, OBoANR will be the implementing agency of the project, while MoANR will coordinate and oversee the project. However, since the promotion of IbCI requires involvement of various stakeholders as explained in Annex III such as a) Development Agents under MoANR, b) Farmers' Unions, c) Primary Cooperatives of insurance companies, etc., the project will consider these organizations as cooperation partner.



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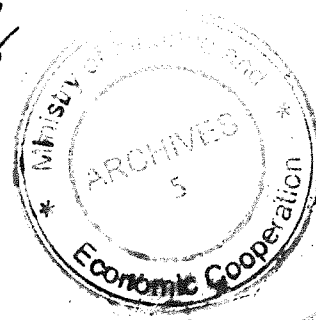
- To facilitate smooth collaboration, the project will make necessary arrangements with the cooperation partners without significant delay at the beginning of the project.
5. Undertakings of Ethiopian side
    - MoANR will primarily act as responsible agency for the undertakings including customs clearance, tax exemption and other benefits to the JICA experts.
  6. Plan of Operation
    - Plan of Operation will be further discussed and approved at the timing of the first JCC meeting.
  7. Continuous activities after termination of the project
    - Food Security Coordination Directorate under the OBoANR will continuously implement project activities after the project termination.

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End *SM*



*RP*





**Annex I Logical Framework (Project Design Matrix: PDM)**

Version 0  
Dated: 2016/09/28

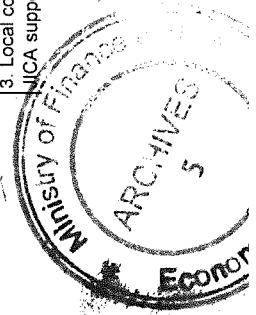
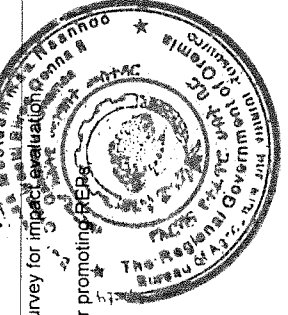
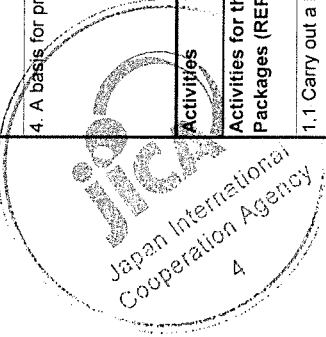
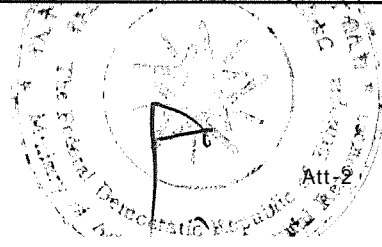
Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Target Group: Small-holder farmers in the target area of Oromia Region

Period of Project: May 2017 ~ May 2022

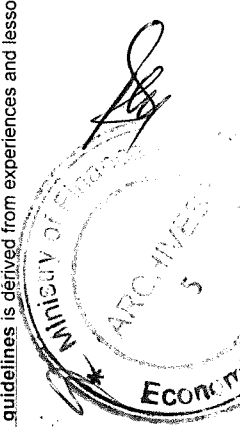
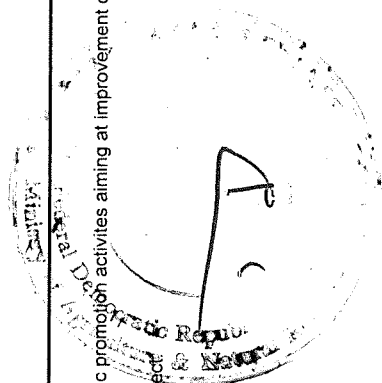
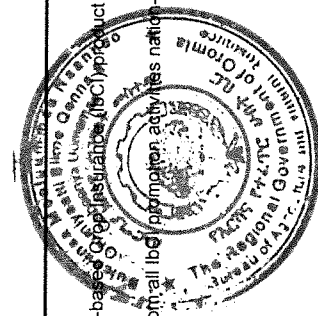
Project Site: Oromia Region

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<p><b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably</p>	<p>1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region</p>	<p>1. Agricultural policy documents on the IbCI, 2. List of insurance products,</p>	
<p><b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed</p>	<p>By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by XX number.</p>	<p>1. The guidelines agreed by the stakeholders, 2. Statistics of insurance</p>	<p>Resources to extend the activities outside Oromia region secured</p>
<p><b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed 2. Human resources for promoting the REPs is developed in Oromia Region,</p>	<p>1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination 2.1 XX number of trainees received the training and fulfilled the requirements</p>	<p>1.1 Baseline survey report 1.2 Explanation of the REPs 2.1 Training Record, manuals and post-training evaluation report</p>	<p>There is no catastrophic weather conditions that diminish the effectiveness of the IbCI The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement</p>
<p>3. The REPs are promoted in Oromia Region, 4. A Basis for promoting IbCI nation-wide is established</p>	<p>3.1 Activities for promoting REPs carried out in XX number of Kebele, 3.2 XX number of farmers complete the REPs training 4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 XX number of the officers both regional and federal governments are trained</p>	<p>3.1 Activity report, 3.2 Training report 4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report</p>	
<p><b>Activities</b> Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</p>	<p><b>Inputs</b> <b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Chief Advisor/ Rural Risk Management 2) IbCI Product Design 3) IbCI Promotion</p>	<p><b>The Ethiopian Side</b> 1. Allocation of Counterpart Personnel 2. Office space with necessary office furnitures for Japanese experts 3. Local cost that are not covered by JICA support.</p>	<p><b>Pre-Conditions</b> Majority of the counterparts continue working in respective institutions Security situations in the target areas maintains at least the current level All stakeholders maintains their willingness to extend IbCI.</p>



<p>1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy).</p> <p>1.4 Design and develop IbCI products,</p> <p>1.5 Identify and develop agricultural techniques, technologies and extension for REPs,</p> <p>1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,</p> <p>1.7 Set up the institutional arrangement for REPs,</p> <p>1.8 Formulate the implementation plan for REPs</p> <p><b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b></p> <p>2.1 Develop training materials and manuals for REPs,</p> <p>2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,</p> <p>2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.</p> <p><b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b></p> <p>3.1 Promote REPs based on implementation plan in 1.8,</p> <p>3.2 Monitor and evaluate REPs promotion activities,</p> <p>3.3 Revise and modify the implementation plan and components of REPs regularly</p> <p><b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b></p> <p>4.1 Convene annual platform meeting to exchange information and advocate IbCI</p> <p>4.2 Prepare the guidelines for promoting IbCI,</p> <p>4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments</p>	<p>4) Agricultural Extension</p> <p>5) Farm Management (input, saving &amp; credit, insurance, etc.)</p> <p>6) Rural Survey/Gender</p> <p>7) Project Coordinator/ M&amp;E</p> <p>2. Provision of the equipment (office equipment, vehicle, and supplies etc.)</p> <p>3. Training for counterpart personnel (in Japan, in Ethiopia, in third country)</p> <p>4. Local cost for the activity of Japanese Experts</p>	<p>4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)</p>
<p style="text-align: center;">▶</p> <p style="text-align: center;">&lt;Issues and countermeasures&gt;</p>		

Notes:  
 The **Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers.  
 The guidelines is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project

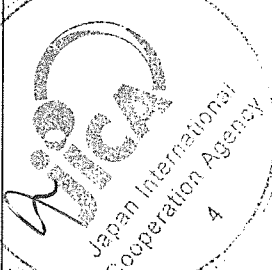


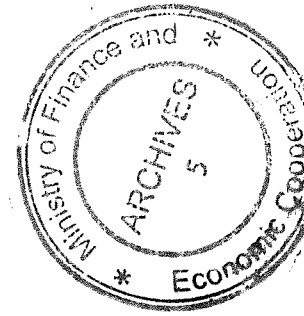


**Annex II Tentative Plan of Operation**

Version 0.0  
Dated September, 2016

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

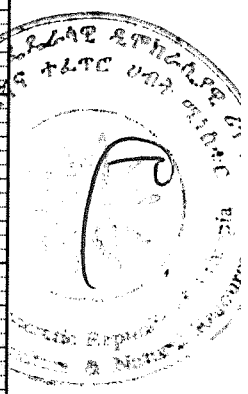
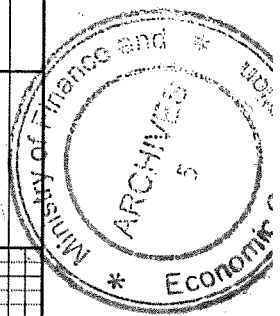
Inputs	2016												2017												2018												2019												2020												2021												2022												Remarks	Issue	Solution
	Year				2016				2017				2018				2019				2020				2021				2022				Responsible Organization		Achievements	Issue & Countermeasures																																																			
	Month	1	2	3	Month	1	2	3	Month	1	2	3	Month	1	2	3	Month	1	2	3	Month	1	2	3	Month	1	2	3	Month	1	2	3	Japan	Ethiopia																																																					
<b>Expert</b>	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual							Plan				Actual					Plan				Actual					Plan				Actual																										
1) Chief Advisor/ Rural Risk Management																																																																																							
2) Index-based Crop (IbCI) Insurance Product Design																																																																																							
3) IbCI Promotion																																																																																							
4) Agricultural Extension																																																																																							
5) Farm Management (input, saving & credit insurance, etc.)																																																																																							
6) Rural Survey/Gender																																																																																							
7) Project Coordinator/ M&E																																																																																							
Training in Japan/ 3rd Countries																																																																																							
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<b>Activities</b>																																																																																							
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Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"																																																																																							
1.1 Carry out a baseline survey for impact evaluation.	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.2 Identify target areas for promoting REPs,	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy).	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.4 Design and develop IbCI products,	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.7 Set up the institutional arrangement for REPs,	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					
1.8 Formulate the implementation plan for REPs	Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual					Plan				Actual																																					

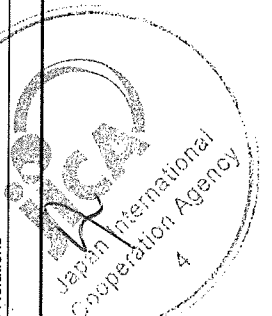
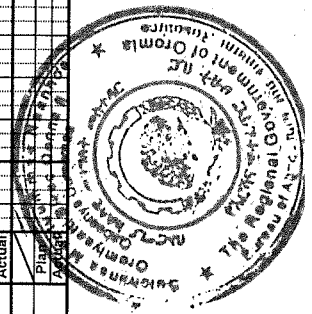
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Activities for the Output 2: "Human resources for promoting the REPs is developed"		Plan		Actual		JICA		MoANR		OBoANR	
2.1	Develop training materials and manuals for REPs.										
2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.										
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.										
Activities for the Output 3: "The REPs are promoted in the Oromia Region"		Plan		Actual		JICA		MoANR		OBoANR	
3.1	Promote REPs based on implementation plan in 1.8.										
3.2	Monitor and evaluate REPs promotion activities.										
3.3	Revise and modify the implementation plan and components of REPs regularly										
Activities for the Output 4: "A basis for promoting IBCI nation-wide is established"		Plan		Actual		JICA		MoANR		OBoANR	
4.1	Convene annual platform meeting to exchange information and advocate IBCI										
4.2	Prepare the guidelines for promoting IBCI.										
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments										

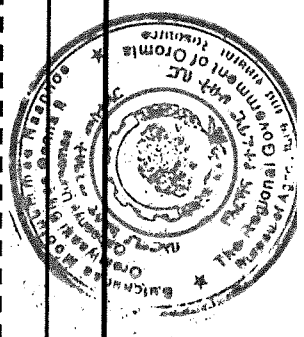
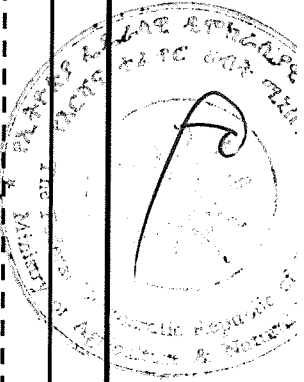
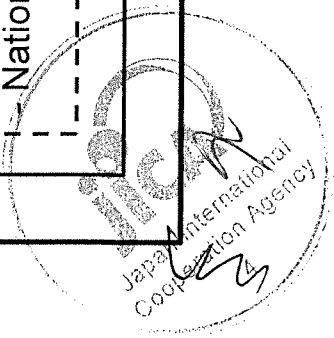
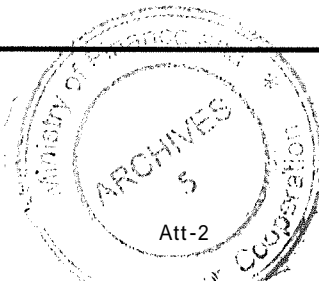
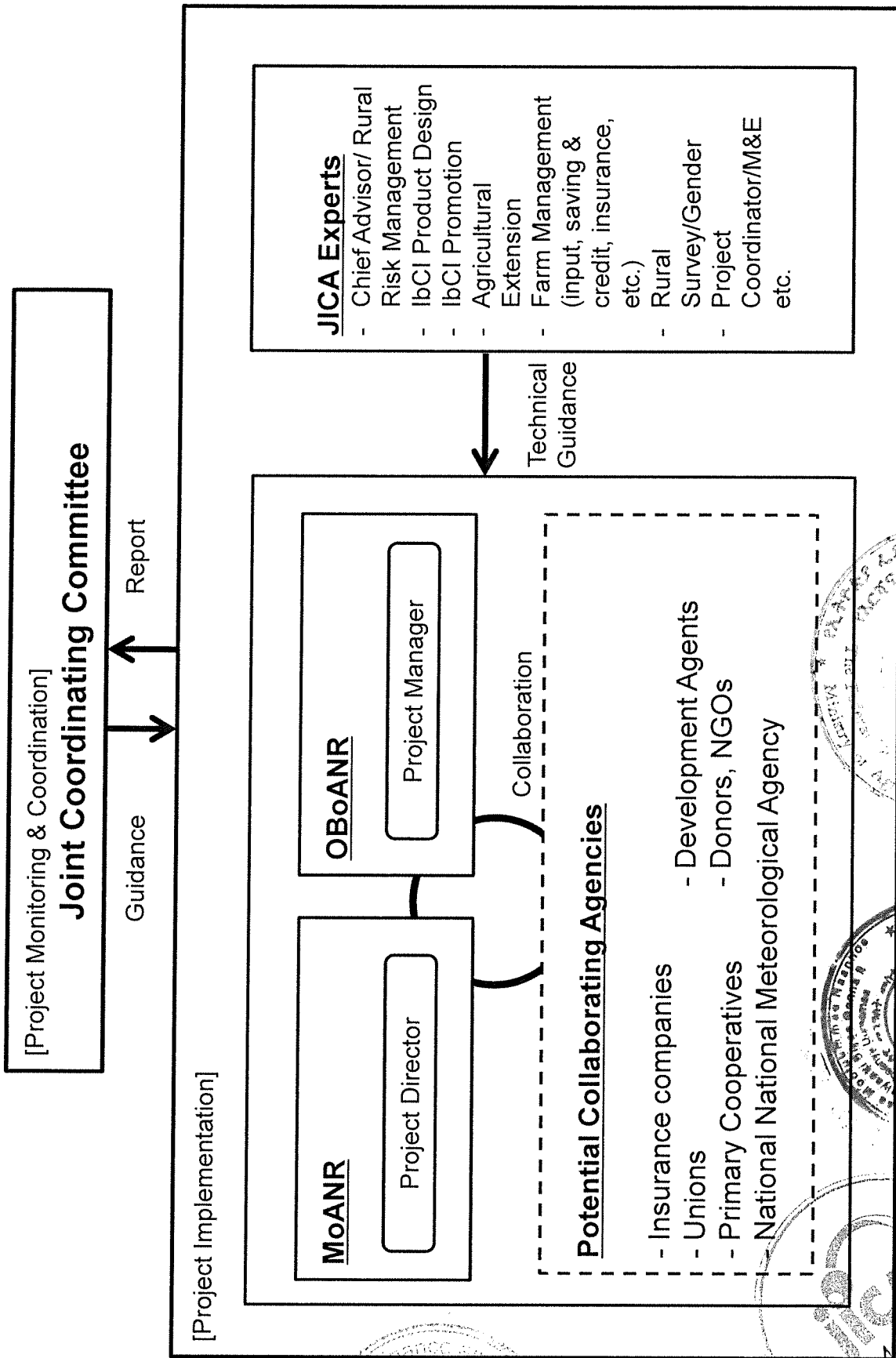
Duration / Phasing	Year		2016		2017		2018		2019		2020		2021		2022		Remarks	Issue	Solution
	Plan	Actual	1	2	3	4	5	6	7	8	9	10	11	12	1	2			
Monitoring Plan																			
Monitoring																			
Joint Coordinating Committee (JCC) Meeting																			
Baseline and endline surveys																			
Set-up the Detailed Plan of Operation																			
Submission of Monitoring Sheet																			
Monitoring Mission from Japan																			
Joint Monitoring																			
Post Monitoring																			
Reports/Documents																			
Training Materials																			
Project Progress Report																			
Guidelines																			
Important Events																			
Public Relations																			



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# Annex III Project Organization Chart



## Annex IV

### A List of Proposed Members of Joint Coordinating Committee/ Steering Committee

#### 1. Functions

The Joint Coordinating Committee (JCC) will be held at least once a year and whenever deems it necessary. Main functions of JCC are:

- (1) To approve the annual work plan and budget of the Project;
- (2) To review the overall progress and annual expenditure of the Project activities;
- (3) To conduct evaluation of the Project; and
- (4) To review and exchange views on major issues arising from or in connection with the Project.

#### 2. Members

##### (1) Chairperson:

- Project Director

##### (2) Secretary:

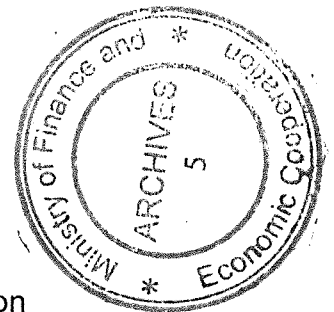
- Project Manager

##### (3) Other Members of the Ethiopian side:

- Director of Agricultural Extension Directorate, MoANR
- Director of Agricultural Input & Marketing Directorate, MoANR
- Representative of Agricultural Transformation Agency
- Representative of Ministry of Finance and Economic Cooperation
- Representatives of Regional Bureaus of Agriculture and Natural Resources
- Representative of Oromia Agricultural Cooperation Agency
- Representative of Ethiopian Institute of Agricultural Research
- Representatives of Regional Agricultural Research Institutes
- Representatives of small scale farmers in target areas
- Representative of insurance companies
- Representative of other stakeholder when necessary

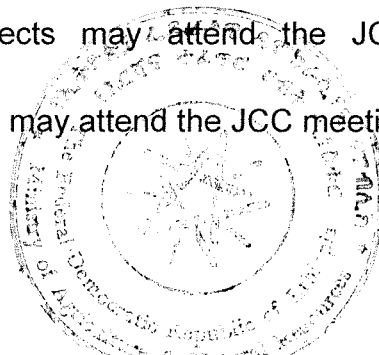
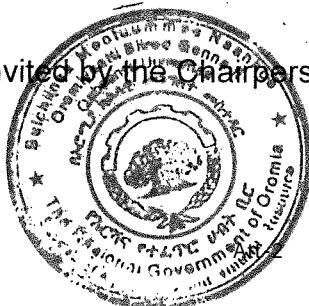
##### (4) Members of the Japanese side:

- JICA Experts
- Representatives of JICA Ethiopia Office



#### Notes:

- Officials of Embassy of Japan in the Federal Democratic Republic of Ethiopia may attend the JCC as observers.
- Representatives from related JICA Projects may attend the JCC as observers.
- Persons who are invited by the Chairperson may attend the JCC meetings.



Attachment-3 All Versions of PDM





**Logical Framework (Project Design Matrix: PDM)**

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 1.0  
 Dated: 2019/07/18

Target Group: Small-holder farmers in the target area of Oromia Region

Period of Project: Mar 2019~Feb 2024

Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,	
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured
<b>Outputs</b>			
1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report	
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report	
<b>Activities</b>	<b>Inputs</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management	1. Allocation of Counterpart Personnel	Majority of the counterparts continue working in respective institutions
1.1 Carry out a baseline survey for impact evaluation,	2) IbCI Product Design	2. Office space with necessary office furnitures for Japanese experts	Security situations in the target areas maintains at least the current level
1.2 Identify target areas for promoting REPs,	3) IbCI Promotion	3. Local cost that are not covered by JICA support.	All stakeholders maintains their willingness to extend IbCI.
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	4) Agricultural Extension	4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	
1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	5) Farm Management (input, saving & credit, insurance, etc.) 6) Rural Survey/Gender		
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	7) Project Coordinator/ M&E		
1.7 Set up the institutional arrangement for REPs,	2. Provision of the equipment (office equipment, vehicle, and supplies etc.)		
1.8 Formulate the implementation plan for REPs	3. Training for counterpart personnel (in Japan, in Ethiopia, in third country) 4. Local cost for the activity of Japanese Experts		
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>			
2.1 Develop training materials and manuals for REPs,			
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,			
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.			
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>			
3.1 Promote REPs based on implementation plan in 1.8,			
3.2 Monitor and evaluate REPs promotion activities,			
3.3 Revise and modify the implementation plan and components of REPs regularly			
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>			
4.1 Convene annual platform meeting to exchange information and advocate IbCI			
4.2 Prepare the guidelines for promoting IbCI,			
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments			

Notes:

**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,

**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

**Project Design Matrix (PDM)**

**Project Title:** The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
**Implementing Agency:** Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 2.0

**Target Group:** Small-holder farmers in the target area of Oromia Region

**Date:** Sept 2022

**Period of Project:** Mar 2019~Feb 2024

**Project Site:** Oromia Region (16 woredas in 6 zones)

<b>Narrative Summary</b>	<b>Objectively Verifiable Indicators</b>	<b>Means of Verification</b>	<b>Important Assumption</b>
<b>Overall Goal</b> Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,	
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 12,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 50,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report	
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report	
<b>Activities</b>	<b>Inputs</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management 2) IbCI Product Design 3) IbCI Promotion 4) Agricultural Extension 5) Farm Management (input, saving & credit, insurance, etc.) 6) Rural Survey/Gender 7) Project Coordinator/ M&E	1. Allocation of Counterpart Personnel  2. Office space with necessary office furnitures for Japanese experts  3. Local cost that are not covered by JICA support.  4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	Majority of the counterparts continue working in respective institutions  Security situations in the target areas maintains at least the current level  All stakeholders maintains their willingness to extend IbCI.
1.1 Carry out a baseline survey for impact evaluation, 1.2 Identify target areas for promoting REPs, 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy), 1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs, 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs, 1.7 Set up the institutional arrangement for REPs, 1.8 Formulate the implementation plan for REPs	2. Provision of the equipment (office equipment, vehicle, and supplies etc.) 3. Training for counterpart personnel (in Japan, in Ethiopia, in third country) 4. Local cost for the activity of Japanese Experts		
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>			
2.1 Develop training materials and manuals for REPs, 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders, 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.			
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>			
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly			
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>			
4.1 Convene annual platform meeting to exchange information and advocate IbCI, 4.2 Prepare the guidelines for promoting IbCI, 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments			

**Notes:**

**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers.

**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

Attachment-4 Minutes of the Kick-off Meeting on 19 April, 2019



**MINUTES OF THE KICK OFF MEETING**  
**FOR**  
**INDEX-BASED CROP INSURANCE PROMOTION PROJECT**  
**FOR RURAL RESILIENCE ENHANCEMENT (ICIP)**

Addis Ababa, 19<sup>th</sup> April, 2019

**Introduction**

Japan International Cooperation Agency (hereafter referred to as “JICA”) and the Ministry of Agriculture (hereafter referred to as “MOA”) and Oromia Bureau of Agriculture (hereafter referred to as “OBoA”) agreed with the contents of the Record of Discussion (R/D) for “Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)” (hereafter referred to as “the Project”) in July 2017. In accordance with the R/D, JICA dispatched experts to assist the implementation of the Project in March 2019.

The kick off meeting was held to formally notify all the stakeholders that the Project has begun and create common understandings of the Project. The Project Team has prepared the draft Work Plan for the first phase (March 2019 to July 2020) as well as proposed indicators of the Project Design Matrix (PDM). The Project Team took this opportunity to present and share the contents of the Work Plan and proposed project indicators with the Project stakeholders.

**1. Opening Remarks**

The kick off meeting started with opening remarks of Mr. Solomon Begna, Food Security director, Natural Resources of OBoA. He introduced brief background of the Project to the participants. Also He emphasized the importance of scaling up index-based crop insurance nationwide through this 5-year project period. At the end of the remarks, he officially declared kick off the meeting.

**2. Introduction of Attendees**

See Annex-I List of Attendees

**3. Presentation of the draft Work Plan**

Mr. Sudo, the Team Leader of ICIP, presented the contents of the draft work plan. He explained the outline and basic approach of the Project. He also introduced the team members of the Project to the meeting participants. Mr. Hirayama, the Deputy Team Leader of the Project, also presented the activities in the phase I period. The following discussion clauses shows questions and answers from the attendees and comments made in the kick off meeting.

**4. Discussions on the draft Work Plan**

1. Mr. Dimile Yismaw, Senior Social Protection Specialist, Ministry of Finance, commented

that crop insurance scheme is very important because drought occurs frequently in Ethiopia. He also raised a question that what kind of crops this project is going to cover.

2. Mr. Sudo answered that it depends on farmers' needs and request. The Project cannot cover all the types of crops. An insurance product under this Project will cover specific types crops based on demands. Mr. Hirayama also replied that major crops are different from place to place even in the target areas. For example, Eastern part of Addis Ababa such as Adama and Boset, the major crops would be maize and wheat; whereas, the major crop in Western part of Addis Ababa such as Ilu and Becho would be teff. Therefore, the Project will choose the major crops in each area to be insured.
3. Mr. Dimile Yismaw also asked that how farmers can trust insurance companies when insurance companies determine compensation of farmers' loss. He asked if the payout amount is going to be jointly decided with farmers or not. He also stressed that it is important to build the trust between insurance companies and farmers.
4. Mr. Sudo explained that one of the advantages of index-based crop insurance is to determine the compensation amount without field assessment. Insurance companies have to make a profit as business for selling index-based crop insurance so that sometimes the compensation amount would be less than farmers' expectation. The Project and insurance companies have to make farmers understand the nature of index-based crop insurance.
5. Mr. Nakada, JICA Expert in JICA HQ, also added comments that farmers usually requested more payout amount and more frequent payout. From insurance companies' point of view, they also have to generate benefit from index insurance business. It seems to be difficult for insurance companies to satisfy all the requests from farmers. It is necessary to compromise at some point between farmers requests and feasible conditions of insurance business. This is very important point when it comes to promotion of index-based crop insurance as well as development of sustainable insurance scheme.
6. Mr. Atomsa from Agricultural Transformation Agency (ATA) mentioned that loss assessment of index-based crop insurance is done by data. And the data is provided by organizations such as National Meteorological Agency (NMA). Thus, it is difficult for insurance companies to manipulate the data itself. For this reason, there is no problem with data manipulation and farmers could trust insurance companies when they decide compensation amount based on the data.
7. Mr. Hiwot Eshetu, Crop Directorate Senior Officer, National Resources of OBoA, showed his concern that how much community people involve and participate in the Project activities.
8. Mr. Sudo replied that the Project targets not only farmers who are interested in index-based crop insurance, but also it targets farmers who are interested in agricultural activities. The Project will conduct training on agricultural techniques in target kebeles. Therefore, the Project creates farmers' awareness about both index-based crop insurance and agricultural activities. Mr. Hirayama also answered that the Project will involve community people in product development process as much as possible so that the Project could develop index-based crop insurance product based on communities' needs.

9. Mr. Berhane Michael, Food Security Advisor, MoA, suggested that finalization of IbCI beneficiaries should be included in the Output 1. He also pointed out that preparation of the guideline should be placed under the Output 1 because it should be prepared before the activities start. He also gave comments that the Project should conduct promotional activities not only between January and April, but it should be done in other period.
10. Mr. Sudo explained that the guideline itself should be prepared at the 4<sup>th</sup> cycle by reflecting lessons in the previous cycles to scale-up the Project activities, yet the Project could start the preparation for the guideline from the beginning. He also appreciated the suggestions for the Project output. The Project Team will consider these points.
11. Mr. Ephrem Fufa Leta, Program Officer, JICA Ethiopia Office, pointed out that it is critical to involve private sector to promote index-based crop insurance.
12. Ms. Yoko Yamazaki, Project Formulation Advisor, JICA Ethiopia Office, commented that an important aspect of this Project is combination of index-based crop insurance and other agricultural activities as well as microinsurance. She asked that how this combination looks like.
13. Mr. Sudo exemplified that one possible combination would be index-based crop insurance and the input voucher system. Yet, the Project has not started specific activities to elaborate the REP. The realization of some ideas will be done as coming activities to develop the Resilience Enhancement Packages (REPs).
14. Mr. Dimile Yismaw pointed out that the Project could learn experience in some other countries. Probably, there are some successful cases in other countries where there are similar to Ethiopian contexts.
15. Mr. Hirayama mentioned that the Project is planning to conduct training programs in other countries such as Kenya to learn their experience and reflect their lessons to the Project activities in Ethiopia.
16. Mr. Atomsa referred that ATA is working on the input voucher system. In Oromia region, ATA is working with RuSCCOs (Rural Savings and Credit Cooperatives). It is important to engage regional level cooperatives from the initial stage of the Project. In Oromia case, regional cooperative promotion agency is engaging in the input voucher system. Index-based crop insurance could be incorporated in this voucher system.
17. Mr. Hailemalekot, Director of Rural Finance Service of ATA, mentioned that insurance could be packaged into input system. ATA is also assisting private sector to set a farm service center. This farm service center is to provide inputs, machinery and other agricultural related services. Encouraging the private sector to go into agricultural extension system is really important.
18. Mr. Nakada noted that farmers in many other countries, particularly farmers in semi-arid areas, often take “do nothing strategy or minimum strategy”. This is natural under severe drought condition. However, here insurance comes in, insurance is a very powerful tool. Insurance could compensate some amount of farmers’ loss so that insurance could encourage farmers to do better farming system. It is important to make farmers understand

that if farmers invest in certain agricultural technologies and insurance, they could overcome severe drought condition.

19. Mr. Sudo raised a question whether training on farm management is conducted in the existing extension system or not. He asked how DAs (Development Agents) provide technical assistance to farmers in the current extension system.
20. Mr. Solomon replied that DAs provide some technical training to farmers. The Farmers Training Centers (FTCs) have been established to give training to farmers at each kebele. Yet, these FTCs are sometimes not fully functional. Mr. Atomsa also added that activeness of the FTCs are different from kebele to kebele.
21. Ms. Yoko Yamazaki also asked that how much DAs know about crop insurance.
22. Mr. Solomon replied that JICA implemented the pilot project before in some areas. Also, some other donors conducted pilot projects about index-based crop insurance so that people know about crop insurance in some experienced areas.
23. Mr. Sudo expressed his concern that some other donors conducted pilot projects; yet, once they stopped activities, no one continues the activities. Our Project also has to consider sustainability even after 5-year period.
24. Mr. Hailemalekot introduced that ATA is working with Ministry of Agriculture to formulate Agricultural Risk Management Policy. The policy document is going to be prepared and this could be the foundation of Agricultural Risk Management. The Government should take a lead based on this policy document.
25. Mr. Nakada questioned that how to fill in the gap between actual losses and estimated losses. What is strategy applied for filling this gap?
26. Mr. Sudo answered that the Project might use different data source such as combination of rainfall amount and vegetation figures, for example. Also, crop cutting experiment could be one of the options. Mr. Hirayama also mentioned that index-based insurance product should be developed based on reliable data source. And also the Project will combines the reliable data source and other techniques such as crop cutting experiment to be considered to minimize basis risk.
27. Mr. Nakada also asked if this crop cutting experiment should be done every year.
28. Mr. Hirayama explained that the crop cutting experiment should be done every year if the Project develops a yield index insurance product. However, if the Project uses crop cutting experiment supplementary to check actual damage, the Project does not need to do this every year. The Project will do this experiment only if farmers complain about their losses.
29. Mr. Berhane Michael commented that an idea of index-based crop insurance is not totally new in Ethiopia. Some other donors such as WFP have been working in the area of index-based crop insurance. Therefore, it is important to reflect lessons from other projects and consider their lessons to ICIP activities.



## **5. Presentation of the Proposed Indicators for the Project**

Mr. Sudo presented the proposed indicators of the Project. The proposed indicators included the number of 1) target insured farmers in Oromia region, 2) participants of the training programs, 3) target kebeles and the REPs recipients and 4) trained government officials. Mr. Sudo explained the proposed numbers of these indicators and breakdown of each indicators. The following are questions and comments on the proposed indicators.

## **6. Discussions on the Proposed Indicators**

1. Mr. Nakada raised a question whether the indicator of the output 2, the number of trained promotors, is included agricultural cooperatives staff. He also mentioned that insurance would be suitable for commercial farmers rather than subsistence farmers because subsistence farmers could not afford to buy insurance. He asked that if the Project has specific selection criteria for target farmers or not.
2. Mr. Sudo answered that the number of agricultural cooperatives staff is not included in the proposed indicators at this initial stage. Mr. Hirayama also replied that the Project plans to give some training to insurance promotors such as agricultural cooperatives so that the indicators of the output 2 should include the number of cooperatives staff.
3. Mr. Hailemalekot pointed out that the traditional crop insurance could cover commercial farmers and even Commercial Bank of Ethiopia provides insurance to commercialized farmers. The index-based crop insurance should target small-scale farmers. Mr. Atomsa also explained that these small-scale famers are still commercial farmers so that the primary target of index-based crop insurance should be small-scale commercial farmers.
4. Ms. Yoko Yamazaki suggested that the number of women farmers should be included in the figures. It is not necessary to change the figures, yet it can be highlighted the figures of women beneficiaries. Mr. Sudo agreed with this suggestion. The Project will consider the number of beneficiaries of women.
5. Mr. Berhane stressed that it is important involvement of regional officers to implement the Project activities effectively. The regional officers should take responsibility for implementation of the Project.
6. Mr. Sudo emphasized that these proposed indicators are still initial ideas so that these numbers should be revised depending on the progress of activities and actual situation.

Before the closing remarks, Mr. Solomon expressed regret at absence of Mr. Endelkachew, the Deputy Head of Natural Resources, OBoA and the Project Manager of ICIP due to social matters. However, Mr. Solomon also expressed the commitment of the Oromia Bureau of Agriculture to succeed the Project.

## **7 . Closing Remarks**

Mr. Takeshi Matsuyama, Senior Representative of JICA Ethiopia Office, gave closing remarks. He congratulated to kick off the Project and he emphasized two points. One is uniqueness of

the JICA technical cooperation project which is thinking together and working together style with the Ethiopian government. Another point is that sustainability of the Project. The Project has 5-year period and it is necessary to see the current situation carefully to make sustainable model of index-based crop insurance. He also referred that this kick off meeting was supposed to be the Joint Coordination Committee (JCC) meeting; yet, unfortunately, there was an urgent social issue so that this meeting became the kick-off meeting. The JCC meeting is still important to implement the Project so that the initial JCC meeting will be set up soon. Finally, he remarked his appreciation to active participation of all the attendees.

End

## **Annex-I**

### **Attendees List**

#### **Ministry of Agriculture**

Mr. Berhane W/michael      Food Security Advisor, Natural Resources and Food Security Directorate  
Mr. Tomohiko Taminato      Agricultural Growth and Transformation Advisor

#### **Ministry of Finance and Economic Cooperation**

Mr. Dimile Yismaw      Senior Social Protection Specialist

#### **Oromia Bureau of Agriculture**

Mr. Hiwot Eshetu      Senior Officer of Crop Directorate, Capacity Development  
Mr. Solomon Begna      Director of Natural Resources and Food Security Directorate

#### **Agricultural Transformation Agency**

Mr. Hailemekeot Teklegiorgis      Director of Rural Finance Services  
Mr. Atomsa Basha      Microfinance Officer

#### **JICA Ethiopia Office**

Mr. Shunichi Nakada      JICA Senior Advisor  
Mr. Takeshi Matsuyama      Senior Representative  
Ms. Yoko Yamazaki      Program Formulation Advisor  
Mr. Genya Nakamura      Representative Agriculture  
Mr. Ephrem Fufa Leta      Program Officer

#### **JICA ICIP Team**

Mr. Akira Sudo      Team Leader/ Rural Risk Management  
Mr. Kota Hirayama      Deputy Team Leader/ Rural Risk Management  
Ms. Miho Kanno      Project Coordinator/ M&E/ Agricultural Extension (2)  
Ms. Moe Nonoshita      Rural Survey/ Gender  
Ms. Daki Kampe Dido      Administration Assistant



Attachment-5 Minutes of the Meeting for the 1st JCC Meeting on 18 July, 2019



**MINUTES OF THE MEETING  
ON  
THE FIRST JOINT COORDINATION COMMITTEE MEETING  
FOR  
INDEX-BASED CROP INSURANCE PROMOTION PROJECT  
FOR RURAL RESILIENCE ENHANCEMENT (ICIP)**

**AGREED UPON BETWEEN  
MINISTRY OF AGRICULTURE  
OROMIA BUREAU OF AGRICULTURE  
AND  
JAPAN INTERNATIONAL COOPERATION AGENCY**

Addis Ababa, 18<sup>th</sup> July, 2019



**Sintayehu Demissie Admasu**  
**Food Security Coordination**  
**Directorate Director**

Sintayehu Demissie  
Director/ Project Director,  
Food Security Coordination  
Directorate, Natural Resources  
and Food Security Sector,  
Ministry of Agriculture  
The Federal Democratic  
Republic of Ethiopia

Endalkachew Tefari

Deputy Head/ Project  
Manager,  
Natural Resources and Food  
Security,  
Oromia Bureau of  
Agriculture

Akira SUDO

Team Leader  
Index-based Crop Insurance  
Promotion Project for Rural  
Resilience Enhancement  
(ICIP)



## **Introduction**

Japan International Cooperation Agency (hereafter referred to as “JICA”) and the Ministry of Agriculture (hereafter referred to as “MOA”) and Oromia Bureau of Agriculture (hereafter referred to as “OBoA”) agreed with the contents of the Record of Discussion (R/D) for “Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)” (hereafter referred as to “the Project”) in July 2017. In accordance with the R/D, JICA dispatched experts to assist the implementation of the Project in March 2019.

The Project kick-off meeting was held on 19<sup>th</sup> April 2019 in Addis Ababa. The Project Team prepared the draft Work Plan for the first phase (March 2019 to July 2020) and an intensive discussion was done to create common understanding of the Project among the stakeholders. The Project took the opportunity of this 1<sup>st</sup> JCC meeting to present the Project Design Matrix (PDM) version 1.0 including proposed indicators.

### **1. Welcome and Opening Remarks**

The 1<sup>st</sup> JCC meeting kicked off with welcome remarks of Ms. Sentayehu Demisse, Director of Natural Resources and Food Security Coordination, the Ministry of Agriculture, the Project Director of ICIP. She expressed appreciation to all the participants for their attendance. She also mentioned that this JCC meeting will be a good opportunity for her to learn the new topic, index-based crop insurance.

Mr. Endalkachew Tefari, Deputy Head of Natural Resources and Food Security, Oromia Bureau of Agriculture, the Project Manager, gave an opening remark to the committee. He stressed the importance of agricultural sector in Ethiopia and he expected that the Project would contribute to enhancing farmers’ resilience through mitigating their agricultural risks.

### **2. Introduction of Attendees**

See Annex-I List of Attendees

### **3. Presentation of the Project Activities and PDM version 1.0**

The Project Team briefly introduced the outline of the Project and shared the progress of the activities since the Project started. The Project Team also proposed the indicators for the Project Design Matrix (PDM) version 1 as follows:

Item	Indicator	Proposed Indicator
Project Purpose	The number of insured farmers	20,000 farmers
Output 2	The number of trainees received trainings	700 trainees
Output 3	1) The number of target kebeles 2) The number of trained farmers of the REPs	1) 130 kebeles 2) 70,000 trained farmers
Output 4	The number of trained officers for the guideline	34 officers



**Sintayehu Demissie Admasu**  
**Food Security Coordination**  
**Directorate Director**

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#### 4. Discussions

- Selection criteria for the target woredas:  
The Project Team explained that the selection criteria for the target woredas. The criteria include agricultural production area, agricultural risks, market potential/ large population, active farmers' training centers as well as cooperatives and no other donor's activities. OBoA also confirmed that some of the target woredas include PSNP woredas.
- Implementation structure of the Project:  
The participants confirmed the roles and responsibilities of MOA and OBoA to implement the Project. The Project Team stressed that the presence of both MOA and OBoA at the JCC meeting is important, particularly to establish the foundation to scale up the Project activities nationwide. The Project Team also shared the information with the participants that the Record of Discussion of the Project has already signed by the MOA and OBoA and they both agreed the implementation structure of the Project.

OBoA also explained that the actual implementation activities would be done together with OBoA and the Project Team. In addition, the technical working group would be established to discuss technical matters under the Project. Crop directorate of OBoA also expressed their support to the Project activities through this technical working group.

- Coordination with other development agencies:  
It is important to learn and share the experience and lessons with other agencies working in the area of agricultural insurance. MOA agreed that they would communicate with other donors to consider how to facilitates cooperation between the Project and other donors. The Project Director would also communicate with RED&FS secretary to discuss how they could share the Project activities in a RED&FS meeting.
- Proposed indicators for the PDM version1:  
Oromia Cooperative Promotion Agency commented that the indicator of output2 should be included in primary cooperative staff. The Project Team explained that the Project would invite primary cooperative staff to a series of training programs under the Project. Also, the Project Team counted 3 DAs in each kebele; yet, there might be only 2 DAs in some kebeles. Thus, Oromia Cooperative Promotion Agency and other participants confirmed that the proposed indicator of output2 "700 trainees" would be still applicable.

OBoA also suggested that the indicator of output4 should be included in people from federal government. The participants agreed with this suggestion and concluded that the proposed indicator of outpur4 should be "37 trainees" instead of "34 trainees". The participants reviewed and discussed all the other proposed indicators and the



**Sintayehu Demissie Admas**  
**Food Security Coordinatio**  
**Directorate Director**

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PDM version1, and they agreed the following indicators and the PDM version1 (see Annex-II PDM version1):

Item	Indicator	Proposed Indicator
Project Purpose	The number of insured farmers	<b>20,000</b> farmers
Output 2	The number of trainees received trainings	<b>700</b> trainees
Output 3	3) The number of target kebeles	3) <b>130</b> kebeles
	4) The number of trained farmers of the REPs	4) <b>70,000</b> trained farmers
Output 4	The number of trained officers for the guideline	<b>37</b> officers

## **5. Closing Remarks**

Mr. Makoto Shinkawa, Chief Representative of JICA Ethiopia Office, gave closing remarks. He congratulated to launch the Index-based Crop Insurance Project and appreciated active participation of MOA, OBoA and other stakeholders to the 1<sup>st</sup> JCC meeting. He emphasized two points. One is to create joint effort with other donors and stakeholders. Many other stakeholders are working on index-based insurance in Ethiopia. Hence, it is important for the Project to create synergy with other stakeholders. The Second is sustainability of the Project. Sustainability is the key challenge for not only this Project, but also other similar projects. It is particularly important to make sustainable index-based crop insurance model. He also stressed that JICA puts priority in quality than speed. JICA contributes to long term vision of this country rather than short term one. Therefore, capacity development is key for JICA's projects. He closed his remarks by wishing effective results of the Project and further cooperation between JICA and Ethiopian government.

End

### **Annexes:**

Annex-I : Attendees List

Annex-II : PDM Version 1.0




**Sintayehu Demissie Admasu**  
**Food Security Coordination**  
**Directorate Director**

## Annex-I

### Attendees List

#### Ministry of Agriculture

Ms. Sentayehu Demisse

Director/ Project Director, Food Security Coordination, Natural Resources and Food Security Directorate

Mr. Berhane W/michael

Food Security Advisor, Natural Resources and Food Security Directorate

#### Oromia Bureau of Agriculture

Mr. Endalkachew Tefari

Deputy Head/ Project Manager, Natural Resources and Food Security Directorate

Mr. Solomon Begna

Director of Natural Resources and Food Security Directorate

Mr. Beyene Mamo

Director of Crop Directorate

#### Oromia Cooperative Promotion Agency

Mr. Gamada Olana

Deputy Head of Oromia Cooperative Promotion Agency

#### JICA Ethiopia Office

Mr. Makoto Shinkawa

Chief Representative

Ms. Yoko Yamazaki

Program Formulation Advisor

Mr. Masahiro Saiga

Representative

Mr. Ephrem Fufa Leta

Program Officer

#### JICA ICIP Team

Mr. Akira Sudo

Team Leader/ Rural Risk Management

Mr. Kota Hirayama

Deputy Team Leader/ Rural Risk Management

Mr. Atomsa Besha

Index-based Insurance Coordinator

Ms. Daki Kampe Dido

Administration Assistant

**Annex I Logical Framework (Project Design Matrix: PDM)**

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 1.0  
 Dated: 2019/07/18

Target Group: Small-holder farmers in the target area of Oromia Region

Period of Project: Mar 2019~Feb 2024

Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,	
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured
<b>Outputs</b>			
1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report	
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report	
<b>Activities</b>	<b>Inputs</b> <b>The Japanese Side</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management	1. Allocation of Counterpart Personnel	Majority of the counterparts continue working in respective institutions
1.1 Carry out a baseline survey for impact evaluation,	2) IbCI Product Design	2. Office space with necessary office furnitures for Japanese experts	Security situations in the target areas maintains at least the current level
1.2 Identify target areas for promoting REPs,	3) IbCI Promotion	3. Local cost that are not covered by JICA support.	All stakeholders maintains their willingness to extend IbCI.
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	4) Agricultural Extension	4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	
1.4 Design and develop IbCI products.	5) Farm Management (input, saving & credit, insurance, etc.)		
1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	6) Rural Survey/Gender		
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	7) Project Coordinator/ M&E		
1.7 Set up the institutional arrangement for REPs,	2. Provision of the equipment (office equipment, vehicle, and supplies etc.)		
1.8 Formulate the implementation plan for REPs	3. Training for counterpart personnel (in Japan, in Ethiopia, in third country) 4. Local cost for the activity of Japanese Experts		
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>			
2.1 Develop training materials and manuals for REPs,			
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,			
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.			
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>			
3.1 Promote REPs based on implementation plan in 1.8,			
3.2 Monitor and evaluate REPs promotion activities,			
3.3 Revise and modify the implementation plan and components of REPs regularly			
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>			
4.1 Convene annual platform meeting to exchange information and advocate IbCI			
4.2 Prepare the guidelines for promoting IbCI,			
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments			

**Notes:**


The **Resilience Enhancement Packages** (REPs) include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers.

The **guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.



Attachment-6 Presentation Materials for the 2nd JCC Meeting on 28 April, 2021





**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement**  
**ICIP**

**Achievement of Phase-1(1st Cycle) and Plan for Phase-2 (2nd Cycle)**

**29 April 2021**  
Sanyu consultants Inc.  
SOMPO Risk Management Inc.

1

**Project Outline**

Overall Goal:  
Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably.

Project Purpose :  
The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.

2

**Risk Management through "REPs"**

Risk Control	Risk Finance
<b>Agricultural Techniques</b> (Example) - Water saving technologies - Introduction of early maturing varieties	<b>Insurance</b>
<b>Agricultural Inputs</b> (Example) - Seeds, DAP, UREA, etc.	<b>Insurance</b>
<b>Financial Services</b> (Example) - Agricultural Loans, etc.	<b>Insurance</b>

**REPs**

3

**Overall Schedule of ICIP (Phase-1,2 and 3)**

2019	2020	2021	2022	2023	2024
	<b>PHASE-1</b>	<b>Phase-2</b>			<b>Phase-3</b>
	<b>1st Cycle</b> (Completed)	<b>2nd Cycle</b>	<b>3rd Cycle</b>		<b>4th Cycle</b>

**Now we are here.**

**In Phase-1, we have completed one cycle (1st Cycle).**

**In Phase-2, we will implement two cycles (2nd and 3rd) over two years.**

4

**Achievement of Phase-1 (1st Cycle)**

5

**Achievement of Phase 1 (1)**

**Overall Schedule**

2019												2020									
3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10		
■ Launch the Project	■ Kick-off W/S																				

**Phase1 completion**

✓ Postpone the training in Japan and the training in Kenya

✓ Postpone the donor mtg

6

### Achievements in Phase 1 (2)

Project Purpose	Indicators	Progress
The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	• Guidelines will be prepared in Phase 2. • <b>The insured farmers is increased by 1,125.</b>
Output		
1. Resilience Enhancement Package (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	• Impact analysis will be done in Phase 2.
2. Human resources for promoting the REPs is developed in the Oromia Region	2.1 700 trainees received the training and fulfilled the requirements	• <b>490 trainees received the training.</b>
3. The REPs are promoted in the Oromia Region	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	• <b>Promoting REPs carried out in 36 kebeles.</b> • <b>7,400 farmers completed the REPs training.</b>
4. A basis for promoting IbCI nationwide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained.	• Output 4 will be done in Phase 2.

7

### Review Survey on REPs Promotion (1)

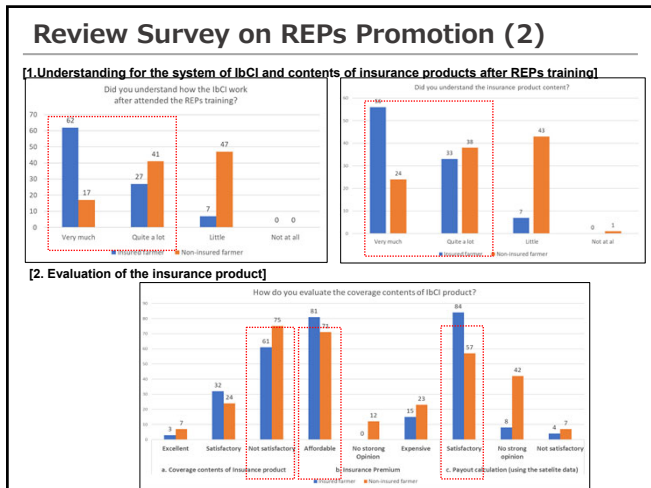
**[Outline of Review Survey]**  
**Objective** : To collect information in order to reflect the advantages and lessons learned from the 1st cycle for the 2nd and subsequent cycles  
**Period** : from mid-May to the end of June, 2020  
**Method** : Focus Group Interview using questionnaire by project staff  
**Targeted Person** : Insured farmers, Non-insured farmers → **Total 206 farmers**  
*Insured farmers 96 (Male farmers 80, Female farmers 16)*  
*Non-insured farmers 106 (Male farmers 89, Female farmers 17)*  
**Targeted Area** : All targeted Kebeles of 1st cycle (12 Woredas, 36 Kebeles)

**Main reasons for purchasing or non-purchasing of insurance (from the survey results)**  
**[Insured farmers: Main reasons for purchasing the insurance]**  
 ✓ Insurance covered the risks for their agriculture.  
**[Non-insured farmers: Main reasons for non-purchasing the insurance]**  
 ✓ They do not have a good understanding of insurance products,  
 ✓ The risk other than drought is the main risk in their area, so the insurance products did not meet their needs, and  
 ✓ The cash required to purchase insurance.

**Points to be considered of the REPs Promotion Activities for the future cycle (from the survey results)**

1. Level of understanding of farmers about the REPs
2. Level of skills / knowledges of DAs about the REPs
3. Expansion of REPs delivery channels
4. Appropriate timing of REPs training for farmers
5. Contents of REPs

8



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### Payout Results of the 1st Cycle

Zone	Woreda	No. of insured farmers	Sum insured amount (ETB)	No. of payout received farmers	Payout amounts (ETB)
East Shewa	Adama	11	22,000	0	0
	Boset	85	92,667	72	10,700
	Dugda	209	158,702	165	28,406
Bora	Bora	29	38,000	29	7,220
	Ilu	122	106,667	84	38,360
Bacho	Bacho	46	52,000	46	18,393
	Siraro	265	328,672	265	55,874
Nagelle Arsi	Nagelle Arsi	170	222,679	170	45,000
	Shalla	116	162,667	116	24,400
Heban Arsi	Heban Arsi	14	28,000	14	6,880
	Degeluna Tijo	20	40,000	20	6,000
Lude Hitosa	Lude Hitosa	38	76,000	18	15,480
	<b>Total</b>	<b>1,125</b>	<b>1,328,054</b>	<b>999</b>	<b>256,713</b>

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### Trial Farm Activities (Phase-1)

**Objective** Disseminate agricultural techniques for farmers and verify which agricultural technology should be included in REPs

**Period** From end of May – November, 2020

**Target area** 12 villages out of all 36 villages (Select one village from the 12 woredas)

**Training** Three times in this season

**Implementation flow** Based on the proposal submitted by the target villages, the project supports the agricultural materials for 12 villages.

The project distributes the monitoring sheets and smartphones to DAs, and conduct remote monitoring as a trial.

Based on effect of introduced agricultural technology, the project verify which agricultural technology should be included in REPs

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### Trial Farm Activities (2)

No	Proposed techniques	Cultivating Crops	Target Risk
1	Line planting	Wheat/Teff	Pest & Disease
2	Intercropping	Maize/Haricot bean	Pest & Disease
3	Crop diversification	Onion, Cabbage, Carrot, Lettuce and maize beet root and sweet potato	Fluctuation of prices/ Resisting from climate change
4	Tide ridge	Wheat/Teff	Drought

**Training** 690 farmers participated in the on-farm training until Nov, 2020

Example of further training contents on Aug and September

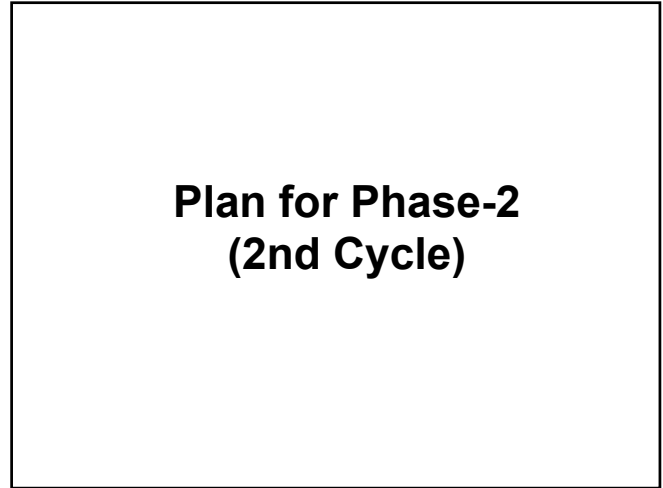
Woreda	Training contents
Negele Arsi	Cost Benefit analysis training on onion harvesting
Bacho	Teff and Wheat management
Shalla	How to manage intercropping

12

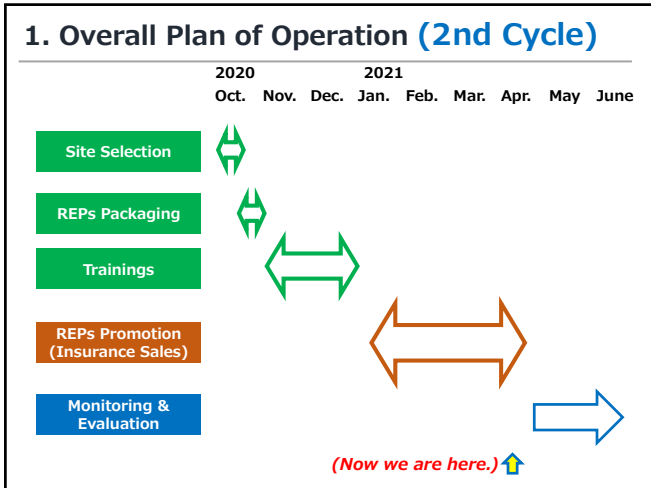




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14



15

**2. Effect of COVID-19 Pandemic to the Project**

**(1) Restriction of Number of Participants to Workshops, TOT Trainings, Field Trainings (REPs Promotion)**

- For Phase-1 (1st Cycle), the Project had to shift REPs Promotion Activities in the middle of promotion Period (shift from massive workshop Style to visit on individual farmer household). This shift gave big impact on promotion activities, resulted in the number of insured farmers.
- For Phase-2 (2nd Cycle), the Project have to shift workshops (kebele level workshop) and trainings (Training for trainers), from massive workshop style to focus group interview/small scale training sessions.
- For Phase-2, the Project have to start REPs promotion activities by visit on individual farmers household.

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**Effect of COVID-19 Pandemic to the Project**

**(2) Restriction of Trip of Japanese Experts to Ethiopia**

- Most of works of Japanese Experts had to shift to Remote style. (on-line)
- To respond to this situation, the Project had to limit number of new Kebele to be included in 2nd Cycle (originally 48 new kebele was planned to be included, but actually 18 new kebele were added.)

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### 3. Target Area in the 2<sup>nd</sup> Cycle of Phase-2 (This year)

#### Intensive promotion area for 36 kebeles including 18 new kebeles and 18 follow up kebeles

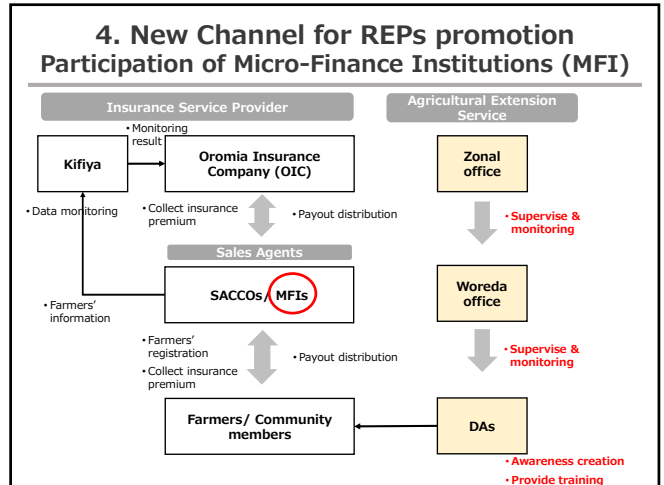
Zone	Woreda	2 <sup>nd</sup> Cycle
East Shewa	Adama	3
	Boset	6
	Dugda	6
South West Shewa	Bora	3
	Ifu	3
West Arsi	Bacho	3
	Siraro	6
	Nagelle Arsi	6
Arsi	Shalla	6
	Heban Arsi	6
Total	Degeeluna Tijo	2
	Iude Hitosa	2
		1 (Jammo)
		1 (Fursa)
		<b>Total 64 kebeles</b>
		<b>Intensive Promotion (36 kebeles)</b>
		<b>Promotion (8 kebeles)</b>
		<b>Monitoring (10 kebeles)</b>

**Intensive Promotion kebeles**  
(3 new kebeles and 3 follow-up kebeles in 6 Woreda)

**Promotion kebeles**  
(8 follow-up kebeles)

**Monitoring kebeles**  
(just distribution brochures and posters)

19



20

### 5. Achievement in 2<sup>nd</sup> Cycle (As of 25 April, 2021)

**Number of Insured Farmers**  
So far 1,535 farmers. In addition, 1,348 farmers registered their names to purchase but not yet pay premium.

**Number of Participants for TOT**  
Total 435 participants for necessary trainings (Training for Trainers) for the 2<sup>nd</sup> Cycle.

**Number of Participants for REPs trainings**  
Total 6,105 farmers attended REPs trainings.

21

### 6. Trial farm (2<sup>nd</sup> Cycle)

<b>Period</b>	Ongoing																																
<b>Objective</b>	<ul style="list-style-type: none"> <li>Technology exhibition/Dissemination to farmers</li> <li>Verifying which agricultural technology should be included in REPs</li> </ul>																																
<b>Target</b>	<b>Continuing kebele :10villages</b> <b>New kebele :15villages Total 25 FTC</b> <b>Model farmers : Total 29farmers (Continue10villages)</b>																																
<b>Action flow</b>	Each FTC submits the proposal about introduced agricultural technology, then Project support agricultural materials based on them.																																
<b>Training</b>	Three times in one season (at FTC level)																																
<b>Introduced technics</b>	<table border="1"> <thead> <tr> <th>No</th> <th>Techniques</th> <th>Cultivating crops</th> <th>Target risk</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Line planting</td> <td>Teff</td> <td>Work management</td> </tr> <tr> <td>2</td> <td>Intercropping</td> <td>Maize, Haricot bean</td> <td>Pest&amp;Disease</td> </tr> <tr> <td>3</td> <td>Crop diversification</td> <td>Onion, Beet root etc</td> <td>Fluctuation of prices</td> </tr> <tr> <td>4</td> <td>Tide-ridge</td> <td>Maize</td> <td>Drought</td> </tr> <tr> <td>5</td> <td>Full package</td> <td>Wheat</td> <td>Whole general risk</td> </tr> <tr> <td>6</td> <td>Seed adaptation</td> <td>Wheat-Teff</td> <td>Pest&amp;Disease etc.</td> </tr> <tr> <td>7</td> <td>Biofertilizer</td> <td>Wheat-Teff-HB</td> <td>Soil degradation</td> </tr> </tbody> </table>	No	Techniques	Cultivating crops	Target risk	1	Line planting	Teff	Work management	2	Intercropping	Maize, Haricot bean	Pest&Disease	3	Crop diversification	Onion, Beet root etc	Fluctuation of prices	4	Tide-ridge	Maize	Drought	5	Full package	Wheat	Whole general risk	6	Seed adaptation	Wheat-Teff	Pest&Disease etc.	7	Biofertilizer	Wheat-Teff-HB	Soil degradation
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6	Seed adaptation	Wheat-Teff	Pest&Disease etc.																														
7	Biofertilizer	Wheat-Teff-HB	Soil degradation																														

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### 7. Project PR Activities

<b>Newsletter</b>	<ul style="list-style-type: none"> <li>Issued once in a month</li> <li>A4size 2pages (pdf)</li> </ul>
<b>Facebook</b>	<a href="https://www.facebook.com/ICIP.Ethiopia/">https://www.facebook.com/ICIP.Ethiopia/</a> <ul style="list-style-type: none"> <li>To support the update and maintenance of ICIP FB page operated by OBoA.</li> <li>Update the Project activities such as Activities in the filed, Training, Interview and others (updated at any time)</li> </ul>
<b>Brochure</b>	<ul style="list-style-type: none"> <li>Issued(revised) and distributed in each cycles to related stakeholders.</li> <li>Brochure contains introduction of project, Explanation of project approach, insurance product, introduction of agricultural techniques, and others.</li> </ul>
<b>Promotion Movie</b>	<ul style="list-style-type: none"> <li>Promotion movie contains introduction of project, interview with concerned person, concept of REPs, and others</li> <li>Consigned to Video Production company in Addis Ababa</li> <li>Movie will be completed and shared in April, 2021.</li> </ul>
<b>Radio Program (for REPs Promotion)</b>	<ul style="list-style-type: none"> <li>Radio program contains introduction of project, interview with concerned person, importance of agricultural risk management, and others.</li> <li>Program is now on air at PM 7:25-7:55 every Sunday, 8 weeks starting from 11th April on Oromia Broadcasting Network(OBN). (re-broadcasting on Tuesday at AM 11:30-12:00.)</li> </ul>

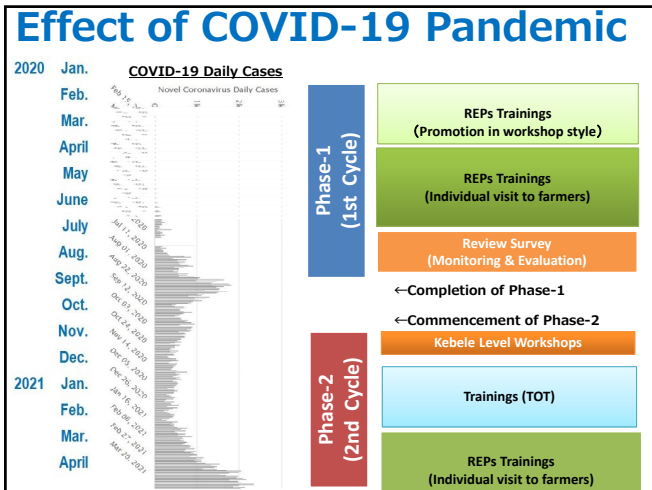
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**JICA Technical Cooperation Project**  
  
**Index-based Crop Insurance Promotion  
Project for Rural Resilience Enhancement**  
  
**Modification of Indicators  
to be proposed**  
  
 Addis Ababa, 29 April 2021

1

**Project Design Matrix (PDM) :**  
 The Goal, Purpose, Outputs and Activities were logically framed in PDM.  
  
**Objectively Verifiable Indicators :**  
 The Indicators were set for Goal, Purpose and Outputs, for monitor and evaluate progress and achievement of the Project.  
  
*The figures of existing indicators were proposed, discussed and approved on the 1st JCC Meeting (July 2019).*

2



3

**2.Effect of COVID-19 Pandemic to the Project**

**(1) Restriction of Number of Participants to REPs Promotion**

- For Phase-1 (1st Cycle), the Project had to shift REPs Promotion Activities in the middle of promotion Period (shift from massive workshop Style to visit on individual farmer household).
- For Phase-2, the Project have to start REPs promotion activities by visit on individual farmers household.

**(2) Restriction of Trip of Japanese Experts to Ethiopia**

- The Project had to limit number of new Kebele to be included in 2nd Cycle (originally 48 new kebele was planned to be included, but actually 18 new kebele were added.)

4

**Project Purpose**

**Project Purpose :**

“The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.”

*(indicators in existing PDM)*

1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.
2. The number of the insured farmers in Oromia Region is increased by **20,000** number.

5

**Indicator (2) of the Project Purpose**

= The number of the insured farmers in Oromia Region is increased by **20,000** number. (in 4 Cycles in 5 years)

**Calculation Base:**

1,000 household (average per kebele) x 130 Kebele x 15% take-up rate  
(15% came from the record of RREP Project 5 years ago)

**Achievement so far (1st and 2nd Cycle):**

1,125 number (1st Cycle), 1,535 number (2nd Cycle) as of 25 April

The existing indicator (20,000) shall be revised, to respond to the new situation (such as the change of REPs promotion mode from group workshop to individual visit) under COVID-19, which could not be predicted at the beginning of the Project.

6

## Suggestions

### Option-A (Percentage):

Instead of number, percentage of take-up rate (number of purchasers divided by number of training participants) through 4 cycles (5 years) can be the indicator. (ex. 15%)

### Option-B (Decreased Number):

Estimated number of purchaser under the new situation (COVID-19) can be a new indicator.  
(ex.  $1125+1500+2000+2385=7,000$ )

7

Output-3

### Output-3:

*“The REPs are promoted in Oromia Region “*

*(indicators in existing PDM)*

1. Activities for promoting REPs carried out in 130 number of Kebele
2. **70,000** number of farmers complete the REPs training

8

### Indicator (2) of Output-3

= **70,000** number of farmers complete the REPs training  
(in 4 Cycles in 5 years)

### Calculation Base:

Participation of 600 farmers x 130 Kebele  
(600 came from the record of RREP Project 5 years ago)

### Achievement so far (1st and 2nd Cycle):

7,400 farmers (1st Cycle), 6,105 farmers (2nd Cycle) as of 25 April

The existing indicator (70,000) shall be revised, to respond to the new situation (such as the change of REPs promotion mode from group workshop to individual visit) under COVID-19, which could not be predicted at the beginning of the Project.

9

## Suggestions

### Option-A (Percentage):

Instead of number, percentage of participation (number of participation divided by number of total household in all Kebele) through 4 cycles (5 years) can be a indicator. (ex. 25%)

### Option-B (Decreased Number):

Estimated number of participation under the new situation (COVID-19) can be a new indicator.  
(ex.  $7,400+5,600+6,000+6,000=25,000$ )

10

### The Way Forward:

**To consider more accurate estimation as much as possible through 5 years, we like to see the final result of on-going 2nd cycle.**

**On the next JCC Meeting (to be held at the end of 2nd cycle, for the report of the achievement of the 2nd cycle and plan for the 3rd cycle), more detailed proposals on the modification of indicators shall be presented, for JCC approval.**

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THANK YOU

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Attachment-7 Minutes of Meeting for the 2nd JCC Meeting on 28 April, 2021



**MINUTES OF THE MEETING**  
**ON**  
**THE SECOND JOINT COORDINATION COMMITTEE MEETING**  
**FOR**  
**INDEX-BASED CROP INSURANCE PROMOTION PROJECT**  
**FOR RURAL RESILIENCE ENHANCEMENT (ICIP)**

**AGREED UPON BETWEEN**  
**MINISTRY OF AGRICULTURE**  
**OROMIA BUREAU OF AGRICULTURE**  
**AND**  
**JAPAN INTERNATIONAL COOPERATION AGENCY**

29<sup>th</sup> April, 2021



Sintayehu Demisse

Director/ Project Director,  
Food Security Coordination  
Directorate, Natural Resources  
and Food Security Sector,  
Ministry of Agriculture  
The Federal Democratic  
Republic of Ethiopia



Endalkachew Tefari

Deputy Head/ Project  
Manager,  
Natural Resources and  
Food Security,  
Oromia Bureau of  
Agriculture



Akira SUDO

Team Leader  
Index-based Crop Insurance  
Promotion  
Project for Rural Resilience  
Enhancement  
(ICIP)

## **Introduction**

Japan International Cooperation Agency (hereafter referred to as "JICA") and the Ministry of Agriculture (hereafter referred to as "MOA" and Oromia Bureau of Agriculture (hereafter referred to as "OBoA") agreed with the contents of the Record of Discussion (R/D) for "Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)" (hereafter referred to as "the Project") in July 2017. In accordance with the R/D, JICA dispatched experts to assist the implementation of the Project in March 2019.

The 1<sup>st</sup> Joint Coordination Committee (JCC) was held on 18<sup>th</sup> July 2021. In the 1<sup>st</sup> JCC, the Project Design Matrix (PDM) version 1.0 including proposed indicators was approved by the JCC members. Also, there was active discussions on target areas as well as coordination with other development partners. This 2<sup>nd</sup> JCC was held on 29<sup>th</sup> April, 2021 to present the achievements of the Project activities in the 1<sup>st</sup> season and raise revision of the indicators.

### **1. Welcome and Opening Remarks**

The 2<sup>nd</sup> JCC meeting started with opening remarks of Ms. Sintayehu demise, Director of Natural Resources and Food Security Coordination, the Ministry of Agriculture, the Project Director of ICIP. She expressed her appreciation for attendance of the JCC members. She stressed the importance of this JCC meeting to share with all the stakeholders the progress of ICIP in the 1<sup>st</sup> phase as well as the activity plan for the phase 2 period. She mentioned that she would also appreciate if the participants give us comments and feedback actively during the discussion.

Mr. Endalkachew Tefari, Deputy Head of Natural Resources and Food Security, Oromia Bureau of Agriculture, the Project Manger, also gave brief introduction to the participants. After he briefly described the Project background, he remarked that the ICIP activities are important for the Ethiopian government to improve farmers' resilience and index-based crop insurance is innovative approach to achieve this goal.

### **2. Introduction of Attendees**

See Annex-I List of Attendees

### **3. Presentation: Achievement of Phase-1 and Plan for Phase-2**

The Project Team summarized the achievement of Phase-1 (1<sup>st</sup> cycle) as follows:

Item	Indicator	Results of Phase-1
Project Purpose	The number of insured farmers	The insured farmers is increased by 1,125.
Output 2	The number of trainees received trainings	490 trainees received the



Item	Indicator	Results of Phase-1
		training.
Output 3	1) The number of target kebeles 2) The number of trained farmers of the REPs	1) 36 kebeles 2) 7,400 farmers completed the REPs training.
Output 4	The number of trained officers for the guideline	Output 4 will be done in Phase-2.

The Project Team also briefly introduced the progress for Phase-2. The progress of the Phase-2 includes:

- ✓ The phase-2 covers 54 kebeles in total.
- ✓ The TOT programs were held online in November 2020 and February 2021. There are 435 participants for the TOT programs.
- ✓ A microfinance institution is added as an intermediary of insurance distribution.
- ✓ As of 25 April, 2021, the number of insured farmers is 1,535 farmers and the number of REPs trained farmers is 6,105 farmers.

The Project Team also shared the idea about modification of the Project indicators because of the COVID-19 pandemic. The Project Team proposed two options; 1) percentage of take-up rate instead of specific insured numbers and 2) revision of target number of insured farmers considering the COVID-19 situation.

#### **4. Discussions**

- New modalities of the Project activities under the COVID-19 situation:  
The participants confirmed that the Project should consider new modalities such as using video materials under the COVID-19 pandemic. In fact, the Project Team explained that the Project has already produced video materials for some of the agricultural techniques. In the phase-2 and phase-3, the Project would continue to use video materials and try to increase training topics for video materials.
- Considering new type of index-based crop insurance:  
One of the comments of the participant was that the Project primary focuses on drought prone areas; yet farmers are facing many other risks in other areas. If the Project could cover non-drought prone areas, that would be helpful. The project team responded that the Project just started the discussion with concerned stakeholders about new type of index-based crop insurance such as area-yield index insurance. This type of insurance could cover different risks other than drought. The Project team would continue to consider feasibility of the new index-based crop insurance products.
- Importance of raising farmers' awareness:  
The Project Team also introduced broadcasting of the radio program for index-based crop insurance to raise farmers' awareness of agricultural risk

management. The Project Team mentioned that they also consider to use other media programs to provoke awareness of farmers towards risk management activities

- Utilizing weather forecast services:

The Project Team stated that they do not have any specific ideas to collaborate with weather forecast services at the moment. Yet, research centers and some private companies might be able to offer weather related services. The Project Team would explore any possibility to collaborate such organizations in the future.

- Involvement of Saving and Credit Cooperative (SACCO) Unions:

The participant raised the importance of SACCO unions to promote index-based crop insurance in rural areas. The Project team explained that SACCO unions have played a vital role of the project activities and they have participated in our TOT program. The Project Team would continue to facilitate their participation in our project activities even in the phase-2.

- Performance of the index-based crop insurance product:

The Project Team also shared the performance of the VICI (Vegetation Index Crop Insurance) product. Under the ICIP activities, the VICI have been working well compared to the rainfall-index insurance which was used in the previous project. At least, the VICI has less basis risk in our target area so far. Yet, it might be difficult to simply compare between the two different types of index-based crop insurance products. The performance also depends on data set. For example, if a rainfall index insurance product uses better rainfall estimate data set, its performance could be improved.

Although the VICI has been working well, the Project Team considers other types of index insurances such as area-yield index insurance in the future because this type of insurance could cover different risks other than drought risk.

- Adoption of the introduced agricultural technologies:

The Project Team has not carried out the evaluation survey yet. The mid-term evaluation survey will be carried out in August 2021. In this survey, the Project Team would try to grasp the impact of project activities including adoption of agricultural techniques as well as farmers' behavioral changes.

- Insurance payment for the 1st cycle:

The Project Team remarked that approximately 88% of the insurance farmers received payouts; yet the payout amount was around 20% of the total sum insured amount. This means that a number of farmers experienced shortage of rainfall in the 1st cycle; however, their damage was not so serious. Therefore, the insurance payout amounts were rather limited.

- Inputs for agricultural policy formulation:

The Project Team remarked that the index-based crop insurance is still just starting

point. ICIP is trying to establish the basis for agricultural insurance policy to promote it nationwide. In this process, the Project is trying to figure out that roles of the government and roles of the private companies to work together including subsidiary policy for agricultural insurance. ICIP is trying to promote index-based crop insurance without governmental premium subsidy at the moment. If the Project Team finds that it might be difficult to continue the activities without governmental subsidy, then governmental subsidy might be an option to promote agricultural insurance in the future. We, JCC members, should continue to discuss how public sector and private sector work together to promote agricultural insurance.

• Revised indicators for the Project Design Matrix:

The proposed revised indicators would be reviewed among the stakeholders. The Project Team would further consider the revised version of the project indicators based on the results of the 2nd cycle and organize a meeting if it is necessary. It is expected that the revised indicators would be discussed and approved in the next JCC meeting.

## 5. Closing Remarks

Mr. Tsuyoshi Matsuyama, Senior Representative of JICA Ethiopia Office, gave closing remarks. He appreciated all the participants for their attendance on this 2<sup>nd</sup> JCC even in difficult conditions of the COVID-19. He also mentioned that he was very happy to hear many suggestions and comments from the participants. This means that many people are interested in ICIP and they expect ICIP to get good results. Mr. Matsuyama emphasized that inputs for policy formulation and development of the guideline are important activities. The Project should be implemented jointly the Japanese side and the Ethiopian side together. In this regard, he would appreciate even more involvement the Ethiopian side in order to take over the index-based crop insurance activities at the end of the Project period.

End

### **Annexes:**

Annex-I : Attendees List



## Annex-I

### Attendees List

#### Ministry of Agriculture

Ms. Sintayehu Demisse Director/ Project Director, Food Security Coordination,  
Natural Resources and Food Security Directorate  
Mr. Berhanu W/michal Advisor for Food Security coordination Director  
Mr. Keisuke Urasugi Agricultural Growth and Transformation Advisor

#### Oromia Bureau of Agriculture

Mr. Endalkachew Tefari Deputy Head/ Project Manager, Natural Resources and  
Food Security Directorate  
Mr. Solomon Begna Director of Natural Resources and Food Security  
Directorate

#### Agricultural Transformation Agency

Mr. Berhane kidanu Team Leader/ Sacco Strengthening Team, Rural Finance  
Services  
Mr. Solomon Legese Senior project officer/ Sacco strengthening Team, Rural  
Finance Services

#### Oromia Insurance Company S.C

Mr. Melkachew Temesgen Manager/ Agriculture and Microinsurance Department

#### Kifiya Financial Technology

Mr. Munir Duri Chief Executive Officer

#### WASASA Microfinance Institutions S.C

Mr. Amsalu Alemayehu Chief Executive Officer

#### JICA Headquarters

Mr. Shunichi Nakada Senior Advisor

#### JICA Ethiopia Office


Mr. Takeshi Matsuyama Senior Representative  
Mr. Masaki Wakai Representative

#### JICA ICIP Team

Mr. Akira Sudo Team Leader/ Rural Risk Management  
Mr. Kota Hirayama Deputy Team Leader/ Rural Risk Management  
Mr. Takahiro Funayama Farm Management/ Index-based Crop Insurance  
Promotion (2)  
Ms. Miho Kanno Project Coordinator/M&E/ Agricultural Extension (2)  
Moe Nonoshita Rural Survey/ Gender  
Mr. Atomsa Beshu Index-based Insurance Coordinator  
Ms. Daki Kampe Dido Administration Assistant

Attachment-8 Presentation Materials for the 3rd JCC Meeting on 28 April, 2022





**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement**  
**ICIP**

**Project Overview**

**28 April 2022**  
**JICA ICIP Team**

1

**Project Outline**

Project Period:  
5 Years (2019-2024)

Project Area:  
Oromia Region (for Implementation)  
Nationwide (for guideline dissemination)

Implementation Agency:  
Oromia Bureau of Agriculture, and  
Ministry of Agriculture

Project Finance :  
The Government of Japan  
through Japan International Cooperation Agency (JICA)

2

Overall Goal:

Index-based Crop Insurance (IbCI) for resilience enhancement is **disseminated and operated sustainably.**

Project Purpose :

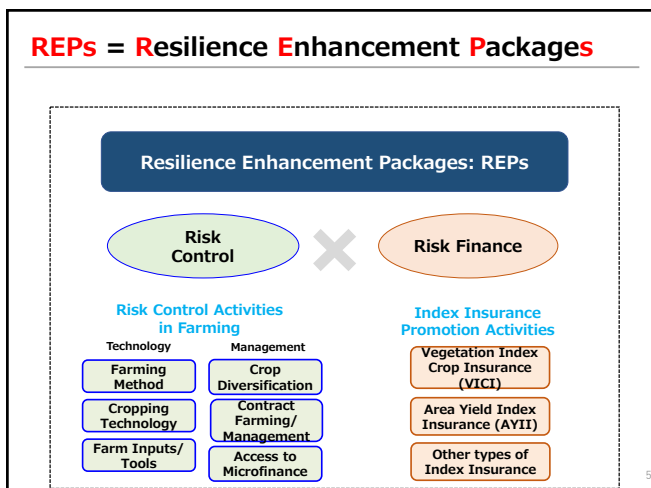
The **institutional capacity** of the Index-based Crop Insurance for rural resilience enhancement is **developed.**

3

**Project Concept:**

**What is “REPs Approach”?**

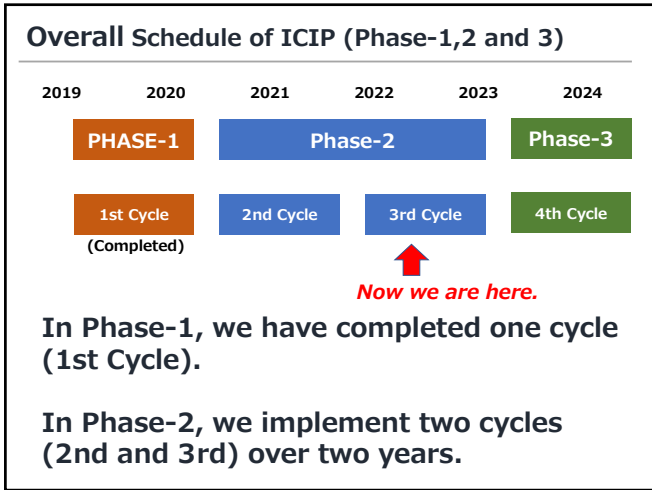
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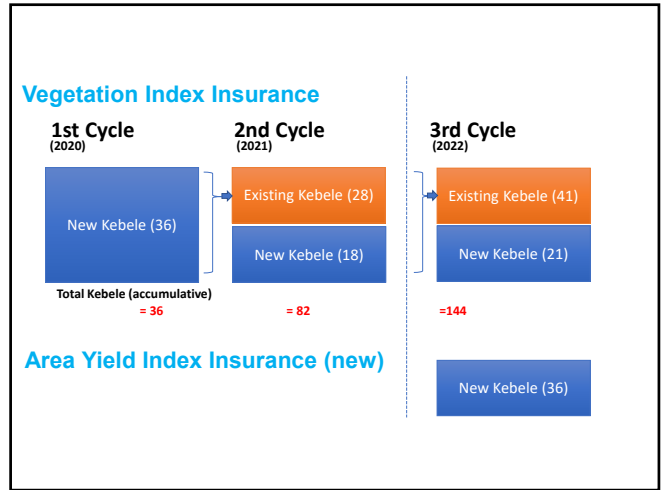
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**Project Schedule**

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**Achievement in the 1st and 2nd Cycle**

**Number of Participants for REPs trainings**

1st Cycle : Total 7,400 farmers

2nd Cycle : Total 9,838 Farmers

**Number of Insured Farmers**

1st Cycle : 1,125 Farmers (15%)


2nd Cycle : 2,352 Farmers (25%)

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**Arigato Gozaimasu !**

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 JICA Technical Cooperation Project

*Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement*

## Proposed Modification of Indicators

Addis Ababa, 28 April 2022

1

**Project Design Matrix (PDM) :**  
 The Goal, Purpose, Outputs and Activities were logically framed in PDM.

**Objectively Verifiable Indicators :**  
 The Indicators were set for Goal, Purpose and Outputs, for monitor and evaluate progress and achievement of the Project.

*The figures of existing indicators were proposed, discussed and approved on the 1st JCC Meeting (July 2019).*

2

### 1. Challenges encountered

(1) COVID-19

- Government’s direction (no workshops/meetings with many participants)
- Limitation of international trip

(2) Domestic Conflict in Ethiopia

- No trip of Project Staff to project sites
- Limitation of international trip

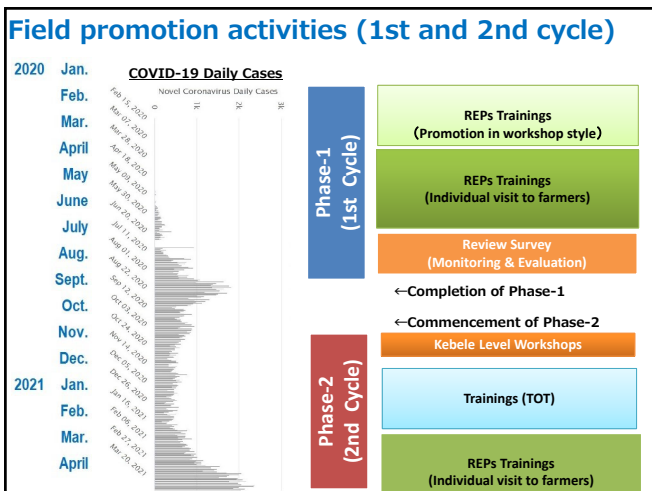
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### Effect of COVID-19 Pandemic to the Project

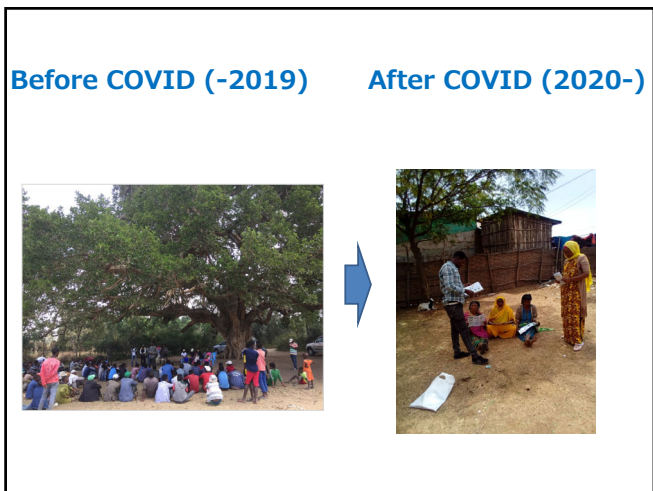
(1) Restriction of Participants to REPs Promotion

- Based on Directive No.30 by the Ministry of Health, meetings/workshops with more than 50 Participants were prohibited (August 2020 – recently).
- For Phase-1 (1st Cycle), the Project had to shift REPs Promotion Activities in the middle of promotion Period (shift from massive workshop style to visit on individual farmer household). For Phase-2 (2nd Cycle and on-going 3rd Cycle), the Project has to implement REPs promotion activities by frequent visit on small group of farmers.

4



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## Effect of COVID-19 Pandemic to the Project

### (2) Restriction of Trip of Japanese Experts to Ethiopia

- ICIP's Japanese Experts could not be assigned in Ethiopia from March 2020 to July 2021 (1.5 years)
- During these period, operation of ICIP was based on on-line mode.
- Considering inefficient operation by on-line, the Project had to limit number of new Kebele to be included in 2nd Cycle (originally 48 new kebele were planned to be included, but actually 18 new kebele were added.)

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## Effect of Domestic Conflict in Ethiopia

### (1) No Trip of Project Staff to Project Sites

- Based on JICA's security instruction, project staff were prohibited to go to project sites from November 2021 to December 2021 (2 months).

### (2) Restriction of Trip of Japanese Experts to Ethiopia

- ICIP's Japanese Experts could not be assigned in Ethiopia from November 2021 to February 2022 (4 months) as per JICA's instruction.
- During these period, operation of ICIP was based on on-line mode.

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## 2. Proposed Modification of Indicators

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Project Purpose

### Project Purpose :

"The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed."

*(indicators in existing PDM)*

1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.
2. The number of the insured farmers in Oromia Region is increased by **20,000** number.

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### Indicator (2) of the Project Purpose

= The number of the insured farmers in Oromia Region is increased by **20,000** number. (in 4 Cycles in 5 years)

#### **Calculation base of original indicator:**

1,000 household (average per kebele) x 130 Kebele x 15% take-up rate (15% came from the record of RREP Project 5 years ago)

#### **Achievement so far (1st and 2nd Cycle):**

1,125 farmers (1st Cycle), 2,352 farmers (2nd Cycle) were insured.

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### **Projection (3rd and 4th Cycle):**

3rd Cycle : 2,460 Farmers

4th Cycle : 2,730 Farmers

The existing indicator (20,000) shall be revised, to respond to the current situation such as COVID-19, which could not be predicted at the beginning of the Project.

### **Suggestions**

Estimated number of purchaser (8,000) under the new situation (COVID-19) can be a new indicator. (ex.  $1125+2352+2460+2730=8,667$ )

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**Output-3:**

*“The REPs are promoted in Oromia Region “*

*(indicators in existing PDM)*

1. Activities for promoting REPs carried out in 130 number of Kebele
2. **70,000** number of farmers complete the REPs training

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**Indicator (2) of Output-3**

= **70,000** number of farmers complete the REPs training (in 4 Cycles in 5 years)

**Calculation base of original indicator:**

Participation of 600 farmers x 130 Kebele  
(600 came from the record of RREP Project 5 years ago)

**Achievement so far (1st and 2nd Cycle):**

7,400 farmers (1st Cycle), 9,838 farmers (2nd Cycle)

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**Projection (3rd and 4th Cycle):**

3rd Cycle : 17,640 Farmers

4th Cycle : 18,800 Farmers

The existing indicator (70,000) shall be revised, to respond to the current situation such as COVID-19, which could not be predicted at the beginning of the Project.

**Suggestions**

Estimated number of purchaser (50,000) under the new situation (COVID-19) can be a new indicator. (ex.  $7400+9838+17,640+18,800=52,758$ )

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**The Way Forward:**

To consider more accurate estimation as much as possible through 5 years, we will see the final result of on-going 3rd cycle, and also we will reflect the result of further discussions among stakeholders.

On the next JCC Meeting, more detailed proposals on the modification of indicators (with more accurate projection) shall be presented, for more realistic discussion and approval by JCC.

However, comments/opinions/questions on this issue at today's meeting are very much welcomed.

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Attachment-9 Minutes of Meeting for the 3rd JCC Meeting on 28 April, 2022



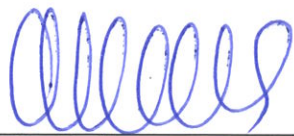
**MINUTES OF THE MEETING  
ON  
THE THIRD JOINT COORDINATION COMMITTEE MEETING  
FOR  
INDEX-BASED CROP INSURANCE PROMOTION PROJECT  
FOR RURAL RESILIENCE ENHANCEMENT (ICIP)**

**AGREED UPON BETWEEN  
MINISTRY OF AGRICULTURE  
OROMIA BUREAU OF AGRICULTURE  
AND  
JAPAN INTERNATIONAL COOPERATION AGENCY**

28<sup>th</sup> April, 2022

  
Sintayehu Demisse

Director/ Project Director,  
Food Security Coordination  
Directorate, Natural Resources  
and Food Security Sector,  
Ministry of Agriculture  
The Federal Democratic  
Republic of Ethiopia

  
Elias Kadir

Deputy Head/ Project  
Manager,  
Natural Resources and Food  
Security,  
Oromia Bureau of  
Agriculture

  
Akira SUDO

Team Leader  
Index-based Crop Insurance  
Promotion  
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Enhancement  
(ICIP)



## **Introduction**

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The 1<sup>st</sup> Joint Coordination Committee (JCC) was held on 18<sup>th</sup> July 2021. In the 1<sup>st</sup> JCC, the Project Design Matrix (PDM) version 1.0 including proposed indicators was approved by the JCC members. The 2<sup>nd</sup> JCC was held on 29<sup>th</sup> April 2021 to present the achievements of the Project activities in the 1<sup>st</sup> Phase and activity plan for the 2<sup>nd</sup> Phase. This 3<sup>rd</sup> JCC was held on 28<sup>th</sup> April 2022. The achievements and progress of the Project activities since the 2<sup>nd</sup> JCC were reported. Also, the revision of the PDM indicators were raised and discussed.

### **1. Welcome and Opening Remarks**

The 3<sup>rd</sup> JCC started with opening remarks of Dr. Katsuki MORIHARA, Chief Representative of JICA Ethiopia Office. He expressed his sincere appreciation for the efforts of all the stakeholders including MOA, OBoA, JICA Project Team as well as development partners and financial institutions to continue the activities even under the difficult situation such as COVID-19 pandemic and unstable security situation. He also emphasized the sustainability of the Project. He pointed out that the ownership of the Project is key to sustain the Project in the future and he showed his expectations that the Project activities are rooted in the existing Ethiopian government mechanism during the rest of the Project period. He also referred that building climate resilient agriculture is one of the main pillars for JICA's cooperation in Africa and index-based insurance is one of the tools to achieve this particular subject. He concluded the opening remarks by saying that he hoped that this 3<sup>rd</sup> JCC produces lots of guidance for all the stakeholders.

### **2. Introduction of Attendees**

See Annex-I List of Attendees



### **3. Presentation: Achievement of 2<sup>nd</sup> cycle and Plan for 3<sup>rd</sup> cycle**

The Project Team summarized the achievement of 2<sup>nd</sup> cycle as follows:

Item	Indicator	Results of Phase-2
Project Purpose	The number of insured farmers	The insured farmers are increased by 3,450
Output 1	1) Baseline survey for impact analysis completed, 2) REPs are available for dissemination	Mid-term evaluation survey was conducted.
Output 2	The number of trainees received trainings	795 trainees received the training.
Output 3	1) The number of target kebeles 2) The number of trained farmers of the REPs	1) 80 kebeles 2) 17,131 farmers completed the REPs training.
Output 4	The number of trained officers for the guideline	Output 4 will be done in Phase-3.

The Project team also briefly introduced the progress for the 3<sup>rd</sup> cycle as follows:

- ✓ The new type of index insurance, Area-Yield Index Insurance (AYII), was introduced for the 3<sup>rd</sup> Cycle,
- ✓ The 3<sup>rd</sup> cycle targeted 63 kebeles for Vegetation Index Crop Insurance (VICI) and 36 kebeles for AYII,
- ✓ As 28<sup>th</sup> of April 2022, the total number of insured farmers under the 3<sup>rd</sup> cycle reached approximately 1,900 farmers,
- ✓ Trial farm activities are also ongoing at 25 Farmers Training Center (FTC) and training was provided to 29 model farmers,
- ✓ The Project Team continue the Public Relations (PR) activities including monthly newsletter, facebook page, youtube videos, radio program and brochures,
- ✓ The dialogue platform for supporting agricultural insurance in Ethiopia is under preparation. It will be organized on 11<sup>th</sup> May 2022.

The Project Team also shared the idea about modification of the Project indicators because of the COVID-19 pandemic as well as travel restrictions. The Project Team proposed revised target numbers based on the achievements of the past 2 years.

### **4. Discussions**

#### **Dialogue Platform for Supporting Agricultural Insurance in Ethiopia**

- OBoA commented that the involvement of MOA in the dialogue platform is very

important. It needs enough time to prepare for this platform.

- OBoA also pointed out that agricultural insurance policy might not be in charge of Natural Resources and Food Security Directorate. It is necessary to engage proper sector or directorate from MOA in this activity. Involvement of policy makers at national level is also important.
- The team leader of ICIP responded that one of the major challenges of this dialogue platform is to decide how this dialogue platform should be managed with MOA. The Project Team will invite a policy advisor for MOA to the 1<sup>st</sup> dialogue platform meeting. After that, we, the Project Team, will discuss how to promote agricultural insurance policy formulation together with MOA.
- The participant from MOA mentioned that the idea of the dialogue platform has already closely communicated with MOA. The policy advisor for MOA could present the policy direction of agricultural insurance policy in the 1<sup>st</sup> dialogue platform meeting.

#### Payout Ratio of the 2nd cycle

- WASASA, microfinance institution, questioned that payout ratio was 56% for the 2nd cycle, and asked if this commercially viable for insurance companies.
- Kifiya Financial Technologies responded that 56% is actually renewal rate for insurance policy so this is not loss ratio. He also emphasized that loss ratio is different from year to year. Looking at loss ratio in only one year, it might be high; yet, the total loss ratio will be decreased when looking at past several years all together.
- WASASA also asked if the Project Team expands the target areas, risks for insurers will increase.
- The Project Team answered that the target areas have different characteristics. Perhaps, there are both drought prone areas and non-drought prone areas. Therefore, expansion of the target areas does not mean the increase of insurer' risks. On the contrary, it is important to expand the target areas to include different areas in order to reduce risks of insurance companies.

#### Toward Agricultural Insurance Policy

- WASASA commented that what kind of agricultural insurance policy the Project Team and other stakeholders would discuss during the dialogue platform. He wondered that the agricultural insurance policy includes government subsidies for agricultural insurance.
- The Project Team responded that specific discussions have not started yet. Different







stakeholders have different experience and ideas with regard to the insurance subsidiaries. This topic will also be discussed in a series of dialogue platform meetings and the Project Team will try to figure out what the best way is to promote agricultural insurance in Ethiopia.

#### Sustainability of the Project

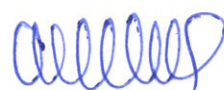
Mr. Nakada, Senior Advisor of JICA HQs, commented the following points:

- It is very important to ensure the sustainability of the Project. The concept of insurance is actually very abstract to farmers. In order to promote crop insurance continuously, real stories are necessary for farmers. Collecting real stories are very important to keep farmers convinced benefits of agricultural insurance.
- New technologies need investment. Sometimes, farmers hesitate to invest in new things. If the Project Team collect observations about how farmers are motivated to invest in new things including new techniques and inputs, that would be helpful.
- There is a trade-off between payout frequency and farmers' satisfaction. Setting appropriate trigger levels could make both private sector and farmers satisfied. Otherwise, insurance scheme benefits only either private sector or farmers. Considering this point, it is also important to provide technical guidance to set proper triggering levels for index-based crop insurance products.
- Globally, crop insurance scheme is heavily subsidized. It might be useful to learn from experience in other countries in terms of the role of governments.

#### Revision of the PDM indicators

- JICA Ethiopia Office commented that if new indicators will be discussed in the next JCC, that means after one year. In this case, the remaining Project period is too short. It'd better to discuss specific new indicators earlier than the next JCC.
- The Project Team explained that the timing of this 3<sup>rd</sup> JCC is a little bit behind the schedule because of the COVID-19 pandemic and travel restrictions. Therefore, the next JCC meeting could be held in September 2022 before the 4<sup>th</sup> cycle.
- JICA Ethiopia Office also pointed out that proposed 8,000 insured numbers seems the lowest numbers the Project Team could estimate. JICA Ethiopia Office understands that there are lots of restrictions so far. Yet, these restrictions are almost lifted. Considering this new situation, the Project Team should estimate more reasonable revised numbers. The JICA Ethiopia Office asked counter part's opinions about these revised indicators.
- MOA answered that these proposed indicators are not final ones. If the next JCC is

⑤



held in September, that would be a good opportunity to discuss this matter. However, it is better to discuss this topic with OBoA, MOA and The Project team even before the next JCC.

- OBoA also mentioned that if expert members from OBoA, MOA and the Project Team discuss new indicators first, and then it should be finalized and endorsed at the time of the next JCC meeting.

#### Motorbike Distribution

- The JICA Ethiopia Office raised the issue about motorbike distribution. The JICA Office procured motorbikes for facilitating agricultural extension services, and these motorbikes were already handed over to OBoA. However, these motorbikes have not been distributed to the target woredas yet. The JICA Ethiopia Office reminded OBoA to facilitate the process of motorbike distribution.
- OBoA replied that OBoA has been trying to solve this problem. OBoA mentioned that they understand this problem should be solved as soon as possible. If OBoA could not solve the problem, they would discuss the JICA Ethiopia Office again. Mr. Solomon, OBoA, mentioned that he hopes this problem would be solved by the time of the next JCC meeting.

#### 5. Closing Remarks

Mr. Berhanu, Advisor for Food Security Coordination Directorate at MOA, gave closing remarks. He appreciated all the participants for their attendance on this 3<sup>rd</sup> JCC meeting. He mentioned that this Project is important to protect smallholder farmers against climate risks, MOA expects the expansion of the target areas more than Oromia region to maximize the benefits of index-based crop insurance in the future. Also, he emphasized the importance of coordination among MOA, OBoA and the JICA Project Team to realize the project goal. As for the dialogue platform, he reminded all the JCC participants that they should not miss this dialogue platform meeting on 11<sup>th</sup> May. Finally, he remarked that small groups consisting of experts from MOA, OBoA and the JICA Project Team should discuss project indicators before the next JCC meeting so that the next JCC could be successful.

End



## Annex-I

### Attendees List

#### Ministry of Agriculture

Mr. Berhanu W/michal Advisor for Food Security Coordination Director

#### Oromia Bureau of Agriculture

Mr. Solomon Begna Director of Natural Resources and Food Security Directorate

#### Oromia Cooperative Promotion Agency

Mr. Galana Deresa Expert

#### Agricultural Transformation Agency

Mr. Awet Tekie (online) Team Leader/ Sacco Strengthening Team, Rural Finance Services

Ms. Selam Abayneh Project officer/ Sacco strengthening Team, Rural Finance Services

#### Oromia Insurance Company S.C

Mr. Melkachew Temesgen Manager/ Agriculture and Microinsurance Department

#### Ethiopian Insurance Corporation

Mr. Tariku Gerew Principal Officer, Microinsurance Department

#### Kifiya Financial Technology

Mr. Megersa Miresa Director of Microinsurance Department

#### WASASA Microfinance Institutions S.C

Mr. Amsalu Alemayehu Chief Executive Officer

#### JICA Headquarters

Ms. Saki Minai (online) Economic Development Department

Mr. Shunichi Nakada (online) Senior Advisor

#### JICA Ethiopia Office

Dr. Katsuki Morihara Chief Representative

Mr. Yuhi Miyauchi Representative

Mr. Abera Awano Program Officer

#### JICA ICIP Team

Mr. Akira Sudo Team Leader/ Rural Risk Management

Mr. Kota Hirayama Deputy Team Leader/ Rural Risk Management

Mr. Takahiro Funayama Farm Management/ Index-based Crop Insurance Promotion (2)

Ms. Miho Kanno (online) Project Coordinator/M&E/ Agricultural Extension (2)

Ms. Moe Nonoshita Rural Survey/ Gender

Mr. Atomsa Beshu Index-based Insurance Coordinator

Ms. Alemnesh Dejene Agricultural Project Officer

Ms. Daki Kampe Dido Administration Assistant

Mr. Elias Bedasa Videographer/ PR and Communication Assistant

①






Attachment-10 Presentation Materials for the 4th JCC Meeting on 29 September, 2022







**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement**  
**ICIP**

**Project Overview**

**29 Sept. 2022**  
**JICA ICIP Team**

**Project Outline**

Project Period:  
5 Years (2019-2024)

Project Area:  
Oromia Region (for Implementation)  
Nationwide (for guideline dissemination)

Implementation Agency:  
Oromia Agricultural Bureau, and  
Ministry of Agriculture

Project Finance :  
The Government of Japan  
through Japan International Cooperation Agency (JICA)

Overall Goal:

Index-based Crop Insurance (IbCI) for resilience enhancement is **disseminated and operated sustainably.**

Project Purpose :

The **institutional capacity** of the Index-based Crop Insurance for rural resilience enhancement is **developed.**

**Project Schedule**

**Overall Schedule of ICIP (Phase-1,2 and 3)**

2019	2020	2021	2022	2023	2024
	PHASE-1	Phase-2		Phase-3	
	1st Cycle (Completed)	2nd Cycle (Completed)	3rd Cycle	4th Cycle	

↑  
**Now we are here.**

**In Phase-1, we have completed one cycle (1st Cycle).**

**In Phase-2, we implement two cycles (2nd and 3rd) over two years.**

**Number of Kebele (1,2 and 3rd Cycle)**

**Vegetation Index Insurance**

1st Cycle (2020)	2nd Cycle (2021)	3rd Cycle (2022)
New Kebele (36)	Existing Kebele (27) New Kebele (19)	Existing Kebele (41) New Kebele (21)
Total Kebele (accumulative) = 36	= 82	= 144

**Area Yield Index Insurance (new)**

New Kebele (36)



Training Workshop on Scaling Up Agricultural Insurance in Ethiopia (20-21 Sept. 2022)	
Item	Contents
Main objective	To learn case studies of agricultural insurance schemes in African and non-African countries.
Training contents	<ul style="list-style-type: none"> <li>Day 1 (20<sup>th</sup> Sep): 1) Overview of agricultural insurance market and 2) Case studies of agricultural insurance schemes</li> <li>Day 2 (21<sup>st</sup> Sep): 1) AYII introduction, 2) AYII development and operation, and 3) Discussion on how to scale up AYII</li> </ul>
Participants	51 participants in total (MOA, MOF, NBE, ATI, OBA, Insurance companies, MFIs, and other private companies)



## CCE (Crop Cutting Experiment) Training (22-23 Sept. 2022)

Item	Contents
Main objectives	<ul style="list-style-type: none"> <li>To understand the concept of CCE and <b>how to conduct CCE</b></li> <li>To learn the procedure of CCE in the field</li> </ul>
Training contents	<ul style="list-style-type: none"> <li>Day 1 (22<sup>nd</sup> Sep): 1) Introduction of AYII, 2) Introduction of CCE and 3) Implementation of CCE</li> <li>Day 2 (23<sup>rd</sup> Sep): Field exercise at Melkassa Agricultural Research Center</li> </ul>
Participants	<b>25 participants</b> in total (Woreda agricultural officers and Insurance companies)



## Dialog Platform Meeting

### Dialogue Platform for Supporting "Agricultural Insurance in Ethiopia"

#### Objectives and Function:

1. Information sharing between government agencies, international organizations, private sector, etc.
2. Dedication to Ethiopia's National Agricultural Insurance Policy.

#### Members:

All stakeholders including public and private sector, international donors, NGOs, research institutions and other organizations related to agricultural insurance sector in Ethiopia.



#### Meeting Record/Schedule and Proposed Topics

##### Done:

No.	Date	Topics
Inaugural meeting	May-22	<ul style="list-style-type: none"> <li>Introduction of MOA policy reform</li> <li>Establishment of the Dialogue Platform</li> </ul>

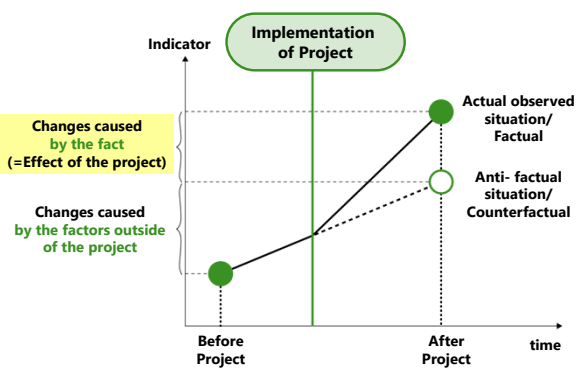
##### Schedule:

No.	Month, Year	Proposed Topics
2 <sup>nd</sup> meeting	Oct-22	<ul style="list-style-type: none"> <li>Agricultural insurance regulations</li> <li>Insurance products, pricing and premium subsidies</li> </ul>
3 <sup>rd</sup> Meeting	Jan-23	<ul style="list-style-type: none"> <li>Technology and data infrastructure</li> <li>Insurers and financial institutions' capacity</li> <li>Distribution channels</li> </ul>
4 <sup>th</sup> Meeting	May-23	<ul style="list-style-type: none"> <li>Financial literacy and awareness creation</li> <li>Policy recommendations</li> </ul>

# Presentation by OAB

# Impact Analysis

## What is Impact Analysis?



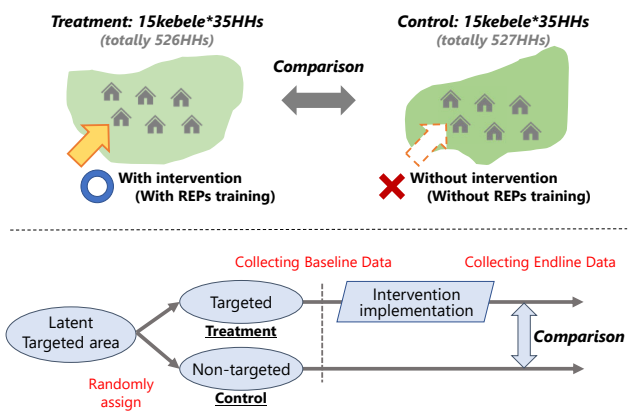
## Objective, Hypothesis and Method

- Objective** To verify the impact of the **REPs training** delivered in the project
- Hypothesis** REPs training contributes to
  - (i) **Measures to address agricultural risks,**
  - (ii) **Agricultural inputs, and**
  - (iii) **Motivation for farming activity**
- Method** Cluster randomized trials (Village-level cluster randomized comparisons (RCTs))

### Effect Indicators (EI)

- (i) **Adopt more risk-responsive farming techniques (EI 1),**
- (ii) **Use more agricultural inputs per unit area (EI 2)**
- (iii) **Visit FTC more often (EI 3) and consult with DA more often (EI 4)**

## Village-level cluster randomized comparisons (RCTs)

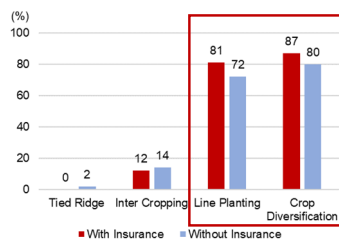


## Targeted Area (Treatment & Control)

Zone	Wareda	Treatment	Control
		Target	Non-target
East Shewa	Adama	Bokj Dawaro	Cheke huntla
	Boset	Tedecha	Buta Badasso (3rd)
	Dugdla	Bekele Grisa	Haxe Laman (3rd)
	Bora	Oda Bokota	Jibofa
		Malima Bali	Gora Iamon
South West Shewa	Ilu	Wasabi Nado	Jigdu mida
	Bacho	Sodo Liban	Awashi bune
	Siraro	Loke Hada	Alam Tena Sirbo (3rd)
West Arsi		Loke Sifo	Jarti bakule
	Nagelle Arsi	H Boso	Kessa Gera (3rd)
		R Hargisa	Gubeta Arjo (3rd)
	Shalla	Lejjo	S/Gobu
Arsi	Heban Arsi	Sanbaro Logcha	Tufa
	Degeluna Tjo	Jammo	Fiketaka
	Lude Hitosa	Fursa	Adamare

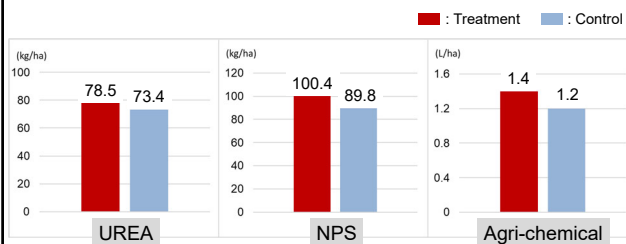
Legend: Yellow box = Trial farm implemented villages

### Result of Impact Analysis(1) Measures to address agricultural risks (Adoption rate of agri-techniques)



- The adoption rate of line planting and Crop diversification was higher in the group with insurance than without insurance.
- It is implied that providing training on agricultural techniques to insurance purchasers can increase the rate of technology adoption.
- Among the techniques, line planting and crop diversification are particularly compatible with insurance and are more likely to be effective as a package.

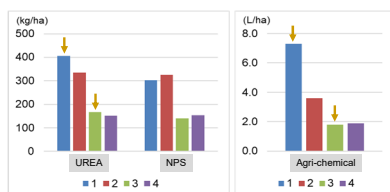
### Result of Impact Analysis(2) Amount of agri-inputs



- There are differences in mean value between T and C (T>C)
- The difference between the two groups was statistically insignificant.
- However, differences in mean values have been identified and will continue to be confirmed in the end-line survey.

### Result of Impact Analysis(3) Effect of Trial farm

No.	Insurance	Trial farm	N	UREA	NPS	Agri-chemical
1	○	○	30	406.4	301.8	7.3
2	×	○	77	334.0	324.5	3.6
3	○	×	36	166.7	140.9	1.8
4	×	×	383	152.3	154.3	1.9



- Amount of agri-input is more in the group with TF than without TF among the group of insurance-purchased farmers.
- It is implied that the benefits of the package of insurance and agricultural technique have specific efficiency to the farmers' risk control activities.

## Video Showing

## Modification of Indicators

### Project Design Matrix (PDM) :

The Goal, Purpose, Outputs and Activities were logically framed in PDM.

### Objectively Verifiable Indicators :

The Indicators were set for Goal, Purpose and Outputs, for monitor and evaluate progress and achievement of the Project.

*The figures of existing indicators were proposed, discussed and approved on the 1st JCC Meeting (July 2019).*

## Challenges encountered

### (1) COVID-19

- Government's direction (no workshops/ meetings with many participants)
- Limitation of international trip

### (2) Domestic Conflict in Ethiopia

- No trip of Project Staff to project sites
- Limitation of international trip

Before COVID (-2019)

After COVID (2020-)



## Proposed Modification of Indicators

Output-3

### Output-3:

*"The REPs are promoted in Oromia Region "*

*(indicators in existing PDM)*

1. Activities for promoting REPs carried out in 130 number of Kebele
2. 70,000 number of farmers complete the REPs training

**PROPOSED MODIFICATION : 50,000**

Project Purpose

### Project Purpose :

"The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed."

*(indicators in existing PDM)*

1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.
2. The number of the insured farmers in Oromia Region is increased by 20,000 number.

**PROPOSED MODIFICATION : 12,000**

### The Way Forward:

The focus of the ICIP project activities will be shifting to the policy aspects (to reflect importance of crop insurance on national agricultural policy).

Therefore, toward the last year of project period, resources of the project is to be allocated more on these policy related activities rather than field promotion activities of insurances.

Though the Project continues its best effort to achieve target figures (number of training participants and insurance sales), the target figures cannot be increased due to this sifting of focus of project activities.

## **Plan for Phase-3**

### **Contents of Phase-3:**


#### **Implementation of the 4th Cycle**

- 1) REPs Promotion (Insurance sales)
  - Promotion of Vegetation/Area Yield Insurance at existing/new kebele.
  - Increase of distribution channels.
- 2) Technical Assistance in FTC (Agri. Technology).

#### **Adoption of Agricultural Insurance on National Policy**

- 1) Continuous Dialog Platform Meetings (quarterly)
- 2) Preparation of Guideline

**Galatoomaa !**



**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement**  
**ICIP**

**Achievement of ICIP (3rd Cycle)**

**29 Sept. 2022**

**Oromia Bureau of Agriculture**

**Achievement in the Past (1st and 2nd Cycle)**

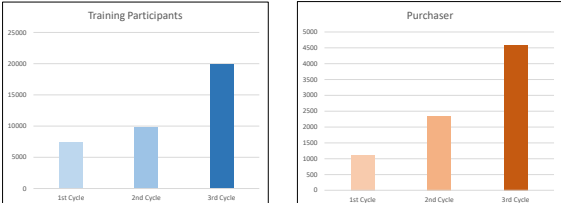
**Number of Participants for REPs trainings**  
1st Cycle : Total 7,400 farmers  
2nd Cycle : Total 9,838 Farmers

**Number of Insured Farmers**  
1st Cycle : 1,125 Farmers (15%)  
2nd Cycle : 2,352 Farmers (25%)

**Achievement of the 3rd Cycle (2022)**

**Number of Participants for REPs trainings**  
**Total 19,871 Farmers**

**Number of Insured Farmers**  
**4,598 Farmers**



Cycle	Participants
1st Cycle	7,400
2nd Cycle	9,838
3rd Cycle	19,871

Cycle	Number
1st Cycle	1,125
2nd Cycle	2,352
3rd Cycle	4,598

**Activities made by BOA to enhance achievement of this Cycle (2022)**

**Project Governance**

- ❖ Provide directives to the zone and woreda level structures to own and support the project implementation,
- ❖ Assign focal/contact person at all level,
- ❖ Take the lead role in collaboration with COOP agency to coordinate the project implementation,

**Technical support**

- Organize joint monitoring & support mission and insure the participation of stakeholders,
- Facilitate and support capacity development activities
- Instructing and guiding DAs to support and facilitate demonstrations on agricultural activities for selected FTCs

**BOA's plan to enhance Project Achievement of next Cycle (2023)**

**Institutionalizing the achievements**

- ❖ strengthening monitoring and follow up on the existing project woredas
- ❖ Create a platform to review the status

**Scaling up the results**

- Raise the awareness of leaders & experts from all levels during mass labor mobilization training on natural resource management
- Strengthen communication and collaboration with MoA in order to support the scaling up of the results

**Thank you for your attention !**



Attachment-11 Minutes of Meeting for the 4th JCC Meeting on 29 September, 2022



*MINUTES OF THE MEETING  
ON  
THE FOURTH JOINT COORDINATION COMMITTEE MEETING  
FOR  
INDEX-BASED CROP INSURANCE PROMOTION PROJECT  
FOR RURAL RESILIENCE ENHANCEMENT (ICIP)*

*AGREED UPON BETWEEN  
MINISTRY OF AGRICULTURE  
OROMIA BUREAU OF AGRICULTURE  
AND  
JAPAN INTERNATIONAL COOPERATION AGENCY*



Sintayehu Demisse

Director/ Project Director,  
Food Security Coordination  
Directorate Ministry of  
Agriculture  
The Federal Democratic  
Republic of Ethiopia



Getu Gemehu

Head,  
Oromia Bureau of  
Agriculture

29<sup>th</sup> September, 2022



Dr. Katsuki Morihara

Chief Representative  
Ethiopia Office  
Japan International Cooperation  
Agency

## **Introduction**

Japan International Cooperation Agency (hereafter referred to as “JICA”) and the Ministry of Agriculture (hereafter referred to as “MOA”) and Oromia Bureau of Agriculture (hereafter referred to as “OBA”) agreed with the contents of the Record of Discussion (R/D) for “Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)” (hereafter referred as to “the Project”) in July 2017. In accordance with the R/D, JICA dispatched experts to assist the implementation of the Project in March 2019.

The 1<sup>st</sup> Joint Coordination Committee (JCC) was held on 18<sup>th</sup> July 2019. In the 1<sup>st</sup> JCC, the Project Design Matrix (PDM) version 1.0 including proposed indicators was approved by the JCC members. The 2<sup>nd</sup> JCC was held on 29<sup>th</sup> April 2021 to present the achievements of the Project activities in the 1<sup>st</sup> Phase and activity plan for the 2<sup>nd</sup> Phase.

The 3<sup>rd</sup> JCC was held on 28<sup>th</sup> April 2022. The achievements and progress of the Project activities since the 2<sup>nd</sup> JCC were reported. Also, the revision of the PDM indicators were raised and discussed. After that, the 4<sup>th</sup> JCC was held on 29<sup>th</sup> September 2022 to share the progress of the project with the participants and revised the PDM indicators which was discussed at the 3<sup>rd</sup> JCC. Finally, all the participants at the 4<sup>th</sup> JCC agreed the revision of the PDM indicators.

## **1. Welcome and Opening Remarks**

The 4<sup>th</sup> JCC started with opening remarks of Ms. Megumi HIROSE, a Senior Representative of JICA Ethiopia Office. She congratulated for the 4<sup>th</sup> JCC and welcomed MOA, OBA and all the stakeholders. Agriculture insurance under JICA technical cooperation started from 2011 after horn of Africa drought in Ethiopia. Since drought has caused big impacts in Agriculture sector, importance of insurance is increasing. ICIP project increased the coverage areas of the insurance and scope of integrating the insurance sales with extension services. Not only the insurance sales but also extension service delivery is a good benefit for farmers to purchase the insurance. The insurance is still a new concept for smallholder farmers and takes continuous efforts for them to improve their understanding. Continuous promotion to awareness raising for farmers, policy makers, extension providers and insurance companies is necessary.

Unfortunately, challenges of COVID-19 and security uncertainty affected project implementation, but almost all the project activities have been implemented with full



scale. Now, the project starts the final phase. So far, the project achieved over 8,000 insured farmers in the first, second and third cycles, more than 30,000 farmers completed the REPs trainings. And more than 2,000 extension workers finished the training. From now on we will discuss revision of the PDM, compared with the initial planning, reduce the number of the target farmers.

From the 3<sup>rd</sup> year, the project expands the importance of crop insurance to not only for Oromia but also to national agricultural policy. It also strengthens the dialogue platform which is an initiative by the MOA and important for networking among the stakeholders. The project is left with one and a half year with one last cycle for the insurance promotion, therefore we would like to request all the stakeholders at Federal and Regional level to actively support the project and reflect insurance concept to the policy strategy and extension service delivery activities. So, ownership of Federal and Oromia Region, and strong initiative of MOA is necessary. Today, we will discuss strengthening and networking of the project to scale up to national level.

## **2. Introduction of Attendees**

See Annex-I List of Attendees

## **3. Presentation: Achievement of 2nd phase and Plan for 3rd phase**

The Project team introduced its overview and progress as follows:

- ✓ The Project outline including period, target area, implementation agency, project finance, overall goal, project purpose, schedule, the number of kebeles, etc.
- ✓ Sharing major implemented activities: ToT, REPs Training (insurance sales), insurance registration, agricultural trainings, training workshop on Scaling Up Agricultural Insurance in Ethiopia, Crop Cutting Experiment Training, etc.
- ✓ Dialogue Platform Meeting: 25 participants attended at the 1<sup>st</sup> meeting (like Kickoff meeting) to establish the platform and decided schedules and topics. The next dialogue platform meeting is scheduled in October 2022.

Mr. Solomon from OBA, explained the achievement of the ICIP in the Past (1<sup>st</sup> and 2<sup>nd</sup> cycle)

- ✓ Number of participants (farmers) of REPs training and insured farmers
- ✓ Roles and contribution made by OBA: provide directions to zone and woreda level to support all the activities, assign focal contact persons from region to kebele levels,



- take the lead role in collaboration with cooperative agency and coordinate the project implementation, conducting monitoring and technical support, facilitate the capacity development activities, guiding DAs in facilitating agriculture activities in FTCs
- ✓ Next cycle: Strengthening monitoring and follow-up, create the platform to review the status of the project implementation, scaling up the results, strengthen communication and collaboration to scale up the project.

The Project team shared outline and results of impact analysis of the project activities:

- ✓ Objective, hypothesis and method, target area (treatment & control), results of the impact analysis like adaptation rate of agri-techniques, amount of agri-inputs, effect of trial farm, etc.

The project team shared a video from stakeholders including regional, woreda, kebele level officers and farmers' interviews.

The Project team explained the modification of indicators due to challenges encountered like a limitation of the numbers of farmers for the promotion of the insurance.

- ✓ A proposed indicator for Output 3 is to revise the number with 50,000 farmers (initial: 70,000 farmers)
- ✓ A proposed indicator for the Project Purpose is to revise the number 12,000 farmers (initial: 20,000 farmers)

Finally, the Project team explained way forward and contents of Phase 3

- ✓ Insurance sales continues and but shift to reflection of the project activities to the national policy.
- ✓ Plan for Phase 3: Implementation of the 4<sup>th</sup> cycle, adaptation of agricultural insurance on national policy

#### 4. Discussions

- ✓ Oromia Insurance Company (OIC) commented that the Project will focus more on policy formation activities and scaling up plan, yet we still have insurance sales activities in the next season so we should still focus on insurance promotion and still require more farmers on board.
- ✓ Ethiopian Insurance Corporation (EIC) commented on a specific problem that how to proceed the last phase of the project. It needs to consider how to continue the insurance sales activities after the Project completes. Most of agricultural insurance



activities have been sponsored and subsidized by donors. Therefore, it is worried that once project completes, every activity completes as well.

- ✓ OBA responded that the Project have organized the training workshop to scale-up agricultural insurance nationwide and many insurance companies also joined this training workshop. OBA as well as MOA should take this issue and be responsible to raise this issue to the ministry level.
- ✓ MOA also mentioned that the Project will do policy advocacy. Policy issue should come in front of table to scale-up the insurance promotion activity at national level. Priority should be the policy dialogue to introduce the insurance policy to the government stakeholders and private companies. After the Project finishes, the responsibility goes to the government, and it continues the dialogue platform.
- ✓ JICA Ethiopia office thanked the commitments from the government side and active involvement from the private companies. Agricultural insurance and technologies should come together to support the farmers' livelihoods. JICA will support to scale up the activities together with the Ministry and the Bureau.
- ✓ Kifiya, a private financial technology company, mentioned that one and a half year are left, and AYII is still pilot stage. Pilot on agriculture insurance requires minimum 3 years. It does not know how AYII should be a pilot less than three years since we are still in the first year. Since we have only one and a half years, the exit strategy of this Project is important. The national dialogue platform is one option. Plan B is the government should allocate funds for premium subsidies and product promotion within the one year but may be difficult. We should also consider different options as exit strategy.
- ✓ Kifiya also emphasized that insurance product bundling with inputs and premium subsidies from the government, involvement of the government needs to be placed. There were many agricultural insurance pilot activities, however there is still no proper plan and national agricultural insurance scheme.
- ✓ The JICA team replied that we have one year to draft a guideline which can be reflected all the experiences, lessons learnt, advantages, disadvantages, etc., and we can establish the models as part of the guideline. After the Project completes, participation of the government and private sectors should be indispensable. Although we tied up with insurance company for three years, knowledge awareness creation and training for local people done by the Project. We would like the government to continue, especially awareness creation. The team will discuss sustainability of insurance activity with MOA and OBA.



- ✓ The Project team continued that we should think about the best ways and forms of Public Private Partnership (PPP) in Ethiopia. This should also be discussed on the dialogue platform. We should establish the guideline and the government, and we hope the government and the private sector could continue the activities based on the guideline and the dialogue platform.
- ✓ The JICA Ethiopia office questioned that whether the Project has started drafting the guideline. If not, we should start it as soon as possible. We should also confirm the modification of the indicators in this JCC. Roles of MOA and OBA is important to ensure sustainability for grassroots to bring insurance concepts, the extension sub sectors within the MOA.
- ✓ Modification of PDM indicators was accepted. Everyone agreed the modified PDM indicators as follows:

Item	Existing Indicator	Agreed New Indicator
<b>Project Purpose</b> The number of insured farmers	20,000	12,000
<b>Output 3</b> 2) The number of trained farmers of the REPs	2) 70,000	2) 50,000

Modified PDM is attached to this Minutes of the Meeting as Annex-2.

- ✓ WASASA, a microfinance institution, mentioned that we started the sales of vegetation-index crop insurance to our clients 2 years ago. In the 1<sup>st</sup> year, we had 47 policy sales, this year we improved the sales to 475 policies. WASASA also provides services not only to JICA project but also to other donors. But we appreciate the JICA work at grassroots level to reach farmers.

##### **5. Closing Remarks**

Mr. Berhanu, Advisor for Food Security Directorate at MOA, gave closing remarks. He emphasized on the importance of agriculture insurance scheme in Ethiopia, and the ministry should scale up experience of JICA and other Donors, through consultation with the government and private companies. The Dialogue Platform is a good entry point to protect farmers from risks to engage farming activities efficiently. It should be continued. Alternative aid strategy on top of the dialogue, we should think of other options of exist program. Since the AYII needs 3 years to complete pilot, one year cannot finalize. Extension of the Project by one and half years could be an option to complete the Project. Finally, he thanked for all the participants, reflecting the opinions and showing the commitments.

End






## Annex-I

### Attendees List

#### Ministry of Agriculture

Mr. Berhanu W/michal

Advisor for Food Security Coordination Director

#### Oromia Bureau of Agriculture

Mr. Solomon Begna

Director of Natural Resources and Food Security Directorate

#### Oromia Cooperative Promotion Agency

Mr. Misganu Etefa

Deputy of Saving and Credit Cooperative Section

#### Oromia Insurance Company S.C

Mr. Melkachew Temesgen

Manager/ Agriculture and Micro insurance Department

#### Ethiopian Insurance Corporation

Mr. Solomon Mekonin

Director of Micro insurance Department

#### Kifiya Financial Technology

Mr. Megersa Miresa

Director of Micro insurance Department

#### WASASA Microfinance Institutions S.C

Mr. Gonfa Ejeta

Manager of Micro insurance Department

#### JICA Ethiopia Office

Ms. Megumi Hirose

Senior Representative

Mr. Abera Awano

Program Officer

#### JICA ICIP Team

Mr. Akira Sudo

Team Leader/ Rural Risk Management

Mr. Kota Hirayama

Deputy Team Leader/ Rural Risk Management

Mr. Maeda Tadahiyo

Index-based Crop Insurance (IbCI) Development

Ms. Ai Nagino

Agricultural Extension

Mr. Takahiyo Funayama (online)

Farm Management/Index-based Crop Insurance Promotion (2)

Ms. Moe Nonoshita (online)

Rural Survey/ Gender

Mr. Atomsa Besha

Index-based Insurance Coordinator

Ms. Daki Kampe Dido

Administration Assistant

Mr. Elias Bedasa

Videographer/ PR and Communication Assistant

D

J

**Project Design Matrix**

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 2.0

Target Group: Small-holder farmers in the target area of Oromia Region

Date: 2022/09/29

Period of Project: Mar 2019~Feb 2024

Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI. 2. List of insurance products,	
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 12,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 50,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report	
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report	
<b>Activities</b>	<b>Inputs</b>		<b>Pre-Conditions</b>
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management  2) IbCI Product Design  3) IbCI Promotion  4) Agricultural Extension  5) Farm Management (input, saving & credit, insurance, etc.)  6) Rural Survey/Gender  7) Project Coordinator/ M&E  2. Provision of the equipment (office equipment, vehicle, and supplies etc.)  3. Training for counterpart personnel (in Japan, in Ethiopia, in third country)  4. Local cost for the activity of Japanese Experts	<b>The Ethiopian Side</b> 1. Allocation of Counterpart Personnel  2. Office space with necessary office furnitures for Japanese experts  3. Local cost that are not covered by JICA support.  4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	Majority of the counterparts continue working in respective institutions  Security situations in the target areas maintains at least the current level  All stakeholders maintains their willingness to extend IbCI.
1.1 Carry out a baseline survey for impact evaluation, 1.2 Identify target areas for promoting REPs, 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy), 1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs, 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs, 1.7 Set up the institutional arrangement for REPs, 1.8 Formulate the implementation plan for REPs			
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>			
2.1 Develop training materials and manuals for REPs, 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders, 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.			
<b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b>			
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly			
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>			
4.1 Convene annual platform meeting to exchange information and advocate IbCI 4.2 Prepare the guidelines for promoting IbCI, 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments			


Notes:

The Resilience Enhancement Packages (REPs) include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,

The guidelines is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

Attachment-12 Presentation Materials for the 5th JCC Meeting on 21 September, 2023





**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement**  
**ICIP**

**Progress of the Project**

21 Sept. 2023  
JICA ICIP Team

**Overall Schedule of ICIP (Phase-1,2 and 3)**

2019	2020	2021	2022	2023	2024
	PHASE-1	PHASE-2		PHASE-3	
	1st Cycle (Completed)	2nd Cycle (Completed)	3rd Cycle (Completed)	4th Cycle	

Now we are here.

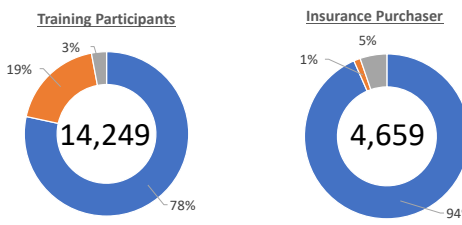
**For Phase-3, we have completed 4th Cycle of REPs Promotion (Insurance Sales).**

**Achievement of REPs Promotion in 4th Cycle**

**Achievement of the 4th Cycle (2023)**

**Number of Participants for REPs trainings**  
Total 14,249 Farmers

**Number of Insured Farmers**  
4,659 Farmers



Organization	Percentage
VICI (DA/SACCO)	78%
VICI (WASASA)	19%
AYII	3%

Organization	Percentage
VICI (DA/SACCO)	94%
VICI (WASASA)	5%
AYII	1%

**Achievement of REPs Promotion from the 1st to 4th Cycle (2019-2023)**

**Number of Kebele (1st to 4th Cycle)**

**Vegetation Index Insurance**

Cycle	Year	Continued Kebele	New Kebele	WASASA (new)
1st Cycle	2020	-	36	-
2nd Cycle	2021	27	19	20
3rd Cycle	2022	41	21	8
4th Cycle	2023	56	24	12

**Area Yield Index Insurance**

Cycle	Year	Continued Kebele	New Kebele
3rd Cycle	2022	-	36
4th Cycle	2023	35	-

NS = 39 Kebeles about continued and new Kebeles

Category	1st Cycle (2020)	2nd Cycle (2021)	3rd Cycle (2022)	4th Cycle (2023)
Total Kebele (Sum of new Kebele)	= 36	= 75	= 145	= 175
Total Kebele (Accumulative)	= 36	= 102	= 186	= 308

### Achievement in Figure (from the 1st to 4th Cycle)

#### Number of Participants for REPs Trainings

1st Cycle : 7,400 farmers  
 2nd Cycle : 9,838 Farmers  
 3rd Cycle : 19,871 farmers  
 4th Cycle : 14,249 Farmers

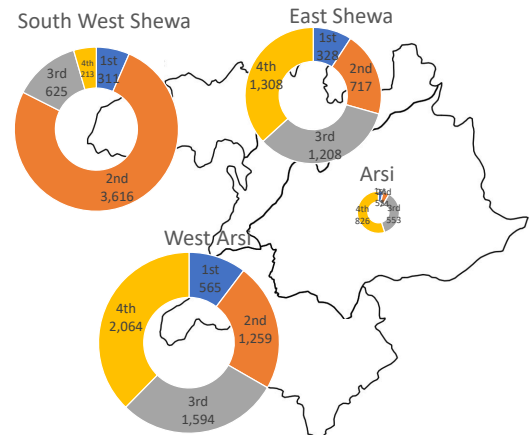
**TOTAL: 51,358 Farmers**

#### Number of Insured Farmers

1st Cycle : 1,125 Farmers (15% of above)  
 2nd Cycle : 2,352 Farmers (25%)  
 3rd Cycle : Total 4,598 farmers(23%)  
 4th Cycle : Total 4,659 Farmers(33%)

**TOTAL: 12,734 Farmers (25%)**

### Number of Insurance Sales (by Zone)

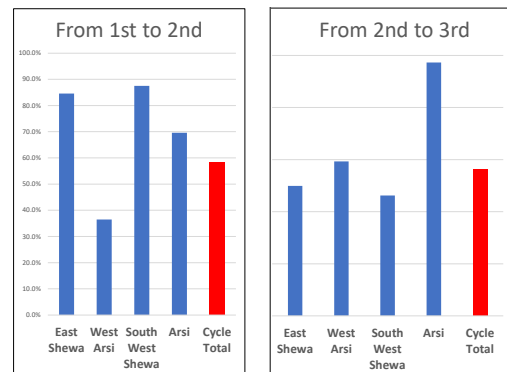


### Percentage of Insurance Purchaser against REPs training participants (Take-up Rate)

Cycle	Channel	Products	Take-up Rate
1st Cycle	DA/SACCO	VICI	15.2%
2nd Cycle	DA/SACCO	VICI	23.9%
3rd Cycle	DA/SACCO	VICI	26.6%
	WASASA	VICI	194.2%
	DA/SACCO	AYII	14.2%
	Sub-Total		23.1%
4th Cycle	DA/SACCO	VICI	39.0%
	WASASA	VICI	2.3%
	DA/SACCO	AYII	58.2%
	Sub-total		32.7%

**Grand Total (1st to 4th Cycle) 24.8%**

### Percentage of Repeating Purchasers



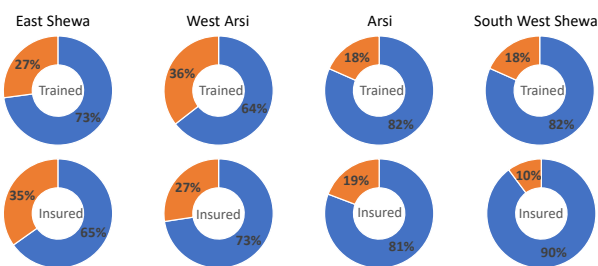
### Training Participation and Insurance Sales by Gender

#### Training Participants

Male:70.9% Female : 29.1%

#### Insurance Purchaser

Male:72.6% Female : 27.4%



## Dialog Platform Meeting

## Dialogue Platform for Supporting "Agricultural Insurance in Ethiopia"

### Objectives and Function:

1. Information sharing between government agencies, international organizations, private sector, etc.
2. Dedication to Ethiopia's National Agricultural Insurance Policy.

### Members:

All stakeholders including public and private sector, international donors, NGOs, research institutions and other organizations related to agricultural insurance sector in Ethiopia.



The 2nd Dialog Platform Meeting  
(April 20, 2023)



The 3rd Dialog Platform Meeting  
(Sept. 19, 2023)



### Meeting Record/Schedule and Topics

#### Done:

No.	Date	Topics
The 1st Meeting (Inaugural Meeting)	May 22, 2022	<ul style="list-style-type: none"> <li>● Introduction of MOA Policy Reform</li> <li>● Establishment of the Platform</li> </ul>
The 2nd Meeting	April 20, 2023	<ul style="list-style-type: none"> <li>● Presentation of " Revised Rural and Agricultural Development Policy"</li> <li>● Discussion on Government's Role</li> </ul>
The 3rd Meeting	Sept. 19, 2023	<ul style="list-style-type: none"> <li>● Establishment of Committee at MoA</li> <li>● Presentation on the draft Guideline</li> </ul>

#### Schedule:

No.	Date	Contents
The 4th Meeting	January 2024	<ul style="list-style-type: none"> <li>● Follow-up on the Committee at MoA</li> <li>● Finalization of the Guideline</li> </ul>
The 5th (and beyond)	TBD	(To be continued by MoA)

**Plan for  
Remaining Works for Phase-3**

## ICIP's Remaining Works (till Feb.2024)

- Support for Agricultural Insurance on National Policy

- 1) Technical Support on "Agricultural Insurance Committee"
- 2) Support for Dialog Platform Meeting (January 2023)

- Guideline

- 1) Preparation, Presentation and Discussions
- 2) Workshops in National Level

- Final JCC Meeting (January 2023)

- Submission of Project Completion Report

**THANK YOU !**

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### Outline of the Training Program in Tokyo:

3 July (Mon):

Orientation of Program and Action Plan

4 July (Tue):

Ministry of Agriculture, Forestry & Fishery (MAFF)

5 July (Wed):

Discussion with Farmer, Japan International Research Center for Agricultural Sciences (JIRCAS)

6 July (Thur):

Japan Aerospace Exploration Agency (JAXA)

7 July (Fri):

Discussion at JICA-HQ, Sompo Risk Management

10 July (Mon):

Program Evaluation, Action Plan, Leaving for AA

### Aims of Training in Japan:

- To further develop the result of Training in Kenya, the participants are expected to understand the involvement (roles) of the government in the promotion of agricultural insurance in Japan.
- Furthermore, by using knowledges/lessons from training in two countries, the participants are expected to explore Action Plan on what the government can do to promote agricultural insurance in Ethiopia, by establishing "Task Force" within MOA.

### **Ministry of Agriculture, Forestry and Fishery (MAFF) (on July 4)**

#### General:

MAFF has specialized Division exclusively works for the promotion of Agricultural Insurance (Agricultural Insurance Division, Management Improvement Bureau)

MAFF is promoting Agricultural Insurance mainly through "Agricultural Mutual Aid Association" nationwide.

### There are two (2) major public Agricultural Insurances in Japan:

- a) Yield Insurance (through Association)
- b) Revenue Insurance (started in 2019)

#### MAFF is providing:

- a) 50% subsidiary of insurance premium
- b) Re-insurance for Association
- c) Some part of operational cost of Association

#### Lessons Learned:

- a) Nationwide implementation of insurance promotion through "association"
- b) Government's strong support to associations (Financially and technically)
- c) Insurance promotion is advantage also for Government side (stabilization of economy by maintaining production)

### **Discussions with Agricultural Mutual Aid Association, and Discussion with Farmer (on July 5)**

#### Lessons Learned:

- a) Strong trust of farmer to Government Program
- a) To create trust, Association is doing effort (frequent visit to individual farmers, technical support, etc.)



Attachment-13 Minutes of Meeting for the 5th JCC Meeting on 21 September, 2023




**MINUTES OF THE MEETING  
ON  
THE FIFTH JOINT COORDINATION COMMITTEE MEETING  
FOR  
INDEX-BASED CROP INSURANCE PROMOTION PROJECT  
FOR RURAL RESILIENCE ENHANCEMENT (ICIP)**

**AGREED UPON BETWEEN  
MINISTRY OF AGRICULTURE  
OROMIA BUREAU OF AGRICULTURE  
AND  
JAPAN INTERNATIONAL COOPERATION AGENCY**

21<sup>st</sup> September, 2023

  
Sintayehu Demisse

Director/ Project Director,  
Food Security Coordination  
Directorate Ministry of  
Agriculture  
The Federal Democratic  
Republic of Ethiopia  
**Sintayehu Demisse Admasu  
Food Security Coordination  
Office Head**

  
Getu Gemehu  
Head,  
Oromia Bureau of  
Agriculture

**Getu Gemehu  
Deputy Head of the Bureau  
and Head of Agriculture  
Sector**

  
Dr. Katsuki Morihara  
Chief Representative  
Ethiopia Office  
Japan International  
Cooperation Agency



## **Introduction**

Japan International Cooperation Agency (hereafter referred to as “JICA”) and the Ministry of Agriculture (hereafter referred to as “MOA” and Oromia Bureau of Agriculture (hereafter referred to as “OBoA”) agreed with the contents of the Record of Discussion (R/D) for “Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)” (hereafter referred to as “the Project”) in July 2017. In accordance with the R/D, JICA dispatched experts to assist in the implementation of the Project in March 2019.

The 1st Joint Coordination Committee (JCC) was held on 18th July 2019. In the 1st JCC, the Project Design Matrix (PDM) version 1.0, including proposed indicators, was approved by the JCC members. The 2nd JCC was held on 29th April 2021 to present the achievements of the Project activities in the 1st Phase and the activity plan for the 2nd Phase. After that, the 3rd JCC was held on 28th April 2022 to report the achievement and progress and discuss the revision of the PDM.

The 4th JCC was held on 29th September 2022. In the 4th JCC, the progress of the project and the revised PDM indicators were explained, and then all the participants agreed on the revision of the PDM indicators. After that, the 5th JCC was held on 21st September 2023 to share the progress of the project and discuss the way forward.

### **1. Opening Remarks, Ms. Sintayehu**

The 5th JCC started with the opening remarks of Ms. Sintayehu Demisse, a Director of the Food Security Coordination Office of MoA. She congratulated the 5th JCC and welcomed all the stakeholders. The previous JCC had a fruitful conversation, and the same progress is expected to be made. At the same time, the attendance and cooperation to the 3rd Dialogue Platform were appreciated. Unfortunately, the State Ministers could not attend the 5th JCC because of the other unexpected event. However, it was mentioned that the 5th JCC would be used for good understanding and move forward to hand it over to the government.

### **2. Short Self-Introduction**

See Annex-I: Attendees List

### **3. Presentation 01: Progress of the Project, Mr. Sudo**

The Project team introduced its overview and progress as follows:




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Lorisa Feyisa Menkera  
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- ✓ The Project is in the final phase and the final Cycle.
- ✓ Now, the Project is doing the policy advocacy, including the discussion with the MoA.
- ✓ As the achievements of the 4th Cycle, the number of participants for REPs training is 14,249, and the number of insured farmers is 4,659.
- ✓ In the 4th Cycle, the project promoted VICI and AYII through Development Agents (DA), SACCO and WASASA.
- ✓ As the achievements of the whole project period, the Project has provided the REPs training and sales promotion in 175 kebeles except for duplication. Including the repeating kebeles, the accumulative number is 308.
- ✓ In addition to VICI, the Project started to promote AYII from the 3rd Cycle.
- ✓ In the 4th Cycle, the Project started to tie the insurance promotion with IVS.
- ✓ Through 4 years, the Project provided 51,358 farmers with the REPs training, and 12,734 farmers purchased the insurance.
- ✓ The Project worked in 4 Zones (South West Shewa, East Shewa, Arsi, West Arsi) in the Oromia Region.
- ✓ The take-up rate (percentage of insurance purchasers against the REPs training participants) is 24.8% in total.
- ✓ The percentage of repeating purchasers is around 60% both from 1st to 2nd and 2nd to 3rd Cycle.
- ✓ Although the other donors' projects provide 100% subsidies in the first year and try to reduce the percentage, the ICIP adopts the strategy to promote insurance without subsidy.
- ✓ Regarding gender issues, we can identify the power balance in the household.
- ✓ Through the figures, we could understand the difference between genders and the roles of males and females. Also, we could identify the disparity in agricultural activities. And the Project tried to use different strategies for the gender balance in the promotion. The first strategy was inviting SACCO members and providing the training separately. The second strategy was inviting female-headed households. The third strategy was inviting both wife and husband to the training on the ground level.
- ✓ The Dialogue Platform has two objectives or functions: information sharing and dedication to Ethiopia's National Agricultural Insurance Policy.
- ✓ The Project organized and supported three Dialogue Platform Meetings.
- ✓ The Project will hold the 4th Dialogue Platform Meeting in January 2024, and that event will coincide with the end of the Project.
- ✓ The 5th Dialogue Platform should be organized by MoA without the support of the Project.
- ✓ The remaining tasks are 1) technical support for the Agricultural Insurance Committee or Task Force, 2) support for the 4th Dialogue Platform, 3) preparation, presentation and

  
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discussion of the Guideline, and 4) The Workshop about the Guideline at the national level.


- ✓ The 6th JCC will be held in January 2023, to summarize all the experience and discuss what each stakeholders are going to do. At that time, the Project would like to get approval from the participants about the guidelines and other issues.
- ✓ The Project Completion Report should be submitted at the end of the project.
- ✓ The Project is conducting the end-line survey, and the result of that survey should be used for the evaluation of the project's impact.

#### **4. Discussion 01: About the First Presentations**

- ✓ MoA questioned the reason for the difference in the numbers of WASASA's take-up rate between the 3rd and 4th Cycles.
- ✓ ICIP responded that one reason is the promotion system. Because the project asked WASASA to include insurance promotion in their ordinal activities, some farmers purchased the insurance even without joining the REPs Training, that's why take-up rates sometimes became so high in the WASASA area.
- ✓ ICIP also mentioned other difficulties, especially in the 3rd Cycle. First, the payout was delayed. Most of the farmers planned to purchase insurance after checking the results of payouts. However, when the payout arrived, the crop season already started, and they could not purchase insurance. The commitment from WASASA, the way of approach, and the change of the managing persons were also pointed out as other factors for the low take-up rates in the 3rd Cycle.
- ✓ MoA asked for the evaluation of the subsidy.
- ✓ Kifiya mentioned that providing 100% subsidy is not sustainable, and subsidy should be provided in a smart way.
- ✓ ICIP explained the problem that can emerge from the (unsmart) subsidy. Farmers do not feel that they pay money if the project provides a subsidy. Insured farmers in the ICIP project area always ask about the payout result because the Project asks farmers to pay by themselves. It is better to teach farmers how insurance affects them instead of giving them money.
- ✓ ICIP explained the understanding that although the subsidy will be necessary in the future, a 100% subsidy should not be provided from the beginning, but it should be increased step by step. The ICIP project probed that farmers could purchase insurance even without subsidy. If the project provided a 100% subsidy, it is difficult to reduce the amount of subsidy. In fact, the other project started to sell the insurance with a 100% subsidy and tried to reduce the percentage of the subsidy and failed.

  
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- ✓ JICA Ethiopia and MoA requested an additional explanation about the difference between the strategies for the gender balance and their evaluation.
- ✓ ICIP emphasized the fact that the percentage of female participants increased from the 1st to 3rd Cycle. Comparatively, the 3rd strategy, in which the wife and husband are invited to the training at the same time, was the best. Wife and husband can get an equal understanding of insurance and decision-making.
- ✓ MoA responded to the suggestion by the Project and agreed that the result of the end-line survey will be used for the project evaluation and the impact assessment.

**5. Presentation 02: The experience in the Training in Japan, Ms. Sintayehu**

Ms. Sintayehu explained the Training in Japan as follows:


- ✓ The outlines of the training were 1) orientation, 2) MAFF, 3) JIRCAS and farm visit, 4) JAXA, 5) JICA-HQ, and 6) program evaluation and Action Plan.
- ✓ The participants got a lot of important information and experiences.
- ✓ The aims of the Training were 1) to understand the involvement (role) of the government in agricultural insurance and 2) to use knowledges/lessons from training to explore Action Plan on what the government can do to promote agricultural insurance in Ethiopia.
- ✓ MAFF has a specialized division for agricultural insurance and is promoting agricultural insurance mainly through the “Agricultural Mutual Aid Association”.
- ✓ In Japan, Yield Insurance and Revenue Insurance were offered.
- ✓ MAFF is providing a 50% subsidy on the insurance premium.
- ✓ The important lessons learnt are 1) nationwide implementation through association, 2) strong government support, 3) advantage of the insurance promotion even for the government, 4) strong trust of farmers in the government program, and 5) Association’s effort to create the trust.
- ✓ Trust should be the basis for agricultural insurance.

**6. Presentation 03: The experience in the Exposure Visit to Kenya, Mr. Dereje**

Mr. Dereje explained the Exposure Visit to Kenya as follows:

- ✓ Agriculture is the backbone of Ethiopia in terms of the main source of food security, the share of GDP, exports, and employment.
- ✓ The drought, poor agricultural practices, barriers to adopting improved crop varieties, soil degradation and deforestation, poor infrastructure, and lack of integration.
- ✓ The Exposure Visit's purpose was to better understand the concept and then reflect and customize it to Ethiopia.

  
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**Sector**

- ✓ In Kenya, the involvement of the government is visible. 1) concerned body or department, 2) legal framework, 3) subsidy, 4) PPP, and 5) Linkage between crop insurance and extension workers.
- ✓ The technology to digitalize the financial issues and the bundling with agricultural inputs were also impressive.
- ✓ Based on the experience in Kenya, a high official suggested establishing the Task Force.
- ✓ Different departments of MoA, ATI, Ethiopia Cooperative Commission, private sectors, and international organizations should be included in the Task Force. We can add other actors because we got some comments in the 3rd Dialogue Platform.
- ✓ Activities of the Task Force are 1) development of the roadmap, 2) identifying the current challenges and opportunities, 3) organizing the national discussion dialogue, 4) establishing organizational structure, 5) creating awareness about agricultural insurance, and 6) developing a legal framework.
- ✓ As agricultural insurance opportunities in Ethiopia, 1) revised insurance and rural development policy, 2) a 10-year plan of MOA, 3) 10 in 10 programs, and 4) Experiences were identified.

#### **7. Discussion 02: About All Presentations**

- ✓ Kifiya appreciated the government's movement to play a central role in agricultural insurance. In Kenya, the participants observed the government's commitment and initiative in terms of the subsidy, awareness creation and extension efforts. The importance of learning from Kenyan cases and working hand in hand for the sustainability of agricultural insurance. In addition, the necessity to change the situation in which everything stops when the donor project fades out was pointed out.
- ✓ Kifiya suggested including 4 insurance companies with agricultural insurance experience in Ethiopia in the Task Force instead of Pula, which is new to Ethiopia.
- ✓ MoA emphasized that the Ministry is open to all actors and continues to discuss with relevant organizations and use the JCC and Dialogue Platform to facilitate it.
- ✓ JICA Ethiopia questioned the progress in terms of indicators of the modified PDM.
- ✓ ICIP responded that all the targets of the modified PDM were already achieved.

#### **8. Presentation 04: The draft Guideline of the Agricultural Insurance**


Mr. Hirayama explained the structure and main contents of the draft guideline as follows:

- ✓ The main target of this guideline is MoA officers for the implementation of agricultural insurance activities.

  
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- ✓ Basic introduction of insurance and agricultural insurance are included with some different types of index-based crop insurance.
- ✓ The Resilience Enhancement Packages, which consist of crop insurance promotion and agricultural techniques, are also explained as an important concept.
- ✓ Stakeholder analysis is done with the roles and responsibilities of potential partners. The implementation structure, including SACCO, WASASA and 4 main insurance companies, is mentioned.
- ✓ Collaboration with IVS system is also explained.
- ✓ Characteristics and differences of the two types of insurance products are explained.
- ✓ Some important agricultural techniques are explained with the selection flow.
- ✓ 5 key considerations for scaling up are discussed in the final chapter. 1) Agricultural Insurance Committee, 2) insurers' consortium, 3) integration into IVS, 4) integration into the agricultural extension systems, and 5) subsidy strategy.
- ✓ The Project is trying to finalize the guidelines in the remaining project period. Hopefully, the Project will finalize it by the end of October and show it at JCC and DP.
- ✓ Any comments from relevant partners will be welcomed.

#### **9. Discussion 03: Guideline & Others**

- ✓ MoA welcomed the guidelines prepared by the Project. MoA requested to translate it into Amharic and Oromifa to get more important opinions.
- ✓ MoA suggested holding another meeting or platform to collect feedback about guidelines because the translation might take time.
- ✓ Kifiya suggested including the digital financial strategy in the guidelines.
- ✓ ICIP explained that the Project distributed the power point file of the draft version of the guidelines to the participants of the 3rd Dialogue Platform.
- ✓ EIC showed their concerns and difficulties in affording agricultural insurance costs without ICIP's support. It was mentioned that insurance companies' activities may stop if the ICIP project fades out. A successor project is greatly desired.
- ✓ ICIP suggested integrating the insurance into the IVS and insurance promotion into Agricultural Package Training implemented by OBoA. ICIP recommended private insurance companies work with government institutions, such as OBoA, to reduce administration costs even without ICIP.
- ✓ Kifiya emphasized the need to find a kind of way out and consider some sort of sustainable strategy. Otherwise, it will be very tough for private insurance companies to continue their activities in the operating area. By the time the government come on board and take over the responsibility, they should have the structure and include the agenda in

  
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the checklist of the woreda, zonal and national level for sustainability.

- ✓ JICA Ethiopia suggested including the issue of administration costs in the guidelines. The subsidy is for supporting farmers, while the administration costs are related to insurance companies. All stakeholders have to continue to discuss this point, including high officials. If the insurance promotion can be integrated into the extension system, such as Agricultural Package Training, the administration costs will be lower.
- ✓ MoA recognized the necessity to consider how to manage those issues with OBoA. The experiences in Kenya and Japan gave the participants a lot of lessons for enabling environments, including the extension services. MoA asked ICIP to mention about their experiences in two countries in the guideline.
- ✓ ICIP explained that some documents and information were attached on the final part of the guidelines as a reference.
- ✓ JICA Ethiopia pointed out that Kenyan insurance companies are saving costs by using digital mobile technologies.
- ✓ JICA Ethiopia suggested discussing how the activities can be kept at least in existing target areas. The importance of keeping these activities was emphasized for identifying difficulties and necessary supports for OBoA and MoA.
- ✓ OIC mentioned that the level of working of 4 insurance companies is different from each other, and the establishment of the microinsurance company should be considered. The government can push NBE, and there is a regulation to establish a microinsurance company with 10 million birrs. In a situation in which the claim amount exceeds the premium amount, it is difficult for private companies to continue the insurance business.
- ✓ Kifiya introduced that the Senegalese agricultural insurance company was established with the investment of the government. The necessity to consider alternatives, such as an agricultural insurance pool, was emphasized.
- ✓ ICIP suggested the establishment of the agricultural insurance consortium.
- ✓ ICIP appreciated the cooperation of OBoA in the Agricultural Package Training and showed the intention to follow up with Mr. Lema.
- ✓ OBoA mentioned that although agricultural insurance is at the infant stage, field extension workers were trained in the ICIP target areas, and resource persons are already at the regional level thanks to JICA. OBoA recognized the project periods of ICIP and mentioned that they are preparing to hand over to sustain the project. As a next step, the understanding and training on how to collect premiums and pay payouts were pointed out.
- ✓ EIC commented that AYII should be promoted if the ICIP will scale up.
- ✓ ICIP replied that there are different characteristics between the two types of insurance products in terms of scaling up.

  
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- ✓ MoA emphasized the importance of experiences in different scenarios to understand what is going on at the ground level. MoA recommended two or more options to learn and understand the contexts of the country.
- ✓ OBoA emphasized the necessity of technical support. The know-how about how to implement it and who will implement it were mentioned as problems.
- ✓ JICA Ethiopia informed that Dr. Sofiya has already submitted the request letter for the further project. JICA Ethiopia requested to facilitate the discussion regarding sustainability and how OBoA can continue activities in the existing areas. An update on the current situation was also requested. The importance of commitment was emphasized to persuade the Japanese government.
- ✓ Kifiya appreciated the changing situation, especially the government involvement.
- ✓ JICA Ethiopia evaluated the increased engagement of the government this year. Again, the importance of the continuation of pilot activities on the ground was mentioned.
- ✓ MoA emphasized the necessity of JICA's support. It was mentioned that an action plan or road map should be prepared, and lessons learned from experience should be consolidated into it.
- ✓ JICA Ethiopia commented that relevant actors should effectively utilize the remaining project periods.
- ✓ ICIP summarized that when the Project started, there was no coordination, and therefore, the Project had suggested the establishment of permanent body such as Agricultural Insurance Directorate within the Ministry with enough budget and staff to implement the insurance activities only by the Ministry. The movement to establish the Task Force by MoA was appreciated, and the will to support it was shown.

### **10. Closing Remarks**

Closing remarks were made by Mr. Shintaro Takano, Senior Representative of the JICA Ethiopia Office. He appreciated and emphasized the leadership of MoA and the active engagement of all the stakeholders and evaluated the progress of the Project, including the good experiences in Kenya and Japan.

Regarding the sustainability which is difficult issue, he mentioned that it is not sure whether a new project to continue the Projects can be thought as the expectation for JICA and high evaluation to the Project members, the commitment from the government and other stakeholders is necessary, and discussion among all actors should be continued up to the end of the Project. He mentioned that he hoped to see if this Project might be or should be extended to other regions, and believed that the ICIP project is one of the great successful cases. He closed the event with the expectations to all the members to keep

  
**Sintayehu Demissie Admasu**  
**Food Security Coordination**  
**Office Head**

  
**Beriso Feyisa Menkara**  
**Deputy Head of the Bureau**  
**and Head of Agriculture**  
**Sector**

working with each other and find good solutions or way forwards for the next cases.

**End**

7  
Beriso Feyisa Menkera  
Deputy Head of the Bureau  
and Head of Agriculture  
Sector

(F)

Sintayehu Demissie Admasu  
Food Security Coordination  
Unit Head

## **Annex-I**

### **Attendees List**

#### **Ministry of Agriculture**

Ms. Sintayehu Demisse Director of Food Security Coordination Office  
Mr. Dereje Abebe Lead Executive of Agricultural Invest & Product Marketing

#### **Agricultural transformation Institute**

Mr. Dagne SPO

#### **Oromia Bureau of Agriculture**

Mr. Lama Bogale Director / Agriculture focal person of Crop Development  
Mr. Kebede Gemba Director

#### **Oromia Insurance Company S.C**

Mr. Berhanu Dinaka Director

#### **Ethiopian Insurance Corporation**

Mr. Balew Yeshaneh Director of Micro and Agri Insurance  
Mr. Tariku Geremu Principal Officer

#### **Kifiya Financial Technology**

Mr. Melkachew Temesgen GM

#### **JICA Ethiopia Office**

Mr. Shintaro Takano Senior Representative  
Mr. Yuji Miyachi Representative  
Mr. Abera Awano Program Officer

#### **JICA ICIP Team**


Mr. Akira Sudo Team Leader/ Rural Risk Management  
Mr. Kota Hirayama Deputy Team Leader/ Rural Risk Management  
Mr. Kiyoshi Fukuwatari Index-based Crop Insurance (IbCI) Development  
Mr. Maeda Tadahiyo Index-based Crop Insurance (IbCI) Development  
Mr. Takuo Nishikawa Agricultural Policy  
Mr. Atomsa Besha Index-based Insurance Coordinator  
Ms. Alem Dejene Agricultural Project Officer  
Ms. Daki Kampe Dido Administration Assistant  
Mr. Elias Bedasa Videographer/ PR and Communication Assistant





Attachment-14 Presentation Materials for the 6th JCC Meeting on 31 January, 2024





**Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement**  
**ICIP**

**Achievement on the Completion of the Project**

6th JCC Meeting on 31 January 2024  
JICA ICIP Team

**Overall Schedule of ICIP (Phase-1,2 and 3)**

2019	2020	2021	2022	2023	2024
	PHASE-1	PHASE-2		PHASE-3	
	1st Cycle (Completed)	2nd Cycle (Completed)	3rd Cycle (Completed)	4th Cycle	

Now we are here. ↑

During these 4.5 years, we have completed 4 seasons (4 annual cycles) of insurance sales (REPs trainings).

**ICIP Project Outline**

Project Period:  
5 Years (2019-2024)

Project Area:  
Oromia Region (for Implementation)  
Nationwide (for guideline dissemination)

Implementation Agency:  
Oromia Bureau of Agriculture, and Ministry of Agriculture

Project Finance :  
The Government of Japan through Japan International Cooperation Agency (JICA)

**Achievement of REPs Promotion from the 1st to 4th Cycle (2019-2023)**

**REPs = Resilience Enhancement Packages**

**Resilience Enhancement Packages: REPs**

Risk Control × Risk Finance

**Risk Control Activities in Farming**

Technology	Management
Farming Method	Crop Diversification
Cropping Technology	Contract Farming/Management
Farm Inputs/Tools	Access to Microfinance

**Index Insurance Promotion Activities**

- Vegetation Index Crop Insurance (VICI)
- Area Yield Index Insurance (AYII)
- Other types of Index Insurance

**Number of Kebele (1st to 4th Cycle)**

**Vegetation Index Insurance**

1st Cycle (2020)	2nd Cycle (2021)	3rd Cycle (2022)	4th Cycle (2023)
New Kebele (36)	Continued Kebele (27) New Kebele (19) WASASA (20 new)	Continued Kebele (41) New Kebele (21) WASASA (8 new)	Continued Kebele (56) New Kebele (24) WASASA (7 new)

**Area Yield Index Insurance**

1st Cycle (2020)	2nd Cycle (2021)	3rd Cycle (2022)	4th Cycle (2023)
		New Kebele (36) DICI (9) EIC (6)	Continued Kebele (35) Under consideration by EIC and DICI

**Total Kebele (Sum of new Kebele)**

1st Cycle	2nd Cycle	3rd Cycle	4th Cycle
= 36	= 75	= 145	= 175

**Total Kebele (Accumulative)**

1st Cycle	2nd Cycle	3rd Cycle	4th Cycle
= 36	= 102	= 186	= 308

Note: Target (Indicator of PDM) = 130

## Achievement in Figure (1st - 4th Cycle)

### Number of Participants for REPs Trainings

1st Cycle : 7,400 farmers  
 2nd Cycle : 9,838 Farmers  
 3rd Cycle : 19,871 farmers  
 4th Cycle : 14,249 Farmers

**TOTAL: 51,358 Farmers**

Note : Target (Indicator of PDM) = 50,000

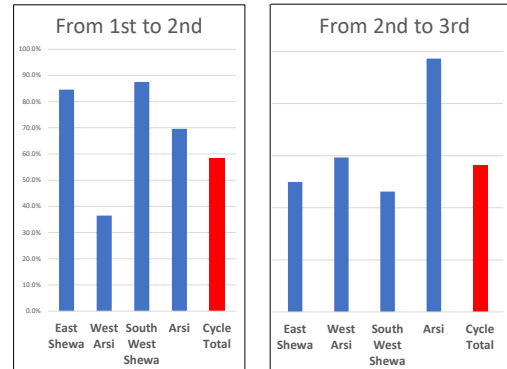
### Number of Insured Farmers

1st Cycle : 1,125 Farmers (15% of above)  
 2nd Cycle : 2,352 Farmers (25%)  
 3rd Cycle : Total 4,598 farmers (23%)  
 4th Cycle : Total 4,659 Farmers (33%)

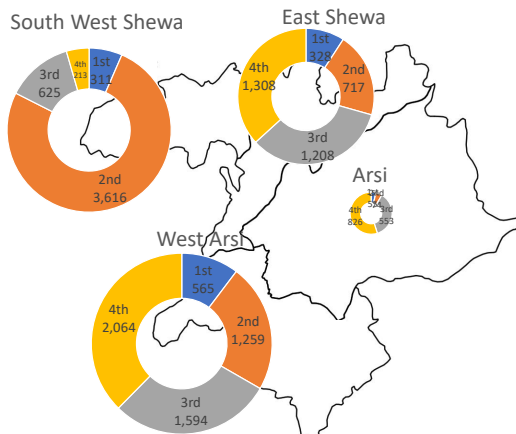
**TOTAL: 12,734 Farmers (25%)**

Note : Target (Indicator of PDM) = 12,000

## Percentage of Repeating Purchasers



## Number of Insurance Sales (by Zone)



## Dialogue Platform

## Percentage of Insurance Purchaser against REPs training participants (Take-up Rate)

Cycle	Channel	Products	Take-up Rate
1st Cycle	DA/SACCO	VICI	15.2%
2nd Cycle	DA/SACCO	VICI	23.9%
3rd Cycle	DA/SACCO	VICI	26.6%
	WASASA	VICI	194.2%
	DA/SACCO	AYII	14.2%
	Sub-Total		23.1%
4th Cycle	DA/SACCO	VICI	39.0%
	WASASA	VICI	2.3%
	DA/SACCO	AYII	58.2%
	Sub-total		32.7%
<b>Grand Total (1st to 4th Cycle)</b>			<b>24.8%</b>

## Dialogue Platform for Supporting "Agricultural Insurance in Ethiopia"

### Objectives and Function:

1. Information sharing between government agencies, international organizations, private sector, etc.
2. Dedication to Ethiopia's National Agricultural Insurance Policy.

### Members:

All stakeholders including public and private sector, international donors, NGOs, research institutions and other organizations related to agricultural insurance sector in Ethiopia.

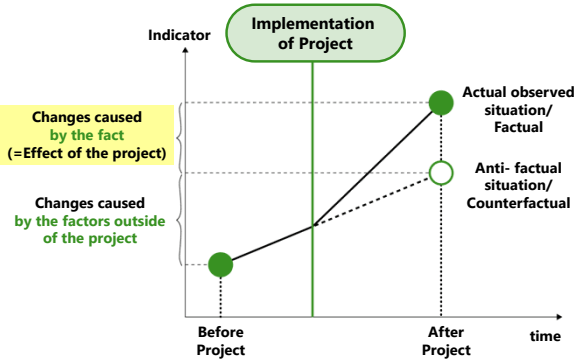


Meeting Record/Schedule and Topics		
<b>Done:</b>		
No.	Date	Topics
The 1st Meeting (Inaugural Meeting)	May 22, 2022	<ul style="list-style-type: none"> <li>● Introduction of MOA Policy Reform</li> <li>● Establishment of the Platform</li> </ul>
The 2nd Meeting	April 20, 2023	<ul style="list-style-type: none"> <li>● Presentation of " Revised Rural and Agricultural Development Policy"</li> <li>● Discussion on Government's Role</li> </ul>
The 3rd Meeting	Sept. 19, 2023	<ul style="list-style-type: none"> <li>● Establishment of Committee at MoA</li> <li>● Presentation on the draft Guideline</li> </ul>
<b>Latest Meeting:</b>		
No.	Date	Contents
The 4th Meeting	January 24, 2024	<ul style="list-style-type: none"> <li>● Example of success case (OBoA) on continuous insurance promotion by Ethiopia side</li> <li>● Follow-up on the Task Force at MoA</li> </ul>
The 5th (and beyond)	TBD	(To be continued by MoA)



**Impact Analysis**

## What is Impact Analysis?



## Objective, Hypothesis and Method

**Objective** To verify the impact of the **REPs training** delivered in the project ( $\approx$  **purchasing of crop insurance**)

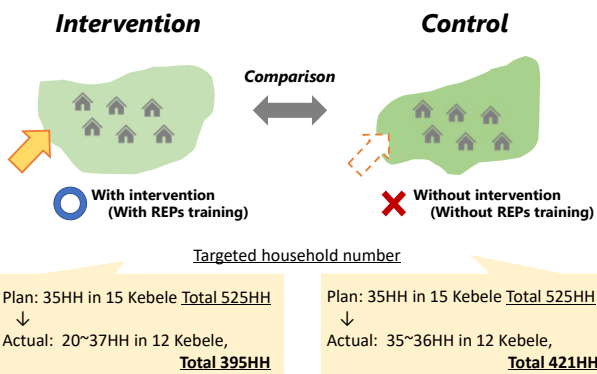
**Hypothesis** REPs training contributes to  
**(i) Improvement of risk management capacity,**  
**(ii) Increment of purchasing agri-inputs, and**  
**(iii) Rising of agricultural income**

**Method** Cluster randomized trials  
 (Village-level cluster randomized comparisons (RCTs))

**Effect Indicators (EI)**

- (i) Adopt more countermeasures for agricultural risks (EI 1),
- (ii) Purchase more agri-inputs (EI 2)
- (iii) Rising of agricultural income (EI 3)

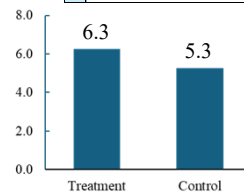
## Village-level cluster randomized comparisons (RCTs)



## Result (1) Improvement of risk management capacity

**Table Items for risk management**

No.	Risk management	No.	Risk management
1	Saving money	9	Installing <b>Inter Cropping</b> technique
2	Stock foods	10	Installing <b>Line planting (row planting)</b> technique
3	Keeping livestock	11	Installing <b>Crop rotation</b> technique
4	Installing water tank or pond in your house or farmland	12	Installing <b>Ayber BBM</b> technique
5	Getting weather information (temperature, rainfall, etc.)	13	Installing other farming techniques or methods
6	Using improved seeds/ drought resistance seeds/ early matured seeds	14	Communicate with DAs to get advice about your farming activity
7	Early planting (sowing)	15	Attending agriculture training to learn farming technologies
8	Installing <b>Tied-ridge</b> technique		



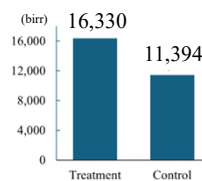
- ✓ The respondents were scored for their risk management capacity with the above items.
- ✓ The intervention group got a higher score than the control group. (it was not statistically significant)

## Target areas for the End-line survey

Zone	Wareda	Intervention		Control		
		Kebele	No. of HH	Kebele	No. of HH	
East Shewa	Boset	Dalacha Gadaa	37	Sirri Birreetti	35	
		Butta Badhasoo	36	Digaluu Wangaa	36	
South West Shewa	Ilu	Bili	35	Ketta Asgori	35	
		Bacho	Soyama	22	Dhaga Guddaa	35
West Arsi	Siraro	Loke Hada	35	Bareda Ashoka	35	
		Siraro Bilacha	35	Damine Laman	35	
		Nagelle Arsi	Rafu Hargissa	35	Adaba Fitta	35
Arsi	Shalla	Hada Bosso	35	Sayo Maja	35	
		Awara Gama	35	Lencha Laman	35	
		Lejjo Kertefa	35	Bakela Deya	35	
Arsi	Degeluna Tijo	Jammo	20	Sagure Mollie	35	
		Lude Hitosa	Fursa	35	Boru Addecha	35
			Total HH:	395	Total HH:	421

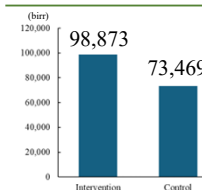
Legend: Trial Farm implemented

## Result (2) Increment of purchasing agri-inputs



- ✓ The intervention group invested more in agri-inputs than the control group. (it was not statistically significant)

## Result (3) Rising of agricultural income



- ✓ The intervention group earned more agricultural income (net profit) than the control group. (it was not statistically significant)

# Guideline

## Reaction from other Regions on the Guideline

On 13 January 2024, the Guideline was presented to the representatives of 5 Regions, for them to consider if the ICIP model can be utilized to start their own insurance promotion by themselves.

	Benishangul Gumuz	SWE	Tigre	Sidama	Oromia
1 Major Agricultural Risks	Erosion, flood, pest & diseases, drought	Pest and diseases, flooding, drought, rain storm, soil acidity	Drought, irregular rainfall, frost, flood, pest and diseases, post-war shock	Shortage of rain, rainfall fluctuation, pest and diseases, flood, price fluctuation	Drought, pest, shortage of rain, frost, flood, acidity, ice rain
2 Status of Agriculture insurance activities	Commercial insurance was implemented by UNDP	None	Started in 2017 by OXFAM, REST,ATI	None	Oromia Insurance, EIC
3.1 Preferred insurance type	AYII	AYII	AYII and Weather index insurance	AYII and Weather index insurance	AYII and VICI
3.2 Preferred insurance company	EIC	EIC	Lion insurance company	EIC	OIC and EIC
3.3 Possible intermediates	MFI	RuSACCO and MFI	Dedebit micro finance and SACCO	Omo MFI, Sidama Bank, ELTO Institution, Development Bank	Busa Gonofa, Kifiya, SACCO, MFI
3.4 Are there any existing programs which can be utilized for insurance promotion	Package training, FTC, FFS	Package training, multipurpose cooperatives	Package training, commercialization farming association, cluster farming	None	Agricultural package training, I/S, SACCO, Social media

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## Objectives of the Guideline

- To guide implementers of index-based crop insurance in Ethiopia,
- To facilitate the government involvement in scaling up index-based crop insurance,
- To propose the potential government intervention areas in the future.

The government should take an initiative to promote index-based crop insurance.

Officers from the Ministry of Agriculture and the Regional Agricultural Bureaus are expected to promote index-based crop insurance based on the guideline.

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# Lessons Learned and Recommendations

## Structures of the Guideline

The guideline consists of 2 parts:

**Part I** describes key concepts and background about index-based crop insurance,

**Part II** focuses on the implementation method of the ICIP approach.

Part I: Agricultural Insurance Promotion	Part II: ICIP Approach
<b>1. Introduction</b>	<b>1. Introduction</b>
<b>2. Risk Management Approach</b> Key concepts of agricultural insurance as a risk management tool	<b>2. Implementation Structure</b> Guidance on the implementation structure and potential partners
<b>3. Agricultural Insurance in Ethiopia</b> Brief history and current status of agricultural insurance in Ethiopia	<b>3. Planning and Preparation</b> Development process of the Resilience Enhancement Packages (REPs)
<b>4. Potential Government Interventions</b> Potential government interventions to scale up agricultural insurance	<b>4. Implementation</b> How to implement promotional activities and insurance operations
	<b>5. Technical Manuals</b> Training materials and key references

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## Lessons Learned

- 1. Importance of reviewing insurance products at the end of each season.**
- 2. Information sharing with other index-based insurance projects on the development of insurance products and programs.**
- 3. When incorporating risk management and agricultural technology into the agriculture package training, it is important to include field training.**

**Recommendations (1) – for MoA**

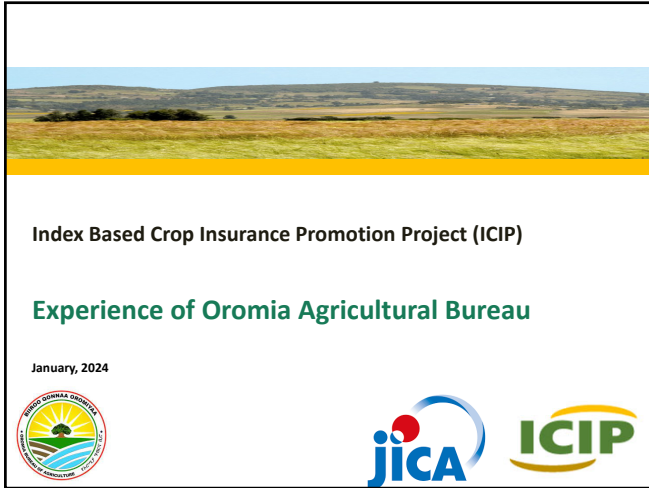
- 1. Continuous operation of Dialog Platform.**
- 2. Creation of permanent group/section and/or assignment of technical staff exclusively work for the Task Force.**
- 3. Strengthening of Collaboration with Input Voucher System (IVS).**
- 4. Authorization of ICIP's Guideline.**

**Recommendations (2) – for OBoA**

- 1. Strengthen combination of insurance promotion with Agricultural Training Package (ATP), such as budget, manpower, etc.**
- 2. Assignment of insurance expert(s) at OBoA.**
- 3. Tie-up with various private companies related to insurance. (insurance companies, microfinance institutions, etc.)**

**Thank you!**





**2. Partnership to achieve the project goal and purpose**

*Overall Goal:*  
 Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably.

*Project Purpose :*  
 The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.

**1. Background and Context**

- In general term, small-scale farmers are mostly undertaking the Agriculture and related business within the tense environment resulting from weather variability and natural disasters in Oromia region.
- These frequently affect the farm business productivity and overall production of farming system which commonly have negative impact on the livelihoods of the farmers community and National economy as well.

**3. Coverage of the Project area and insurance product type**

Zone total : 4  
 (West Arsi, East Shewa, Arsi, South West Shewa)

Woreda total: 24

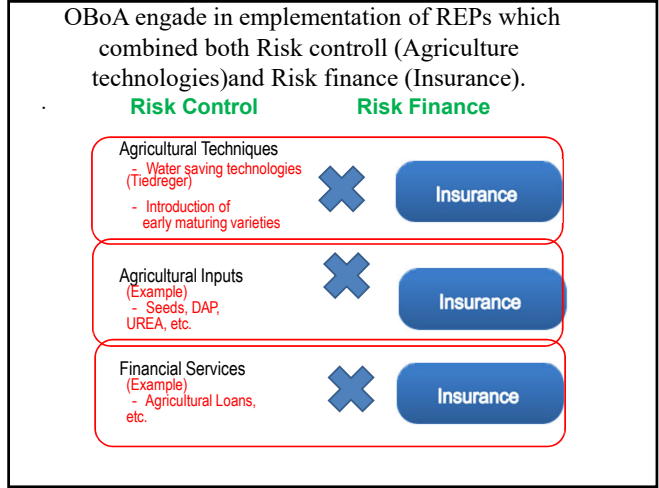
Kebele total: 133

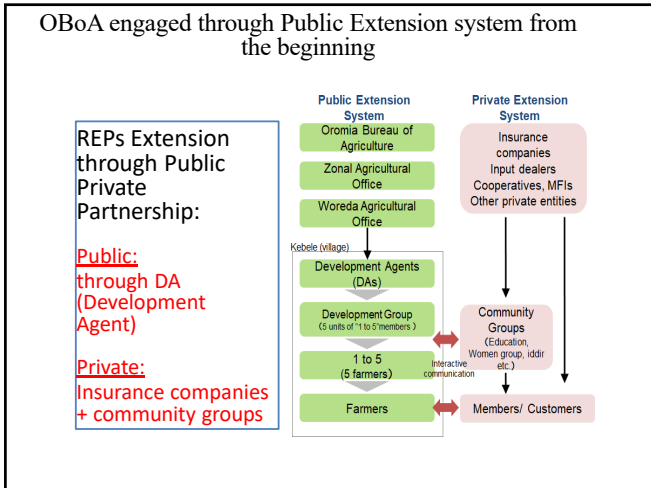
**Implemented Insurance product type**

1. VIC (Vegetation Index based crop insurance)
2. AYII (Area Yield Index based crop insurance)

**1. Background and Context**

- However, technically effective and efficiency strategies not yet in place in the extension service delivery system to mitigate potential impact of these natural catastrophe and related consequences.
- In this regard thanks to JICA/ICIP/ project for implementing Agriculture insurance in Oromia region to minimize Agricultural natural Risks and vulnerability of farmers for this climate change risks. So since 2019 up to 2024 OBoA cooperated with JICA /ICIP/ project and benefited our farmers in crop insurance.





**Statically achieved in Oromia Region**

**Number of Participants for REPs Trainings from 1<sup>st</sup> to 4<sup>th</sup> cycle**  
**51358 through REPs training**

**Number of Insured Farmers from 1<sup>st</sup> to 4<sup>th</sup> cycle**  
**12,734**

**Number of Farmers received payout from 1<sup>st</sup> to 4<sup>th</sup> cycle**  
**5,194**

**Total amount of money paid for the farmers for insurance compensation from 1<sup>st</sup> to 4<sup>th</sup> cycle**  
**3,400,733 Ethiopian birr**

- 4. Output Achieved in Oromia Region**
- Output-1:** Resilience Enhancement Packages (REPs) which meet local needs are developed.
  - Output-2 :** Human resources for promoting the REPs is developed in Oromia Region.
  - Output-3:** The REPs are promoted in Oromia Region.
  - Output-4 :** A basis for promoting IbCI nation-wide is established. ( This Out put was mainly working with MOA

**Progress and Plan To Integrate ICIP Experience**

**(1) Agriculture Package Training**

As Agricultural extension services, Oromia Bureau of Agricultural (OBoA) conducts the Agricultural Package Training every year. So through this extension service OBOA already included a training about agricultural risk management including index-based crop insurance combining with this regular training to reach out rural farmers as many as possible without extra insurance operation cost.

- Continued...**
- Output-4:** Agriculture Insurance was included in the OBoA implementation manual.
  - Output-5 :** Agriculture Insurance was combined with Agriculture package training and promoted up to ground level.
  - Output-6:** Agriculture insurance was handover and got special attention by OBoA.
  - Output-7 :** Oromia Region experience was as a basis for promoting IbCI nation-wide is established. ( This Out put was mainly working with MOA

**Table 1.** Achievement through Agriculture Package Training in 2023 (project Woreda)

Zone	No. of Trained Officers/Farmers			
	Zone	Woreda	Development Agents (DA)	Farmer
East Shewa	57	587	778	18,529
Arsi	63	419	487	149,746
West Arsi	31	419	491	192,853
South West Shewa	59	274	264	42,082
<b>Total</b>	<b>210</b>	<b>1,699</b>	<b>2,020</b>	<b>403,210</b>

**Continued ...****(2) General role of OBoA during the implementation of ICIP**

1. Engaged in the selection of target areas for the crop insurance
2. engaged through Public Extension system in the implementation of ICIP
3. Assigning appropriate expert as a focal person for project activities at Regional, Zonal, Woreda and Kebele level.
4. Engaged as a trainer on the TOT for Agriculture technology part.

**4. Major extension strategies**

- Extension field staffs (Experts and DAs) Training on Agricultural risk management and Index-based insurance based on JICA's ICIP project experiences
- Focus on the selected model farmers (Gender aggregated and sensitive training) for the implementation of training of Agricultural risk management and insurance
- Jointed (Extension field staffs and model farmers) Technical Tour and visits to enhance knowledge exchange and experience sharing

5. Included crop insurance in the checklist of annual activity plan
6. Included Agriculture insurance into Agriculture package extension service system.
7. Following and monitoring its implementation at the ground level.
8. Prepared field days and experience sharing programe on the target FTC of ICIP and promoted crop insurance for non target areas

**Continued ...**

- Promotion of Agricultural risk management practices and Innovations through using different channels.
- Promotion of Index based Agricultural Insurances experiences and best practices
- Integrating insurance sells with input voucher system

**(3) Rationale:-** Agriculture risk management is limited in the extension service delivery system and mostly the designed extension strategies are not risk management oriented in the manner can influence positive behavior toward the risk management.

- Thus, the purpose of current effort is to integrate Agricultural risk management related Agricultural practices and Agricultural insurances to attain maximum productivity and production
- Along with this to realize and attain required agricultural development goals

**Statical plan for the 2024 implementation**

No	Trainees categories	Unit	Target for 2024 Main season
<b>I</b>	Regional Level trainer	Number	27
<b>1</b>	Zonal expert TOT	>>	28
<b>2</b>	Woreda expert TOT	>>	224
<b>II</b>	Districts Level training (Participants)	>>	384
<b>2</b>	DAs	>>	471
	New Kebele Level (farmers training)	>>	72,759
<b>II</b>		>>	
<b>I</b>	Existing kebele		403,210

Continued ...

Provisional Plan to Scale-out the ICIP Project's Experience (2024)

Zones	Districts/woreda		
	JICA's target woreda	None project woreda	Total
South west shewa	5	2	7
East shewa	7	2	9
Arsii	5	2	7
West Arsi	7	2	9
<b>Total</b>	<b>24</b>	<b>8</b>	<b>32</b>

Continued ...

- Limited experience of financial institutions in small-scale farmers' contexts and settings
- Lack of focus and attention to manage Agricultural Risks and related consequences
- Lack of past experiences in the country in general and Oromia region in Particular
- Limited Knowledge and awareness concerning Agricultural insurances and related procedures by farmers and extension field staffs

Continued ...

Tentative plan for total woreda and kebele (2024)

Zone	Districts	No kebele
East shewa	Adama	3
	Fantale	3
Arsi	Balee-gazigar	3
	Sude	3
West Arsi	Wondo	3
	Dodola	3
S/W Shewa	Waliso	3
	Wonchi	3
<b>Total</b>	<b>8</b>	<b>24</b>

Thank you for Attention

## 5. Lesson Learned and Challenges

### (a) Lesson Learned from the REPs implementation

- Experience developed in context of Risk Financing and Risk management
- Partnership among customers, donor and stakeholders
- The delivery channels developed experience and know how about risk management and risk financing.
- The farmers developed their awareness on Agriculture risk and financial risk management.(only for target areas).

### (b) Challenges in the course of REPs implementation

- Inadequate experience of Risk management in small-scale farming business
- Inadequate experience and knowhow of Risk management in Extension service delivery system



**Agricultural Investment and Input Sector**

**Agricultural Investment & Product Marketing Lead executive**  
**The role of government to support and lead agricultural insurance in Ethiopia**

January 2024  
 Addis Ababa



**Outline**

- Introduction
- An overview of agricultural insurance
- Ethiopian agricultural insurance Experience
- Why agricultural insurance to promote ? JUSTIFICATION
- The role ministry of agriculture to promote agricultural insurance
- Stakeholders for agricultural insurance
- Main Operational Challenge and opportunity
- For way wards

**Introduction**



- Agriculture in Ethiopia is exposed to diverse sources of risk factors including rainfall variability, severe droughts, floods, pests, and livestock and crop disease outbreaks. Most of the climate predictions indicate that droughts are likely to become a more common phenomenon in Ethiopia.
- Agricultural insurance is one tool to manage the risks that may arise in agricultural production, which will actively be used by financial intermediaries to hedge the financing of agricultural products.
- Agricultural insurance protects against loss of or damage to crops and livestock.
- It has great potential to provide value to low-income farmers and their communities, both by protecting farmers when shocks occur and by encouraging greater investment in agriculture.

**An overview of agricultural insurance**



- In the 1950 agricultural insurance schemes were first set up in developing countries. Between the 1950s and the 1980s several public sector (multi-peril crop insurance) MPCl schemes were established in Latin America (for example, Brazil, Costa Rica, and Mexico) and Asia (for example, India, the Philippines), often linked to seasonal production credit programs for small farmers (Kerer, 2013).
- According to the World Bank, agricultural insurance is currently available in more than 100 countries either as well-developed programs or pilots. While most high-income countries have well-established agricultural insurance markets, only one-third of middle- and low-income countries currently offer such products and programs.

**Ethiopian agricultural insurance experience**



- Agricultural index insurance started with a World Bank facilitated pilot project during the 2006 cropping season for rainfall risks associated with maize production in Alaba *woreda* (Southern Nation, Nationalities and Peoples Region), the state-owned Ethiopian Insurance Corporation (EIC) serving as an underwriter for the project. At about the same time the UN World Food Programme (WFP), with assistance from the World Bank, launched a pilot macro-level weather index insurance initiative aimed at mitigating the effects of extreme drought during the 2006 agricultural season.
- The agricultural insurance enterprise in Ethiopia is still largely driven by small pilots, with the momentum toward sustainable scale being dampened by the ad hoc and fragmented manner of implementation and the absence of an enabling policy framework.
- About 200K farmers and pastoralist are currently assessing insurance provided by the WFP, ATI, PULA , JICA AND WORLD BANK programmes.

**Why agricultural insurance to promote ? Justification**



- Now there is a paramount importance to institutionalize and mainstream agricultural insurance for a number of reasons:
- Support build an enabling environment (to provide the regulatory and legal framework )
- Strengthen coordination (To coordinate the different agricultural insurance initiatives)
- to include it as one of the agricultural services provided to smallholder farmers and commercial farms,
- Monitoring and Evolution ( continuously asses the impact quality and gaps)
- Capacity building and strengthening of government, farmers and private stakeholders
- Sustainability

## The role ministry of agriculture to promote agricultural insurance

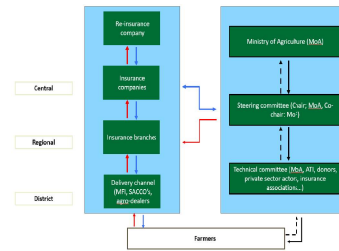


- Developing a roadmap for the long-term sustainability of agricultural insurance programs in Ethiopia
- Developing strategic vision of Agricultural Insurance Policy
- Develop Regulatory framework for Agricultural Insurance (proclamation, guideline, directive)
- To support enabling Environment Incentives (Subsidy, Tax Exception, Forex Issue, technology and Data supply)
- Organizing a national discussion dialogue to engage additional partners and stakeholders
- Coordinating efforts among key organizations and departments involved in agricultural insurance to implement the agricultural insurance schemes.
- Identifying challenges and providing recommendations for improvement
- Design appropriate organizational structure
- To create awareness about agricultural insurance and to manage the risks of the insurance product

## Stakeholders of agricultural insurance



- Government side Ministry of agriculture, ministry of finance, National bank of Ethiopia
- Private sectors:-Insurance companies ,Re-insurance companies
- Donors:-JICA, WFP, UNDP



## Main operational challenge



- According to ATI's study (2023) the last insurance pilots' challenges
- Limited policies, regulations, & government involvement (Lack of policies/regulation)
- Capacity gaps (technical skills and capital) gaps within insurers
- Low financial literacy, awareness and trust
- Lack of customized approach to Agricultural insurance product design and delivery
- sustainability issues (Lack of Ownership and Leadership to manage an overall operation of Agricultural Insurance in the country.

## Agricultural insurance opportunity



- Revised draft agriculture & rural development policy (የግብርናና ገበያ ልማት ፋይናንስ አቅርቦትና ተይዘት)፡- የግብርናና ገበያ ልማት መድን ሽፋን ለማሻሻል መደበኛ ኢንሹራንስ ድርጅቶች የገበያና የአደጋ ተጋላጭነት እና ለሀገራዊ ኢኮኖሚ ካለው አስተዋፆ አንጻር የሚያስፈልጉ የመድን ድርሻው (insurance portfolio) እንዲያደግ ይደረጋል።
- የፖሊሲውን ወጥታማ አላጭ የሚያረጋግጥ የህግ ግዛቶች አፈጻጸም ስርዓት (ይህንን ፖሊሲ ወጥታማ በሆነ ማለት ለማስፈጸም የሚያስፈልጉ አዋጆች ደንቦች እና አፈጻጸም ስርዓቶች ተለይተው እንዲሆኑ ተጠቅሞ ቀርቦ፡- ግብርና ኢንሹራንስ አዋጅ ይዘጋጃል።
- የግብርና ዘርፍ የ10 ዓመት መሪ ዕቅድ (የኢንሹራንስ እና የብድር አቅርቦት ተግባራዊ ማድረግ፡- አልፎ ስለሚገኝ በላይ ለሆኑ ሥራዎችን በመቀነስ ወደ አርሻ ልማት ሥራ እንዲሰጥ ለማድረግ ማቆምን በጥናት በመለየት እንደ አስፈላጊነቱ መንግስት የኢንሹራንስ ሥርዓት ተግባራዊ እንዲሆን ድጋፍ ይሰጣል)።
- 10 in 10 Programs (Productivity enhancements) #Avoid and minimize the risk
- To Lessons learned and scale up previous agriculture insurance insurance programs piloted in different parts of the country.

## For way wards



- To establishment of an institutional arrangement. (National Agricultural Insurance steering committee and Technical Working Group.
- Enhance government involvement/By policy and regulation
- Developing a roadmap for the long-term sustainability of agricultural insurance programs in Ethiopia
- Capacity building awareness creation for agricultural insurance

አመሰግናለሁ  
Thank You



ከማምረት በላይ | Beyond Production

Attachment-15 Minutes of Meeting for the 6th JCC Meeting on 31 January, 2024





***MINUTES OF THE MEETING***  
***ON***  
***THE SIXTH JOINT COORDINATION COMMITTEE MEETING***  
***FOR***  
***INDEX-BASED CROP INSURANCE PROMOTION PROJECT***  
***FOR RURAL RESILIENCE ENHANCEMENT (ICIP)***

***AGREED UPON BETWEEN***  
***MINISTRY OF AGRICULTURE***  
***OROMIA BUREAU OF AGRICULTURE***  
***AND***  
***JAPAN INTERNATIONAL COOPERATION AGENCY***

31<sup>st</sup> January, 2024

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Sintayehu Demisse

Director/ Project Director,  
Food Security Coordination  
Directorate Ministry of  
Agriculture  
The Federal Democratic  
Republic of Ethiopia

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Getu Gemehu

Head,  
Oromia Bureau of  
Agriculture

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Kensuke Oshima

Chief Representative  
Ethiopia Office  
Japan International  
Cooperation Agency

## **Introduction**

Japan International Cooperation Agency (hereafter referred to as “JICA”) and the Ministry of Agriculture (hereafter referred to as “MOA”) and Oromia Bureau of Agriculture (hereafter referred to as “OBoA”) agreed with the contents of the Record of Discussion (R/D) for “Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)” (hereafter referred to as “the Project”) in July 2017. In accordance with the R/D, JICA dispatched experts to assist in the implementation of the Project in March 2019.

The 1st Joint Coordination Committee (JCC) was held on 18th July 2019. In the 1st JCC, the Project Design Matrix (PDM) version 1.0, including proposed indicators, was approved by the JCC members. The 2nd JCC was held on 29th April 2021 to present the achievements of the Project activities in the 1st Phase and the activity plan for the 2nd Phase. After that, the 3rd JCC was held on 28th April 2022 to report the achievement and progress and discuss the revision of the PDM. The 4th JCC was held on 29th September 2022 in which the progress of the project and the revised PDM indicators were explained, and then all the participants agreed on the revision of the PDM indicators.

The 5th JCC was held on 21st September 2023 to share the progress of the project and discuss the way forward. In the 5th JCC, the tentative achievements of the project were explained by the Project team, followed by the presentation on the Training in Japan and Kenya by MoA. Also, the draft Guideline was introduced, and the discussion was done among the participants.

### **1. Opening Remarks, Mr. Dereje**

The 6th JCC started with the Opening Remarks of Mr. Dereje, Lead Executive of Agricultural Investment and Product Marketing (MoA). First of all, he welcomed and appreciated all the participants to the 6th JCC and apologized for the absence of Dr. Sofiya and Ms. Sintayehu because of inevitable circumstances.

The importance of agricultural insurance was emphasized as one of innovative tools to transfer various farming risks and strengthen farmers’ resilience since the climate change is making farmers’ livelihoods prone to more risks.

It was explained that the JICA-ICIP Project started since 2019 and the Project achieved a lot, for example 12,000 farmers were insured without premium subsidy. REPs approach in which agricultural insurance promotion is combined with agricultural technique was also explained. As key achievements, the number of farmers trained (more than 50,000) and trained officers (700), the preparation of the Guideline, and the establishment of the Dialogue Platform were pointed out.

He mentioned that MoA will continue to work on scaling up agricultural insurance in Ethiopia, which is the mandate of MoA, and the will was shown to facilitate MoA to leverage the outputs made by the ICIP Project and keep the momentum for the sustainable agricultural insurance scheme. Again, the appreciation was shown to all the efforts and commitments made by the participants.

## **2. Short Self-Introduction**

See Annex-I: Attendees List

## **3. Presentation 01: Achievements of the Project, Mr. Sudo and Mr. Hirayama (JICA-ICIP)**

The Project team explained the achievements as follows:

- ✓ The JICA-ICIP Project started 5 years ago. The Project could achieve some results although there were some difficulties, such as COVID-19 and security problems.
- ✓ Implementation agencies were MoA and OBoA, and REPs were promoted in the Project.
- ✓ As the main achievements, the insurance promotion was done in 308 kebeles in total though our first target was 130. During 4 Cycles, the number of farmers who attended REPs training reached 51,358, and 12,734 farmers purchased insurance with around 25% of take-up rate. It was achieved without subsidy. The insurance promotion was done in 4 zones, with the highest purchasing number in West Arsi Zone.
- ✓ Take-up rates vary depending on the type of promotion agencies and areas.
- ✓ Approximately, 60% of farmers repeatedly purchased agricultural insurance.
- ✓ The Dialogue Platform was established because there was no place for donors and private companies to share information and discuss with each other for policy advocacy. So far, the Dialogue Platform was organized four times. Information sharing, discussion, and the introduction of the Guideline have been done. It should be expected that MoA will continue the Dialogue Platform even after the end of the Project.
- ✓ The impact analysis was done. 395HHs and 421HHs, which have similar characteristics, were surveyed as the intervention group and the control group, respectively. As the hypothesis, the following 3 points were expected and analyzed. 1) Improvement of risk management capacity, 2) increment of purchasing agricultural inputs, and 3) Rising of agricultural income.
- ✓ The intervention group got 6.3 points in average as the risk management capacity while the average score of the control group was 5.3. The intervention group expensed 16,330birr for agricultural inputs while the control group spent 11,394birr in average.

Regarding the agricultural income, the intervention group earned more (89,873birr) than the control group (73,469birr).

- ✓ The Guideline for the implementation for the Index-based Crop Insurance for the government official as the potential target user. The Guideline consists of 2 parts, namely 1) basic concepts and backgrounds, and 2) implementation method for the JICA-ICIP approach.
- ✓ The Guideline Seminar was organized, inviting MoA officials and officers from Regional Bureau of Agriculture even out of Oromia Region. In the results of the discussion, all the participants got interested in promoting agricultural insurance in their own regions. It is expected that hopefully the agricultural insurance promotion would be done not only Oromia Region but also in the other regions in the future.
- ✓ The Guideline booklets were distributed to all the participants. It was mentioned that the Guideline should be the final version and the approval should be done in this 6th JCC. The data of the Guideline will be handed over to MoA, and MoA can revise or update it if necessary. Since no objections raised, the guidelines are regarded as unanimously approved at this JCC.
- ✓ As the lessons learned, the following points were mentioned. 1) Importance of reviewing insurance products at the end of each season, 2) Importance of information sharing, and 3) Importance of field training when combining insurance promotion and agricultural techniques.
- ✓ As the recommendations for MoA, the following points were mentioned. 1) Continuous operation of the Dialogue Platform, 2) Creation of permanent group/section and/or assignment of technical staff for agricultural insurance, 3) Strengthening of collaboration with IVS, and 4) Authorization of the Guideline prepared by the ICIP team.
- ✓ As the recommendations for OBoA, the following points were mentioned. 1) Strengthening of the combination of insurance promotion and Agricultural Package Training, 2) Assignment of insurance experts at OBoA, and 3) Tie-up with various private actors.
- ✓ MOUs were made between OBoA, OIC, EIC and Kifiya to continue the agricultural insurance promotion in Oromia Region.

#### **4. Presentation 02: The engagement of OBoA in the agricultural insurance promotion, Mr. Lema (OBoA)**

Mr. Lema, Director of Crop Development (OBoA) explained the activities related to agricultural insurance promotion by OBoA as follows:

- ✓ Agriculture in Ethiopia is facing a lot of risks. Therefore, risk management should be conducted to mitigate various risks. Thanks to JICA, the risk management measures were introduced in Oromia Region.
- ✓ The overall goal, project purpose, the coverage and types of insurance product were explained. OBoA engaged in the REPs promotion in which insurance (risk finance) is combined with agricultural techniques (risk control). The public extension services were utilized in the promotion.
- ✓ As the achievements from the perspective of OBoA, the following point were mentioned. 1) REPs were developed, 2) Human resources for insurance promotion were developed, 3) REPs were promoted, 4) The basis for promoting IbCI nationwide was established, 5) Agricultural insurance was included in OBoA's implementation manual, 6) Agricultural insurance was combined with Agricultural Package Training, 7) Agricultural insurance was handed over to and got attention by OBoA, and 8) The experience of OBoA became a basis for promoting IbCI nationwide.
- ✓ Agricultural Package Training was introduced as one of the key components as the progress and the plan to integrate ICIP experience. The general roles of OBoA were explained. And it was mentioned that IbCI was included in the checklist of Oromia Region.
- ✓ As the major extension strategy, the following points were mentioned. 1) Training extension field staff on risk management and IbCI, 2) Focus on the selected model farmers, 3) Joint technical tour, 4) Promotion of risk management practices through different channels, 5) Promotion of experiences and good practices on IbCI, and 6) Integration of insurance promotion with IVS.
- ✓ OBoA's plan in 2024 was also explained which includes target number of trainees, target areas and so on.
- ✓ As lessons learned from REPs promotion, the following points were mentioned. 1) Experience developed in the context of risk management, 2) Partnership, 3) Delivery channels and know-how about risk management, and 4) Farmers' awareness on agricultural risks and risk management.
- ✓ As challenges in the REPs implementation, the following points were mentioned. 1) Inadequate experience of risk management, 2) Inadequate experience, Limited experience of financial institutions, 4) Lack of focus and attention to agricultural risk management, 5) Lack of the past experience, and 6) Limited knowledge and awareness of field staff concerning agricultural insurance.

## **5. Presentation 03: The roles of MoA and the status of institutional arrangement,**

### **Mr. Dereje (MoA)**

Mr. Dereje, Lead Executive of Agricultural Investment and Product Marketing (MoA), explained the recent movements within MoA as follows:

- ✓ The presentation has been prepared based on the Concept Note which was drafted according to the direction by H.E. Dr. Sofiya.
- ✓ The main objective of Concept Note is to clarify how can important stakeholders promote agricultural insurance. Also, the role and responsibilities of MoA are mentioned in it.
- ✓ Agriculture is the backbone of Ethiopia, it is the main source of food, the lion shares of GDP, and has high share of exports. However, there are so many challenges. In order to overcome these challenges, the government of Ethiopia has been launching and initiating different programs: 1) legal framework, 2) different incentives for farmers, for example to provide subsidy for fertilizers, and 3) Organizational structure.
- ✓ Agricultural insurance can be one of the solutions for mitigating risks and uncertainty of farmers as well as private investors. Agricultural insurance in Ethiopia started in 2006 by World Bank and WFP. The main operational challenges include: 1) no legal framework, 2) no responsible organizational structure, 3) capacity gaps, 4) low financial literacy and awareness and trust, 5) focus on specific areas, and 6) information asymmetry.
- ✓ As the roles of MoA, the following points were mentioned. 1) Developing roadmap for long-term sustainability, 2) Developing a strategic vision, 3) Developing a legal framework, 4) Supporting as enabling environment, 4) Organizing a national dialogue, 5) identifying challenges and recommendations, 6) Designing appropriate organizational structure, and 7) Creating awareness.
- ✓ Because the collaboration between different actors is very important, the Steering Committee and the Technical Working Group should be established. MoA, MoF, NBE, ATI and Cooperative Agency should be the member of the Steering Committee, in which MoA would be the chair. Private companies and international organizations are also important and should be involved in the Technical Working Group.
- ✓ As the opportunity, the following points were mentioned. 1) Revised agriculture and rural development policy, 2) 10 in 10 year program, and 3) lessons learned and experience of OBoA and from the visits to other country.

## **6. Discussion**

- ✓ Kifiya appreciated the efforts and initiative of the Project. It was emphasized that the relevant actors are now talking about the IbCI because of the Project, and the Dialogue

Platform was started by the joint coordination between JICA-ICIP and WFP, which have led to the current commitment by the government. T

- ✓ Kifiya requested the continuation and extension of the Project for the long-term nationwide intervention.
- ✓ ICIP explained, as a reply to the comments by Kifiya, the continuous commitments by OBoA and MoA through Agricultural Package Training and the Guideline as the strategy for the sustainability.
- ✓ JICA Ethiopia reminded all the participants that the continuous commitments by OBoA and insurance companies were requested in the 5th JCC. The following questions were asked. “Are you going to continue promoting insurance products in the target areas or even in the new expanded areas?” “What kind of initiatives are you planning to have without JICA’s support?”
- ✓ OBoA explained that they signed the MOU with insurance companies, in which the commitment for the scaling up of agricultural insurance promotion in Oromia Region was clarified. It was also mentioned that they intend to promote agricultural insurance in existing areas as well as new areas.
- ✓ OBoA expressed that they are ready to encourage insurance companies by 1) training farmers on agricultural insurance and risk management and 2) providing the support letter for insurance companies to work with DA at field level.
- ✓ OIC acknowledge the commitment by MoA and appreciated ICIP team that the Project have done all they can do though without premium subsidy. It was mentioned that we can move forward if stakeholders will work more and dedicate enough, and the continuous support by JICA was requested.
- ✓ OIC expressed that they will commit to scale up as much as possible. The necessity of the discussion with NBE was emphasized, and it was mentioned that all insurance companies should sale agricultural insurance products, and banks should be involved.
- ✓ OIC added that they are working not only in Oromia Region but also in the other regions. It was also explained that OIC started the microinsurance business just 2 years after the establishment of the company, which has not yet made profit. OIC expressed how ICIP team did their best even in the field through TOT training and CCE training and also thanked for providing necessary materials.
- ✓ OIC emphasized the necessity of the additional supports, such as digitalization and product/index design.
- ✓ EIC thanked ICIP and mentioned that now farmers in the field recognize IbCI and the name of ICIP. EIC also showed the appreciation for the commitment by MoA and the government of Japan. Regarding the insurance promotion, EIC mentioned that although

they can do in the target areas by themselves, they need supports by JICA to scale up into new areas.

- ✓ WASASA evaluated what ICIP have done in the last 5 years. WASASA emphasized their roles and engagement in the field to sale insurance products and collect premiums. It was also mentioned that they have the plan to extend their activity in the field, including the agricultural insurance promotion.
- ✓ ICIP appreciated the cooperation and effort made by WASASA as an important intermediary in addition to SACCO.
- ✓ ATI, as the institution under the umbrella of MoA, appreciated commitments by other stakeholders and promised to do their best.
- ✓ OBoA also expressed their expectation for the additional support from JICA, especially for scaling up to the new areas.
- ✓ JICA Ethiopia pointed out that although there was not the active presence of the departments of Mr. Dereje and Mr. Lema in 2019, recently their commitment pushed our agendas forward. And the importance of the institutionalization, such as the preparation of the Guideline, was emphasized.
- ✓ JICA Ethiopia also explained that the ICIP Project is actually the Phase-2, therefore private actors should understand JICA's condition, revise their expectations and even consider what they can do by themselves since the project support should be minimized in the 2nd or 3rd phases as the nature of organization. As examples, it was recommended that insurance companies and OBoA should have separate consultations and private actors should push the government and NBE for an enabling environment.
- ✓ JICA Ethiopia required the clarification about the commitment for the continuation of insurance promotion by each actor. The importance of intensive discussion and consultation between OBoA, insurance companies and Kifiya to resolve some difficulties and avoid stagnation of actual activity was emphasized.
- ✓ JICA Ethiopia also mentioned that even without next project phase, JICA can support stakeholders through the agricultural advisor who are in MoA and has the mandate to provide an advise and support stakeholders of agricultural insurance sector.
- ✓ OIC replied that they are planning to implement insurance promotion in both existing target areas and new areas.
- ✓ Kifiya explained that based on the MOU, once TOT training will be done through Agricultural Package Training by OBoA, OIC will make the contract between RuSACCO and involve kebele DAs in the field to promote insurance. Also, they mentioned that they are considering making the tripartite agreement between OBoA, WASASA and OIC if necessary, and planning to prepare some figures for further discussion.



- ✓ OBoA mentioned that they are ready to cooperate with insurance companies to manage and resolve any complain from farmers.
- ✓ OIC agreed on the point made by OBoA and the necessity to utilize all the existing structures and facilities.
- ✓ JICA Ethiopia asked MoA for the explanation about the necessary procedures for the authorization of the Guideline.
- ✓ MoA replied that they will communicate and discuss with the state minister and get directions to authorize the Guideline. The appreciation was again shown for all the stakeholders.

### **7. The Ceremony for the MOU between OBoA, EIC, OIC, and Kifiya**

The MOU between OBoA and EIC was exchanged in front of participants.

The MOU between OBoA, OIC and Kifiya was also exchanged in front of participants.

### **8. The Ceremony for the submission of the Guideline to MoA**

The Guideline was submitted from the Project team to MoA.

### **9. Short Message**

Mr. Sudo, Team Leader of JICA-ICIP Project, brought the short message, and appreciated all the stakeholders, including MoA, OBoA, insurance companies, private actors, JICA Ethiopia and project team members.

### **10. Closing Remarks**

Closing Remarks were made by Mr. Kensuke Oshima, Chief Representative from the JICA Ethiopia Office. Sincere appreciation was expressed to all the stakeholder who have been engaging in the Project for 4.5 year. He also congratulated the ICIP Project team to finish the project with tangible results under the difficult circumstance.

The recognition of the importance of agriculture sector in Ethiopia was confirmed. He mentioned that agriculture is also the core area in JICA's cooperation in Ethiopia, with 7 projects focusing on different aspects of agriculture development. He expressed his understanding that agricultural insurance has been given the attention by Ethiopian government to enhance the resilience of small-holder farmers. Since 2019, JICA has been supported the promotion of agricultural insurance in the ICIP Project, and the Project has made some tangible results. It was mentioned the momentum created by the Project will be continued even after the end of the Project by the relevant stakeholders.

He commented that the plenty thing remained to be done since agricultural insurance is

relatively new experience. At the same time, it was emphasized that, on the other hand, many experience has been attained through the Project. Institutionalization of agricultural insurance is crucial to ensure the sustainability and improve the resilience of farmers. The strong efforts by MoA to institutionalize agricultural insurance was acknowledged. Lastly, he informed that the government of Japan officially approved the request for the experts of agricultural insurance from the next fiscal year. It was requested for MoA to conduct the collaboration with other partners to keep the momentum created by the Project.

**End**

## **Annex-I**

### **Attendees List**

#### **Ministry of Agriculture**

Mr. Dereje Abebe	Lead Executive of Agricultural Invest & Product Marketing
Mr. Sileshi Worku	Senior Expert
Mr. Kasahun Melato	Public Relations Expert / Reporter
Mr. Gediyon Negash	Camera man

#### **Agriculture Transformation Institute**

Mr. Dagnachew Seyoym	Team Leader / SPO
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#### **Oromia Bureau of Agriculture**

Mr. Lama Bogale	Director / Agriculture focal person of Crop Development
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#### **Oromia Insurance Company S.C**

Mr. Tegistu Shiferaw	CEO
Mr. Mustafa Haji	Senior Expert

#### **Ethiopian Insurance Corporation**

Mr. Balew Yeshaneh	Director of Micro and Agri Insurance
Mr. Tariku Geremu	Principal Officer

#### **Kifiya Financial Technology**

Mr. Melkachew Temesgen	GM
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#### **WASASA Microfinance S.C.**

Mr. Yom Terefe	Microinsurance Director
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#### **JICA Ethiopia Office**

Mr. Kensuke Oshima	Chief Representative
Mr. Yuhi Miyauchi	Representative
Mr. Abera Awano	Program Officer

#### **JICA ICIP Team**

Mr. Akira Sudo	Team Leader/ Rural Risk Management
Mr. Kota Hirayama	Deputy Team Leader/ Rural Risk Management
Ms. Miho Kanno	Agricultural Extension (2)/ Monitoring and Evaluation
Mr. Takuo Nishikawa	Agricultural Policy
Mr. Atomsa Besha	Index-based Insurance Coordinator
Ms. Alem Dejene	Agricultural Project Officer
Ms. Daki Kampe Dido	Administration Assistant



## Attachment-16 Monitoring Sheets



## TO CR of JICA ETHIOPIA OFFICE

## PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.1.0 (Corresponding Term: March 2019 – August 2019)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** September 1, 2019

## I. Summary

## 1. Progress

## 1-1 Progress of Inputs

Japanese side**[Dispatch of Japanese Experts]**

During this monitoring period (March - August 2019), total 11.7 man-months (M/M) were spent by the Japanese Experts, and as a result, 38.4% of the M/M for the 1st contract period was consumed. The input from the Japanese side through the assignments of the Japanese Experts is on course.

(The following table does not include home office works in Japan)

Name	Position	M/M spent as of August 31, 2019	Total M/M planned for the 1st Contract Period	Consumption Rate	Remaining M/M
Akira SUDO	Team Leader/ Rural Risk Management	2.17	5.00	43.4%	2.83
Kota HIRAYAMA	Deputy Team Leader/ Rural Risk Management	2.83	5.50	51.5%	2.67
Kiyosrhi FUKUWATARI	IbCI Development	0.01	0.67	1.5%	0.66
Tomoko NISHIGAKI	IbCI Promotion	0.93	2.00	46.5%	1.07
Takahiro FUNAYAMA	Farm Management/ IbCI Promotion (2)	0.90	4.00	22.5%	3.10
Moe NONOSHITA	Rural Survey/Gender	1.93	6.00	32.2%	4.07
Ai NAGINO	Agricultural Extension	0.00	1.00	0.0%	1.00
Miho KANNO	Project Coordinator/M&E/ Agricultural Extension (2)	2.93	6.33	46.3%	3.40
Total		11.7	30.50	38.4%	18.80

**[Provision of Equipment]**

There is no major equipment procured during this monitoring period, except some office equipment for the ICIP Expert Team (PC, printer, projector, etc.)

## PM Form 3-1 Monitoring Sheet

On the 1st contract period, provision of motorbikes was included. The motorbikes were planned to be used by woreda officers in ICIP target areas for their efficient extension activities for the promotion of ICIP, however details on the procurement methods were not decided during the discussions between two governments prior to the commencement of the Project.

The ICIP Expert Team, JICA Ethiopia Office and Oromia Bureau of Agriculture (OBoA) have discussed details on the procurement method, and agreed that total 16 motorbikes shall be procured through JICA Ethiopia Office possibly within this year, with condition that expenses for registration including necessary tax and insurance shall be paid by OBoA.

### **[Training for Counterpart Personnel in Japan and the Third Country]**

There was no overseas training made during this reporting period. The overseas trainings are scheduled in 2020.

### **[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

### **Ethiopian side**

#### **[Counterpart Personnel]**

As agreed by the Record of Discussions (R/D) signed by the two governments on 27 July 2017, Ethiopian side should nominate Project Director and Project Manager. These two positions were designated as Chairperson and Secretary of JCC (Joint Coordination Committee) respectively for the Project.

As for the Project Manager, Mr. Endalkachew Tefari, Deputy Head of Natural Resources and Food Security of OBoA was appointed and approved at the Kick-off Meeting held on 19 April 2019, while Ms. Sentayehu Demisse, Director of Natural Resources and Food Security Coordination, Ministry of Agriculture was appointed as the Project Director, and approved at the first JCC meeting held on 18 July, 2019.

#### **[Office Space]**

As agreed by the R/D stated above, OBoA has arranged office space for the ICIP Team with suitable furniture in former OIDA building. (The Team is scheduled to be given office space in the new buildings of OBoA which is currently under construction.)

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OBoA.

Other operation cost of the Project during the reported period was disbursed by JICA budget.

For the next reporting period, disbursement for the registration, tax and insurance for the procurement of motorbikes mentioned above are expected. According to OBoA, they have already secured the allocation for such payment in their budget for new fiscal year started from September 2019.



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**[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

**1-2 Progress of Activities (based on PDM version 1)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August, 2019.)
1.2	Identify target areas for promoting REPs.	(Not Applicable)	Completed. (The selection of 12 woreda was approved at the Kick-off Meeting held on 19 April 2019. Prior to this final approval, selection of total 36 kebele was made on the Workshop held on 12 April 2019 with attendance of all Zone and Woreda representatives.)
1.3	Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy).	(Not Applicable)	Completed. (The ICIP Expert team made interviews with concerned entities of existing IbCI, such as WFP, GGGI, OIC and other major insurance companies, ATA, Kifiya, NBA, GTZ, etc. to obtain information on the existing and past IbCI projects, including product design and marketing strategy.)
1.4	Design and develop IbCI products.	(Not Applicable)	On-going (IbCI Development Expert of the Team assumed his assignment in Ethiopia from 30 August 2019).
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	(Not Applicable)	On-going (Workshops in all 36 kebele for Phase-I are being made, to obtain information on the necessary agricultural Techniques. The Workshops were completed in 30 August 2019 with the 35 kebeles, and the remaining one kebele would be completed at the beginning of September 2019.)
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	(Not Applicable)	On-going. (same as 1.5 above.)
1.7	Set up the institutional arrangement for REPs.	(Not Applicable)	Started in August (upon arrival of IbCI Promotion Expert of the Team.)

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1.8	Formulate the implementation plan for REPs.		Started in August (upon arrival of IbCI Promotion Expert of the Team.)
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**Output 2: Human resources for promoting the REPs is developed in Oromia Region.**

No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet started (scheduled to be started from September 2019.)
2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	(Not Applicable)	Not yet started (scheduled to be started from September 2019.)
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	(Not Applicable)	Not yet started (scheduled to be started from October 2019.)

**Output 3: The REPs are promoted in Oromia Region.**

No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet started (scheduled to be started from January 2020.)
3.1	Monitor and evaluate REPs promotion activities.	(Not Applicable)	Not yet started (scheduled to be started from April 2020.)
3.3	Revise and modify the implementation plan and components of REPs regularly	(Not Applicable)	Not yet started (scheduled to be started from June 2020.)

**Output 4: A basis for promoting IbCI nation-wide is established.**

No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
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4.1	Convene annual platform meeting to exchange information and advocate IbCI.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet started (scheduled to be started from January 2020.)
4.2	Prepare the guidelines for promoting IbCI.	(Not Applicable)	Not yet started (scheduled in 2021.)
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	(Not Applicable)	Not yet started (scheduled in 2021.)

### 1-3 Achievement of Outputs

In general, the reporting period of this report (Mar.-Aug.2019) is the first 6 months of the Project, therefore not so much physical achievement of outputs was designed to be made.

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Completed in August 2019.	Not Applicable (middle-line survey is scheduled in 2nd contract period)
1.2	REPs are available for dissemination.	(Not Applicable)	Not yet achieved	REPS packaging is scheduled from September 2019.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet achieved	Trainings will be started from October 2019

<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet achieved	Promotion of REPs will be started from January 2020 for 36 Phase-I Kebele.

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3.2	70,000 farmers complete the REPs training	(Not Applicable)	Not yet achieved	REPs training for farmers will be started from January 2020.
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<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet achieved	Sharing activities of IbCI experiences will be started from the 2nd contract period.
4.2	A draft of guidelines to promote IbCI prepared.	(Not Applicable)	Not yet achieved	Draft guideline will be made in 2nd contract period.
4.3	37 officers both regional and federal governments are trained.	(Not Applicable)	Not yet achieved	Trainings for this issue will be made in 2nd contract period.

## 1-4 Achievement of the Project Purpose

### (1) Project Purpose

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	(Not Applicable, since this monitoring sheet version 1 is the first version after the commencement of the Project.)	Not yet started	Not yet started
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 20,000.	(Not Applicable)	Not yet started	Not yet started

**\*Source: Baseline survey and other surveys, ICIP**

### (2) Observations from the DAC 5 Criteria for Evaluating Development Assistance

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No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers have not year started, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	Sor far, all the inputs from the Japanese side were made as planned. The Oromia Bureau of Agriculture, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, no major IbCI promotion activities were made, therefore it is early to measure impact of the Project. The first impact analysis would be made in early next year for the Phase-I of the Project.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project.

### 1-5 Changes of Risks and Actions for Mitigation

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs.

As for one of pre-conditions, "Security situations in the target areas maintains at least the current level", the Project sets four (4) Woredas in two (2) Zones (West Harerge and East Harerge), which are designated as Level-2 and Level-3 Security Conditions by the Ministry of Foreign Affairs of Japan, to be excluded in the target areas for the Phase-I, and to be considered in the next Phase if security situations will be improved in these two Zones.

### 1-6 Progress of Actions undertaken by JICA

Not applicable.

### 1-7 Progress of Actions undertaken by the Government of Ethiopia

Not applicable.

### 1-8 Progress of Environmental and Social Considerations (if applicable)

Not applicable. (This Project is under "Category C" in accordance with JICA's "GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS".)

### 1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)

In OBoA, Gender Team exists directly under the Bureau Head, consists of three officers. Their objective of the Team includes advisory works for the Bureau on the activities, planning, monitoring and evaluation on gender issues, and also capacity buildings on the staff and Development Agents though assistance in planning and provision of trainings.

For Zone and Woreda, there are also staff assigned under Agricultural Offices on gender issue.

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The ICIP Team will exchange views and opinions with such officers on the gender issues when necessary during the programming works on the trainings of ICIP for the next monitoring period.

**1-10 Other remarkable/considerable issues related/affect to the project** (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)

JICA has been executing "Ethio-SHEP" (Smallholder Horticulture Empowerment through Promotion of market-oriented agriculture in Ethiopia) Project from 2017 in Amhara and Oromia Regions. ICIP and this SHEP Project are closely related to each other, since i) their counterpart in Oromia is OBoA as same as ICIP, and ii) their target woreda includes Digeluna Tijo in Arsi Zone where ICIP also being implemented. Due to such reasons, the ICIP Expert Team will continue exchange views and information with SHEP Team.

As for the IbCI related projects, at present there is no on-going IbCI projects in Oromia Region. There is one on-going IbCI promotion projects under WFP which promote insurance with rainfall and vegetation index, however their target areas are Tigray and Amhara Regions (they are planning to include Oromia Region, however it is not yet concrete plan.)

On the other hand, GGGI (Global Green Growth Institute), together with Kifiya Financial Technology, OIC (Oromia Insurance Company) and ATA (Agricultural Transition Agency), is planning to start new hybrid-type index insurance (combination of vegetation index and area yield index) in 4 Regions including Oromia from 2020.

### **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

#### **2-1 Detail**

Not applicable.

#### **2-2 Cause**

Not applicable.

#### **2-3 Action to be taken**

Not applicable.

#### **2-4 Roles of Responsible Persons/Organization**

Not applicable.

### **3. Modification of the Project Implementation Plan**

#### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project

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year, title and positions of Experts, etc. since the PO was originally made in 2016.)

### **3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

### **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

### **Annex**

- Annex I      Project Monitoring Sheet I (PDM version 1)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.1 to No.6)**


Project Monitoring Sheet No.1 (Project Design Matrix: PDM)

Version 1.0

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Monitoring Sheet No.1  
 Date: 2019/09/01

Target Group: Small-holder farmers in the target area of Oromia Region  
 Period of Project: Mar 2019~Feb 2024  
 Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement	Remarks
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	Not yet made : 1.Guidelines are not yet made. 2. Insurances are not yet promoted.	1.Guidelines (draft) will be made in the next contracting period. 2. Promotion of insurances will be started from January 2020.
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Baseline Survey was completed in August 2019. 2. REPs are not yet available.	2. REPs are currently being packaged as of August 2019.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs are not yet started.	1. Training on REPs are scheduled to start in October 2019.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		Not yet made : 1.REPs promotion is not yet started. 2. REPs training for farmers are not yet started.	1. REPs promotion will be started from January 2020. 2. Promotion of insurances will be started from January 2020.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Not yet made.	Activities for Output-4 will be started in the next contract period.
<b>Activities</b>	<b>Inputs</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management 2) IbCI Product Design 3) IbCI Promotion 4) Agricultural Extension 5) Farm Management (input, saving & credit, insurance, etc.) 6) Rural Survey/Gender 7) Project Coordinator/ M&E 2. Provision of the equipment (office equipment, vehicle, and supplies etc.) for promoting REPs, 3. Training for counterpart personnel (in Japan, in Ethiopia, in third country) 4. Local cost for the activity of Japanese Experts	1. Allocation of Counterpart Personnel 2. Office space with necessary office furnitures for Japanese experts 3. Local cost that are not covered by JICA support. 4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	Majority of the counterparts continue working in respective institutions Security situations in the target areas maintains at least the current level All stakeholders maintains their willingness to extend IbCI.		
1.1 Carry out a baseline survey for impact evaluation, 1.2 Identify target areas for promoting REPs, 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy), 1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs, 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs, 1.7 Set up the institutional arrangement for REPs, 1.8 Formulate the implementation plan for REPs					
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>					
2.1 Develop training materials and manuals for REPs, 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders, 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI 4.2 Prepare the guidelines for promoting IbCI, 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					
					
			<b>&lt;Issues and countermeasures&gt;</b>		
				So far, there is no change on the risks indicated as pre-conditions and important assumption for Activities and Outputs.	

Notes:  
**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,  
**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.



Project Monitoring Sheet II (Revision of Plan of Operation)

Version 1  
Dated September 1, 2019

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs	Year	2018												2019												2020												2021												2022												2023												2024												Remarks	Monitoring																																																													
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3) Index-based Crop (IbCI) Development	Plan																																																																																																																																																			
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4) IbCI Promotion	Plan																																																																																																																																																			
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## TO CR of JICA ETHIOPIA OFFICE

### PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.2.0 (Corresponding Term: September 2019 – February 2020)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** March 1, 2020

#### I. Summary

##### 1. Progress

###### 1-1 Progress of Inputs

###### Japanese side

###### [Dispatch of Japanese Experts]

During this monitoring period (September 2019 - February 2020), total 13.55 man-months (M/M) were spent by the Japanese Experts, and as a result, 83.11% of the M/M for the 1st contract period was consumed. The input from the Japanese side through the assignments of the Japanese Experts is on course.

(The following table does not include M/M for home office works in Japan)

Name	Position	M/M spent as of February 29, 2020	Total M/M planned for the 1st Contract Period(*)	Consumption Rate	Remaining M/M
Akira SUDO	Team Leader/ Rural Risk Management	5.00	6.10	81.97%	1.10
Kota HIRAYAMA	Deputy Team Leader/ Rural Risk Management	5.47	6.50	84.15%	1.03
Kiyosrhi FUKUWATARI	IbCI Development	0.67	0.67	100.00%	0.00
Tomoko NISHIGAKI	IbCI Promotion	1.17	2.00	58.50%	0.83
Takahiro FUNAYAMA	Farm Management/ IbCI Promotion (2)	2.50	4.00	62.50%	1.50
Moe NONOSHITA	Rural Survey/Gender	4.00	4.33	92.38%	0.33
Ai NAGINO	Agricultural Extension	1.00	1.00	100.00%	0.00
Miho KANNO	Project Coordinator/M&E/ Agricultural Extension (2)	5.37	5.90	91.02%	0.53
Total		25.18	30.50	82.56%	5.32

(\*)Revised in February 2020)

### **[Provision of Equipment]**

There was no major equipment procured by the ICIP Team during this monitoring period, except one (1) set of copy machine for the new ICIP Office.

On the 1st contract period, provision of motorbikes was included. As the result of discussions with JICA Ethiopia Office, procurement works of the motorbikes were transferred from ICIP Team to JICA Ethiopia Office, and ICIP Team was tasked to assist this procedure.

The expenses for registration including necessary tax and insurance shall be paid by OBoA, therefore ICIP Team assisted the Food Security Directorate to request release of the budget for subject payment. As of the end of this monitoring period (February 2020), the payment is still being under process.

### **[Training for Counterpart Personnel in Japan and the Third Country]**

There was no overseas training made during this monitoring period. The overseas trainings are scheduled in April 2020.

### **[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

### **Ethiopian side**

#### **[Counterpart Personnel]**

There were no changes on the appointment of counterpart personnel, namely Mr. Solomon Begne (Food Security Directorate, OBOA) as Project Focal Person, Mr. Endalkachew Tefari (Deputy Head of Natural Resources and Food Security, OBoA) as the Project Manager, and Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

#### **[Office Space]**

As agreed by the R/D, OBoA was tasked to secure office space for the ITP Team. OBoA initially prepared office space for the ICIP Team in former OIDA building, since new OBoA building had been under construction. Upon completion of onstruction, ICIP Team Office moved to the 6th floor of newly constructed building of OBoA in Sarbet, in January 2020.

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OBoA. Other operation cost of the Project during the reported period was disbursed by JICA budget.

#### **[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

## 1-2 Progress of Activities (based on PDM version 1)

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August, 2019.)	(Same as left)
1.2	Identify target areas for promoting REPs.	Completed. (The selection of 12 woreda was approved at the Kick-off Meeting held on 19 April 2019. Prior to this final approval, selection of total 36 kebele was made on the Workshop held on 12 April 2019.)	(Same as left)
1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	Completed. (The ICIP Expert Team made interviews with concerned entities of existing IbCI, such as WFP, GGGI, OIC and other major insurance companies, etc.)	Additional interviews were made during the monitoring period, such as ICRC, SAA, etc.
1.4	Design and develop IbCI products.	Completed. (IbCI Development Expert of the Team assumed his assignment in Ethiopia from 30 August 2019).	(Same as left)
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	Completed (Workshops in all 36 kebele were completed in September 2019.)	(Same as left)
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed. (same as 1.5 above.)	(Same as left)
1.7	Set up the institutional arrangement for REPs.	(Not Applicable)	Completed. (Set-up were made in October – November 2019 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies, MFI, etc.)
1.8	Formulate the implementation plan for REPs.	(Not Applicable)	Completed. (same as 1.7 above.)

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	(Not Applicable)	Training materials for agricultural techniques and insurance were made in October – November 2019, together with REPs Insurance Registration Manuals.
2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	(Not Applicable)	Training programs were organized in November 2019, both for Development Agents (DA) and SACCO/MFI staff.
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	(Not Applicable)	Trainings were executed for DA and SACCO/MFI staff in November and December 2019.

<b>Output 3: The REPs are promoted in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	(Not Applicable)	Promotion activities (REPs trainings for farmers simultaneously with insurance registration) were started at the end of January 2020 in 36 Kebele in 12 Woreda.
3.2	Monitor and evaluate REPs promotion activities.	(Not Applicable)	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) are on-going. Monitoring and evaluation of Phase-I will be started in next monitoring period (April 2020.)
3.3	Revise and modify the implementation plan and components of REPs regularly	(Not Applicable)	Implementation plan of REPs promotion will be reviewed and revised, based on the result of monitoring works in 3.2 above.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	(Not Applicable)	Not yet started (scheduled to be started from June 2020.)
4.2	Prepare the guidelines for promoting IbCI.	(Not Applicable)	Not yet started (scheduled in 2021.)
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	(Not Applicable)	Not yet started (scheduled in 2021.)

### 1-3 Achievement of Outputs

In general, the reporting period of this report (Sept. 2019.- Feb. 2020) is the Second 6 months of the Project, therefore not so much physical achievement of outputs was designed to be made.

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019.	(Same as left)	Not Applicable (middle-line survey is scheduled in 2nd contract period)
1.2	REPs are available for dissemination.	(Not Applicable)	REPS packaging was made in September 2019.	Not Applicable

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	(Not Applicable)	For the first year, total 490 trainees received training on REPs promotion (20 for insurance seminar, 240 for REPs training for DA, and 230 for the same for SACCO/MFI.	Same kind of trainings will be made from August – Dec. 2020.

<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	(Not Applicable)	Promotion of REPs was started from January 2020 in all 36 Phase-I Kebele.	REPs Promotion works will be continued also in next monitoring period.
3.2	70,000 farmers complete the REPs training	(Not Applicable)	REPs trainings were started from January 2019, and total 3,456 farmers attended REPs trainings as of 21 February 2020.	REPs trainings will be continued also in next monitoring period.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Not yet achieved	Not yet achieved	Sharing activities of IbCI experiences will be started from the 2nd contract period.
4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	Not yet achieved	Draft guideline will be made in 2nd contract period.
4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved	Trainings for this issue will be made in 2nd contract period.

## **1-4 Achievement of the Project Purpose**

### **(1) Project Purpose**

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started	Not yet to be started
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 20,000.	Not yet started	199 farmers purchased insurances and given insurance policy and receipt.	Promotion works for insurance will be continued.

**\*Source: Baseline survey and other surveys, ICIP**

## **(2) Observations from the DAC 5 Criteria for Evaluating Development Assistance**

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers just started, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	Sor far, all the inputs from the Japanese side were made as planned. The Oromia Bureau of Agriculture, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities have just started last month (Jan. 2020), therefore it is early to measure impact of the Project. The first impact analysis would be made in April this year for the Phase-I of the Project.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project.

### **1-5 Changes of Risks and Actions for Mitigation**

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs.

As for one of pre-conditions, "Security situations in the target areas maintains at least the current level", the Project sets four (4) Woredas in two (2) Zones (West Harerge and East Harerge), which are designated as Level-2 and Level-3 Security Conditions by the Ministry of Foreign Affairs of Japan, to be excluded in the target areas for the Phase-I, and to be considered in the next Phase if security situations will be improved in these two Zones.



## **1-6 Progress of Actions undertaken by JICA**

Not applicable.

## **1-7 Progress of Actions undertaken by the Government of Ethiopia**

Not applicable.

## **1-8 Progress of Environmental and Social Considerations (if applicable)**

Not applicable. (This Project is under “Category C” in accordance with JICA’s “GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS”.)

## **1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)**

There were no major activities in this monitoring period related to the consideration of gender issues.

## **1-10 Other remarkable/considerable issues related/affect to the project (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)**

JICA has been executing “Ethio-SHEP” (Smallholder Horticulture Empowerment through Promotion of market-oriented agriculture in Ethiopia) Project from 2017 in Amhara and Oromia Regions. ICIP and this SHEP Project are closely related to each other, since i) their counterpart in Oromia is OBoA as same as ICIP, and ii) their target woreda includes Digeluna Tijo in Arsi Zone where ICIP also being implemented. Due to such reasons, the ICIP Expert Team has been closely coordinate with Ethio-SHEP Team.

As the result of such coordination, SHEP was included as one of the training modules for ICIP’s DA and SACCO/MFI trainings held in November – December 2019.

On the other hand, ICIP Team participated in the meeting with preliminary survey team for the Phase-2 of “Project for Sustainable Natural Resource Management through FFS in the Rift Valley Area of Oromia Region” dispatched from JICA. Just like Ethio-SHEP mentioned above, the FSS project will have similarity to ICIP since i) their counterpart is OBoA, and ii) their target area is Oromia Region. At this point of time, general common understandings on the collaboration between ICIP and FSS were made, including possible sharing training programs and promotion activities.

## **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

### **2-1 Detail**

Not applicable.

## **2-2 Cause**

Not applicable.

## **2-3 Action to be taken**

Not applicable.

## **2-4 Roles of Responsible Persons/Organization**

Not applicable.

## **3. Modification of the Project Implementation Plan**

### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

### **3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

## **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

### **Annex**

- Annex I      Project Monitoring Sheet I (PDM version 1)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.7 to No.12)**

**Project Monitoring Sheet No.1 (Project Design Matrix: PDM)**

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 1.0

Monitoring Sheet No.2  
 Date: 2020/03/01

Target Group: Small-holder farmers in the target area of Oromia Region  
 Period of Project: Mar 2019~Feb 2024  
 Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement	Remarks
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1.Guidelines are not yet made. 2. Insurances are being promoted.	1.Guidelines (draft) will be made in the next contracting period. 2. Promotion of insurances for Phase-I is on-going, and continue upto May 2020.
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Baseline Survey was completed in August 2019. 2. REPs were packaged in Sept.-Oct. 2019 for Phase-I target area.	2. Packaged REPs are being promoted in target area from Jan. 2020 for Phase-I.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs were made for DA and SACCO/MFI staff for Phase-I in Nov.-Dec.2019, with 440 participants.	1. Next training on REPs for Phase-II are scheduled to start in November 2020.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1.REPs promotion were started in Jan. 2020. 2. REPs trainings for farmers are also being conducted.	REPs promotion and trainings will continue till May 2020 for Phase-I.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Not yet made.	Activities for Output-4 will be started in the next contract period.
<b>Activities</b>	<b>Inputs</b> <b>The Japanese Side</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management	1. Allocation of Counterpart Personnel	Majority of the counterparts continue working in respective institutions		
1.1 Carry out a baseline survey for impact evaluation,	2) IbCI Product Design	2. Office space with necessary office furnitures for Japanese experts	Security situations in the target areas maintains at least the current level		
1.2 Identify target areas for promoting REPs,	3) IbCI Promotion	3. Local cost that are not covered by JICA support.	All stakeholders maintains their willingness to extend IbCI.		
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	4) Agricultural Extension	4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)			
1.4 Design and develop IbCI products,	5) Farm Management (input, saving & credit, insurance, etc.)				
1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	6) Rural Survey/Gender				
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	7) Project Coordinator/ M&E				
1.7 Set up the institutional arrangement for REPs,	2. Provision of the equipment (office equipment, vehicle, and supplies etc.)				
1.8 Formulate the implementation plan for REPs	3. Training for counterpart personnel (in Japan, in Ethiopia, in third country)				
	4. Local cost for the activity of Japanese Experts				
				<b>&lt;Issues and countermeasures&gt;</b>	
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>				So far, there is no change on the risks indicated as pre-conditions and important assumption for Activities and Outputs.	
2.1 Develop training materials and manuals for REPs,					
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,					
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8,					
3.2 Monitor and evaluate REPs promotion activities,					
3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI					
4.2 Prepare the guidelines for promoting IbCI,					
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					

Notes:  
**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers.  
**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

Project Monitoring Sheet II (Revision of Plan of Operation)

Version 1  
Dated September 1, 2019

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs	Year	2018	2019	2020	2021	2022	2023	2024	Remarks	Monitoring		
										Issue	Solution	
<b>Expert</b>												
1) Team Leader/Rural Risk Management	Plan								Some Adjustments of the timing and the duration to be engaged in the activities in Ethiopia have been made for each of the Experts, however there has not been seen any significant delay in the engagements.	Not applicable	Not applicable	
2) Deputy Team Leader/Rural Risk Management	Plan											
3) Index-based Crop (IBC) Development	Plan											
4) IBCI Promotion	Plan											
5) Farm Management/IBC Promotion (2)	Plan											
6) Rural Survey/Gender	Plan											
7) Agricultural Extension	Plan											
8) Project Coordinator/ M&E/Agri.Extension(2)	Plan											
<b>Equipment</b>												
Office Equipment	Plan								Expected to be made in April 2020.	Not applicable	Not applicable	
Motorbike	Plan											
<b>Training in Japan/ 3rd Countries</b>									Expected to be made in May 2020.			
Training in Japan	Plan											
Training in 3rd Countries	Plan											
<b>Activities</b>												
<b>Sub-Activities</b>												
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>									Japan	Ethiopia	Achievements	Issue & Countermeasures
1.1 Carry out a baseline survey for impact evaluation,	Plan								JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable
1.2 Identify target areas for promoting REPs,	Plan								JICA	MoA OBoA		
1.3 Review and assess the existing and on-going IBCs in Ethiopia (including product design and marketing systems),	Plan								JICA	MoA OBoA		
1.4 Design and develop IBC products,	Plan								JICA	MoA OBoA		
1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	Plan								JICA	MoA OBoA		
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	Plan								JICA	MoA OBoA		
1.7 Set up the institutional arrangement for REPs,	Plan								JICA	MoA OBoA		
1.8 Formulate the implementation plan for REPs	Plan								JICA	MoA OBoA		
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>												
2.1 Develop training materials and manuals for REPs,	Plan								JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance	Plan								JICA	MoA OBoA		
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and	Plan								JICA	MoA OBoA		
<b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b>												
3.1 Promote REPs based on implementation plan in 1.8,	Plan								JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable
3.2 Monitor and evaluate REPs promotion activities,	Plan								JICA	MoA OBoA		
3.3 Revise and modify the implementation plan and components of REPs regularly	Plan								JICA	MoA OBoA		
<b>Activities for the Output 4: "A basis for promoting IBCI nation-wide is established"</b>												
4.1 Convene annual platform meeting to exchange information and advocate IBCI	Plan								JICA	MoA	See the Section 1.2 of the main report.	Not applicable
4.2 Prepare the guidelines for promoting IBCI,	Plan								JICA	MoA		
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments	Plan								JICA	MoA		
<b>Duration / Phasing</b>												
<b>Monitoring Plan</b>												
<b>Monitoring</b>												
Joint Coordinating Committee (JCC) Meeting	Plan								The 1st JCC Meeting was held on 18 July 2019.	Not applicable	Not applicable	
Baseline and endline surveys	Plan											
Set-up the Detailed Plan of Operation	Plan								Baseline Survey was completed in August 2019.	Not applicable	Not applicable	
Submission of Monitoring Sheet	Plan								The 2nd Monitoring Sheet was made in 1. Mar. 2020.	Not applicable	Not applicable	
Monitoring Mission from Japan	Plan											
Joint Monitoring	Plan											
Post Monitoring	Plan											
<b>Reports/Documents</b>												
Training Materials	Plan										Not applicable	Not applicable
Project Progress Report	Plan										Not applicable	Not applicable
Guidelines	Plan										Not applicable	Not applicable
<b>Public Relations</b>												
Newsletter	Plan										Not applicable	Not applicable

## TO CR of JICA ETHIOPIA OFFICE

### PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.3.0 (Corresponding Term: March 2020 – February 2021)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** March 1, 2021

#### I. Summary

##### 1. Progress

###### 1-1 Progress of Inputs

###### Japanese side

###### [Dispatch of Japanese Experts]

During this monitoring period (March 2020 - February 2021), contract for Phase-1 was completed on August 31 2020, and contract for Phase-2 was started from October 21 2020.

The period of this new contract for Phase-2 covers two (2) years from October 2020 to October 2022. However, due to the travel restriction to Ethiopia caused by the pandemic of COVID-19, the man-month of Japanese Experts for the works in Ethiopia has not yet been used. During the time for this period of staying in Japan, the Experts are performing services by using man-month for the home office works in Japan.

###### Phase-1 Contract:

(The following table does not include M/M for home office works in Japan)

Name	Position	M/M spent at Completion (August 31, 2020)	M/M for the Phase-1 Contract Period(*)	Consumption Rate	Balance (M/M)
Akira SUDO	Team Leader/ Rural Risk Management	5.60	5.00	112.00%	0.60
Kota HIRAYAMA	Deputy Team Leader/ Rural Risk Management	5.47	5.50	99.45%	-0.03
Kiyoshi FUKUWATARI	IbCI Development	0.67	0.67	100.00%	0.00
Tomoko NISHIGAKI	IbCI Promotion	1.17	2.00	58.50%	-0.83
Takahiro FUNAYAMA	Farm Management/ IbCI Promotion (2)	2.50	4.00	62.50%	-1.50
Moe NONOSHITA	Rural Survey/Gender	4.00	6.00	66.66%	-2.00
Ai NAGINO	Agricultural Extension	1.00	1.00	100.00%	0.00
Miho KANNO	Project Coordinator/M&E/ Agricultural Extension (2)	5.37	6.33	84.83%	-0.96
Total		25.78	30.50	84.52%	-4.72

(\*)Revised in July 2020)

Note : The balance was allocated for Home Office Works in Japan.

**Phase-2 Contract:**

(The following table does not include M/M for home office works in Japan)

Name	Position	M/M spent as of December 31, 2020	Total M/M for the Phase-2 Contract Period(*)	Consumption Rate	Remaining M/M
Akira SUDO	Team Leader/ Rural Risk Management	0.00	6.00	0.00%	6.00
Kota HIRAYAMA	Deputy Team Leader/ Rural Risk Management	0.00	6.00	0.00%	6.00
Kiyoshi FUKUWATARI	IbCI Development	0.00	1.33	0.00%	1.33
Takahiro FUNAYAMA	Farm Management/ IbCI Promotion (2)	0.00	5.00	0.00%	5.00
Moe NONOSHITA	Rural Survey/Gender	0.00	6.00	0.00%	6.00
Ai NAGINO	Agricultural Extension	0.00	2.00	0.00%	2.00
Miho KANNO	Project Coordinator/M&E/ Agricultural Extension (2)	0.00	6.00	0.00%	6.00
Total		0.00	32.33	0.00%	32.33

(\*)Revised in October 2020)

**[Provision of Equipment]**

There was no major equipment procured by the ICIP Team during this monitoring period, except one (1) set of copy machine for the new ICIP Office at the end of Phase-1.

On the 1st contract period, provision of motorbikes was included. As the result of discussions with JICA Ethiopia Office, procurement works of the motorbikes were transferred from ICIP Team to JICA Ethiopia Office, and ICIP Team was tasked to assist this procedure.

The expenses for registration including necessary tax and insurance shall be paid by OBoA, therefore ICIP Team assisted the OBoA to request release of the budget for subject payment. As of the end of this monitoring period (February 2021), the procurement procedure is still being under process.

**[Training for Counterpart Personnel in Japan and the Third Country]**

There was no overseas training made during this monitoring period. The overseas trainings were re-scheduled to be made in April 2020, however it shall be further re-scheduled due to the travel restriction under the situation of COVID-19 pandemic.

**[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

**Ethiopian side****[Counterpart Personnel]**

There were no changes on the appointment of counterpart personnel, namely Mr. Solomon Begne (Food Security Directorate, OBOA) as Project Focal Person, Mr. Endalkachew Tefari

(Deputy Head of Natural Resources and Food Security, OBoA) as the Project Manager, and Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

### **[Office Space]**

As agreed by the R/D, OBoA was tasked to secure office space for the ICIP Team. OBoA initially prepared office space for the ICIP Team in former OIDA building, however, upon the completion of the construction of new OBoA building, ICIP Team Office moved to the 6th floor of newly constructed building of OBoA in Sarbet, in January 2020.

### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OBoA. Other operation cost of the Project during the reported period was disbursed by JICA budget.

### **[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

## **1-2 Progress of Activities (based on PDM version 1)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August, 2019.)	(Same as left)
1.2	Identify target areas for promoting REPs.	Completed for Phase-1. (The selection of 12 woreda was approved at the Kick-off Meeting held on 19 April 2019. Prior to this final approval, selection of total 36 kebele was made on the Workshop held on 12 April 2019.)	For the 2nd Cycle of Phase-2, number of newly added kebele was limited due to the consideration of manpower and time requirement under COVID-19 pandemic situation. For this Cycle, 36 kebele in 6 woreda were selected as target for intensive promotion (including 18 new kebele). In addition, 8 kebele in 4 woreda was selected as target for normal promotion, and remaining 10 kebele in 6 woreda were set as monitoring kebele.
1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	Completed for Phase-1. (The ICIP Expert Team made interviews with concerned entities of existing IbCI, such as WFP, GGGI, OIC and other major insurance companies, etc.)	In 2nd Cycle of Phase-2, additional interviews were made during the monitoring period, such as ICRC, SAA, WFP, IFPLI, etc.

1.4	Design and develop IbCI products.	Completed for Phase-1. (IbCI Development Expert of the Team assumed his assignment in Ethiopia from 30 August 2019).	For the 2nd Cycle of Phase-2, the same Vegetation Index is adopted in consideration of limited time/input to consider new (other) type of index insurance due to COVID-19. However, during the 2nd Cycle, other type of index insurance products shall be considered for the 3rd Cycle.
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	Completed for Phase-1. (Workshops in all 36 kebele were completed in September 2019.)	For the 2nd Cycle of Phase-2, agricultural techniques to be combined with insurance as REPs were confirmed based on the achievement of Phase-1.
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed for Phase-1. (same as 1.5 above.)	For the 2nd Cycle of Phase-2, farming management to be taken to REPs were considered.
1.7	Set up the institutional arrangement for REPs.	Completed for Phase-1. (Set-up were made in October – November 2019 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies, MFI, etc.)	Completed for 2nd Cycle (Set-up were made in October – November 2020 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies). From 2nd Cycle, extension with MFI is adopted, by the collaboration with WASASA, one of the biggest MFI in the target area.
1.8	Formulate the implementation plan for REPs.	Completed for Phase-1. (same as 1.7 above.)	Completed for the 2nd cycle of Phase-2. (same as 1.7 above.)

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	Training materials of Phase-1 for agricultural techniques and insurance were made in October – November 2019, together with REPs Insurance Registration Manuals.	Training materials of 2nd Cycle for agricultural techniques and insurance were made in October – November 2020, together with REPs Insurance Registration Manuals.
2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	Training programs for Phase-1 were organized in November 2019, both for Development Agents (DA) and SACCO/MFI staff.	Training programs for 2nd Cycle were organized in November 2020, both for Development Agents (DA) /SACCO staff, and MFI staff.



2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	Trainings were executed for DA and SACCO/MFI staff for Phase-1 in November and December 2019.	Trainings for 2nd Cycle were executed for DA/SACCO and MFI staff in November-December 2020 and January 2021.
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**Output 3: The REPs are promoted in Oromia Region.**

No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	Promotion activities for Phase-1 (REPs trainings for farmers simultaneously with insurance registration) were started at the end of January 2020 in 36 Kebele in 12 Woreda.	Promotion activities (REPs trainings for farmers simultaneously with insurance registration) for the 2nd cycle of Phase-2 were started in February 2021, firstly in intensive promotion area (36 Kebele in 6 woreda).
3.2	Monitor and evaluate REPs promotion activities.	Monitoring works for REPs promotion for Phase-1 (date, place, number of participants, number of insurance purchaser, etc.) were made in April 2020.	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 2nd Cycle of Phase-2 will be started in next monitoring period (April 2021.)
3.3	Revise and modify the implementation plan and components of REPs regularly	Implementation plan of REPs promotion for Phase-1 was reviewed and revised, based on the result of monitoring works in 3.2 above.	Implementation plan of REPs promotion for the 2nd Cycle of Phase-2 will be reviewed and revised, based on the result of monitoring works in 3.2 above.

**Output 4: A basis for promoting IbCI nation-wide is established.**

No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	Not yet started (scheduled to be started from June 2020.)	Not yet started due to COVID-19 pandemic situation in Ethiopia (difficulty to start setting arrangement for platform).
4.2	Prepare the guidelines for promoting IbCI.	Not yet started (scheduled in 2021.)	Not yet started (scheduled in later part of 2021.)
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	Not yet started (scheduled in 2021.)	Not yet started (scheduled in later part of 2021.)

## 1-3 Achievement of Outputs

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019.	(Same as left)	Not Applicable (Middle Survey is scheduled during 2nd contract period)
1.2	REPs are available for dissemination.	Completed for Phase-1 in August 2019.	REPS packaging for the 2nd Cycle was made in October 2020.	REPS packaging for the 3rd Cycle is scheduled to be made in October 2021.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	For Phase-1, total 490 trainees received training on REPs promotion (20 for insurance seminar, 240 for REPs training for DA, and 230 for the same for SACCO/MFI.	For the 2nd Cycle, total 435 trainees received training on REPs promotion (334 for REPs training for DA/SACCO, 21 for the same for MFI, 22 on PA training and 58 on follow-up training.	Same kind of trainings will be made for the 3rd Cycle from August – Dec. 2021.

<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	Promotion of REPs for Phase-1 was made from January 2020 and completed in May 2020 in all 36 Phase-I Kebele.	Promotion of REPs for the 2nd Cycle was started from February 2021 in all 54 intensive promotion Kebele.	REPs Promotion works will be continued also in next monitoring period.
3.2	70,000 farmers complete the REPs training	REPs trainings for Phase-1 were made from January 2020 to May 2020, and total 7,000 farmers attended REPs trainings.	REPs trainings for the 2nd Cycle were started in February 2021, and total 4,845 farmers attended REPs trainings as of 20 February 2021.	REPs trainings will be continued also in next monitoring period.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Not yet achieved	Not yet achieved	Sharing activities of IbCI experiences will be started during the 2nd contract period.
4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	Not yet achieved	Draft guideline will be made during the 2nd contract period.
4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved	Trainings for this issue will be made in 3rd contract period.

## 1-4 Achievement of the Project Purpose

### (1) Project Purpose

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started	Not yet started.
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 20,000.	During Phase-1 period, total 1,115 farmers* purchased insurances and given insurance policy and receipt.	Promotion of 2nd Cycle is on-going.	Promotion works for insurance will be continued.

\*Source: Baseline survey and other surveys, ICIP

### (2) Observations from the DAC 5 Criteria for Evaluating Development Assistance

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.

2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers is on-going, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	So far, all the inputs from the Japanese side were made as planned, except change of assignment period of Japanese Experts due to COVID-19. The Oromia Bureau of Agriculture, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities for Phase-1 was completed and that of Phase-2 (2nd Cycle) is on-going (Feb. 2021), therefore it is early to measure impact of the Project. The first impact analysis would be made in this year after the 2nd Cycle.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project are started.

### 1-5 Changes of Risks and Actions for Mitigation

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs, except COVID-19 related situation and peace & order situation, as below:

#### (1) COVID-19 related issues

The REPs promotion activities of Phase-I were seriously affected by COVID-19 at their most important period. At the beginning period of pandemic, ICIP's Japanese Experts had to evacuate the country and new in-coming trip of Experts shall be postponed. The Project team had to rearrange REPs promotion activities which were the most important activity of the Phase-1 of the Project to minimize damages by COVID-19 to the Project.

Under such circumstance, the Project re-started the promotion of REPs in Phase-1 by assigning national staff in the field to assist Promotion Agents, and monitored by Japanese experts in Japan till end of May. As a result, 8,000 farmers participated in REPs trainings and 1,115 farmers purchased insurances, while 1,796 farmers showed their intention to purchase insurances but did not pay insurance premium before the closing date of insurance sales.

For the 2nd Cycle of Phase-2, two (2) issues were taken into consideration: 1) limitation on the trip of Japanese Experts to Ethiopia, and 2) restriction of field activities under laws, rules and regulations for COVID-19 enforced by the Government of Ethiopia.

For 1) limitation of trip of Expert, REPs promotion activities (insurance sales) shall be stated in February 2021 before the planting period of farmers. Therefore, selection of target kebele and necessary trainings had to be started in October 2020. To avoid delay, the Project has already started these activities by national staff and to be supervised/monitored by the Japanese expert from Japan.

As for 2) restriction of field activities by COVID-19, there was a need to consider the new REPs extension and promotion strategy by reflecting travel restriction and social distance policies, such as use of visual training materials, re-design of workshop style, introduction of remote sensing technologies on the collection of meteorological data from trial farms etc. Under such situation, the Project already completed kebele level workshops to collect agricultural information of kebeles which are newly selected as target kebele for the 2nd cycle. On this workshop, the project changed the methodology, i.e. shifting workshop style with more than 30 participants in Phase-1 into the new style in focus group interview with participants of less than 15 participants, with consideration of social distance policy. Likewise, for TOT (Training of Trainers) for DA, SACCO staff and MFI, consideration was given to arrange trainings in Woreda basis, to limit the number of participants in one session, which made execution of one training with less than 50 participants possible, unlike similar trainings during Phase-1 with more than 120 participants in one session.

Including above, the Project will implement the project, by adopting new style of operation in accordance with Directive No 30/2020 “A DIRECTIVE ISSUED FOR THE PREVENTION AND CONTROL OF COVID-19 PANDEMIC” issued by the Ethiopian Public Health Institute in accordance with Article 72 (2) of the Food and Medicine Administration Proclamation No. 1112/2019.

#### (2) Peace & Order Situation

As for one of pre-conditions, “Security situations in the target areas maintains at least the current level”, the Project sets four (4) Woredas in two (2) Zones (West Harerge and East Harerge), which are designated as Level-2 and Level-3 Security Conditions by the Ministry of Foreign Affairs of Japan, to be excluded in the target areas for the Phase-1 and the 2nd Cycle of Phase-2, and to be considered in the next Cycle if security situations will be improved in these two Zones.

#### **1-6 Progress of Actions undertaken by JICA**

Not applicable.

#### **1-7 Progress of Actions undertaken by the Government of Ethiopia**

Not applicable.

#### **1-8 Progress of Environmental and Social Considerations (if applicable)**

Not applicable. (This Project is under “Category C” in accordance with JICA’s “GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS”.)

#### **1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)**

At the commencement of the Project, it was found that it was the problem that most of agricultural information service or training by DA target only men. This is partly due to the fact that there is a large recognition that men are “farmers” as described above, and that about 80% of the DAs that are allocated to about 6,000 people in Ethiopia are men. In addition, most households purchase agricultural inputs such as fertilizers by men, not by women, and women have almost no access to credit services.

Under such circumstance, for the sales promotion activities for the Phase-1, in the REPs training for DAs conducted from November to December, the participants were asked for inclusion of women participants in the notification of the training held at each woreda and kebele. As a result, 29 out of a total of 102 women (28%) participated. Considering that 80% of the DAs mentioned above are men, it can be said that many women participated.

Insurance sales for the Phase-1 stated above were only carried out by the sub-village farmer community. Although the village heads of each kebele were in charge of announcing about the training, many kebele notified only men, and the problem was that the number of women participants in the training was small. In Phase-2, the Project Team will consider how to approach women by having gender representatives of each agricultural office participate in activities, thoroughly call for training, and engage with female community groups etc. existing in each kebele. In addition, in order to carry out these activities, the Team will investigate the details of the activities of the existing women's groups in each woreda, and discuss how to cooperate in the future.

**1-10 Other remarkable/considerable issues related/affect to the project** (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)

JICA has been executing “Ethio-SHEP” (Smallholder Horticulture Empowerment through Promotion of market-oriented agriculture in Ethiopia) Project from 2017 in Amhara and Oromia Regions. ICIP and this SHEP Project are closely related to each other, since i) their counterpart in Oromia is OBoA as same as ICIP, and ii) their target woreda includes Digeluna Tijo in Arsi Zone where ICIP also being implemented. Due to such reasons, the ICIP Expert Team has been closely coordinate with Ethio-SHEP Team.

As result of such coordination, SHEP was included as one of the training modules for ICIP's DA and SACCO/MFI trainings held in November – December 2019.

On the other hand, ICIP Team participated in the meeting with preliminary survey team for the Phase-2 of “Project for Sustainable Natural Resource Management through FFS in the Rift Valley Area of Oromia Region” dispatched from JICA. Just like Ethio-SHEP mentioned above, the FSS project will have similarity to ICIP since i) their counterpart is OBoA, and ii) their target area is Oromia Region. At this point of time, general common understandings on the collaboration between ICIP and FSS were made, including possible sharing training

programs and promotion activities.

## **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

### **2-1 Detail**

Not applicable.

### **2-2 Cause**

Not applicable.

### **2-3 Action to be taken**

Not applicable.

### **2-4 Roles of Responsible Persons/Organization**

Not applicable.

## **3. Modification of the Project Implementation Plan**

### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

### **3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

## **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

### **Annex**

- Annex I      Project Monitoring Sheet I (PDM version 1)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.13 to No.24)**

Project Monitoring Sheet No.1 (Project Design Matrix: PDM)

Version 1.0


Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Monitoring Sheet No.3  
 Date: 2021/03/01

Target Group: Small-holder farmers in the target area of Oromia Region

Period of Project: Mar 2019~Feb 2024

Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement	Remarks
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1.Guidelines are not yet made. 2. Insurances are being promoted.	1.Guidelines (draft) will be made in the next contracting period. 2. Promotion of insurances for Phase-I is on-going, and continue upto May 2020.
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Baseline Survey was completed in August 2019. 2. REPs were packaged in Sept.- Oct. 2019 for Phase-I target area.	2. Packaged REPs are being promoted in target area from Jan. 2020 for Phase-I.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs were made for DA and SACCO/MFI staff for Phase-I in Nov.- Dec.2019, with 440 participants.	1. Next training on REPs for Phase-II are scheduled to start in November 2020.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1.REPs promotion were started in Jan. 2020. 2. REPs trainings for farmers are also being conducted.	REPs promotion and trainings will continue till May 2020 for Phase-I.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Not yet made.	Activities for Output-4 will be started in the next contract period.
<b>Activities</b>	<b>Inputs</b> <b>The Japanese Side</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management	1. Allocation of Counterpart Personnel	Majority of the counterparts continue working in respective institutions		
1.1 Carry out a baseline survey for impact evaluation,	2) IbCI Product Design	2. Office space with necessary office furnitures for Japanese experts	Security situations in the target areas maintains at least the current level		
1.2 Identify target areas for promoting REPs,	3) IbCI Promotion	3. Local cost that are not covered by JICA support.	All stakeholders maintains their willingness to extend IbCI.		
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	4) Agricultural Extension	4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)			
1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	5) Farm Management (input, saving & credit, insurance, etc.)				
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	6) Rural Survey/Gender				
1.7 Set up the institutional arrangement for REPs,	7) Project Coordinator/ M&E				
1.8 Formulate the implementation plan for REPs	2. Provision of the equipment (office equipment, vehicle, and supplies etc.) 3. Training for counterpart personnel (in Japan, in Ethiopia, in third country) 4. Local cost for the activity of Japanese Experts				
					
				<b>&lt;Issues and countermeasures&gt;</b>	
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>			So far, there is no change on the risks indicated as pre-conditions and important assumption for Activities and Outputs.		
2.1 Develop training materials and manuals for REPs,					
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,					
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8,					
3.2 Monitor and evaluate REPs promotion activities,					
3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI					
4.2 Prepare the guidelines for promoting IbCI,					
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					

Notes:  
**The Resilience Enhancement Packages** (REPs) include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers.

**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including that of the JICA Project.





## TO CR of JICA ETHIOPIA OFFICE

## PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.4.0 (Corresponding Term: March 2021 – August 2021)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** September 1, 2021

## I. Summary

## 1. Progress

## 1-1 Progress of Inputs

Japanese side**[Dispatch of Japanese Experts]**

This monitoring period (March 2021 - August 2021) was in the middle of Phase-2 contract of consultancy services which started from October 21 2020. Due to the travel restriction to Ethiopia caused by the pandemic of COVID-19, the man-month of Japanese Experts for the works in Ethiopia was started in August 2021, the last month of this reporting period. Therefore, from March to July 2021, the Experts had to work in Japan, by using man-month for the home office works in Japan allocated from the man-month for works in Ethiopia.

Name	Position	M/M spent as of August 31, 2021 (*)	Total M/M for the Phase-2 Contract Period (**)	Consumption Rate	Remaining M/M
Akira SUDO	Team Leader/ Rural Risk Management	3.33	7.00	47.57%	3.67
Kota HIRAYAMA	Deputy Team Leader/ Rural Risk Management	2.87	7.00	41.00%	4.13
Kiyoshi FUKUWATARI	IbCI Development	0.00	4.33	0.00%	4.33
Takahiro FUNAYAMA	Farm Management/ IbCI Promotion (2)	2.87	6.00	47.83%	3.13
Moe NONOSHITA	Rural Survey/Gender	2.50	7.00	35.71%	4.50
Ai NAGINO	Agricultural Extension	0.00	2.00	0.00%	2.00
Miho KANNO	Project Coordinator/M&E/ Agricultural Extension (2)	2.78	7.00	39.71%	4.22
Total		14.35	40.33	35.58%	25.98

(\*) The figure includes M/M spent in Japan

(\*\*) The figure includes M/M allocated from Home Office Works in Japan.

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### **[Provision of Equipment]**

There was no major equipment procured by the ICIP Team during this monitoring period.

On the 1st contract period, provision of motorbikes was included. As the result of discussions with JICA Ethiopia Office, procurement works of the motorbikes were transferred from ICIP Team to JICA Ethiopia Office, and ICIP Team was tasked to assist this procedure. As of the end of this monitoring period (August 2021), the procurement procedure is still being under process.

### **[Training for Counterpart Personnel in Japan and the Third Country]**

There was no overseas training made during this monitoring period. The overseas trainings were once re-scheduled to be made in April 2020, however it was further re-scheduled due to the travel restriction under the situation of COVID-19 pandemic. There is no clear projection on the period of the trainings.

### **[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

### **Ethiopian side**

#### **[Counterpart Personnel]**

There were no changes on the appointment of counterpart personnel, namely Mr. Solomon Begne (Food Security Directorate, OBOA) as Project Focal Person, Mr. Endalkachew Tefari (Deputy Head of Natural Resources and Food Security, OBoA) as the Project Manager, and Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

#### **[Office Space]**

As agreed by the R/D, OBoA was obligated to secure office space for the ICIP Team. OBoA provided office space in the 6th floor of new OBoA building in Sarbet, in January 2020. Since then, the Team has been occupying this office space.

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OBoA. Other operation cost of the Project during the reported period was disbursed by JICA budget.

#### **[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

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**1-2 Progress of Activities (based on PDM version 1)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August, 2019.	(Same as left)
1.2	Identify target areas for promoting REPs.	Completed for Phase-1. (The selection of 12 woreda was approved at the Kick-off Meeting held on 19 April 2019). For the 2nd Cycle of Phase-2, number of newly added kebele was limited due to the consideration of manpower and time requirement under COVID-19 pandemic situation. For this Cycle, 36 kebele in 6 woreda were selected as target for intensive promotion (including 18 new kebele). In addition, 8 kebele in 4 woreda was selected as target for normal promotion, and remaining 10 kebele in 6 woreda were set as monitoring kebele.	Same as left.  The selection of target area for the 3rd Cycle, for the continuation of Vegetation Index Crop Insurance (VICI), and Area Yield Index Insurance (AYII) which is to be introduced from the 3rd Cycle, is on-going.
1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	Completed for Phase-1. (The ICIP Expert Team made interviews with concerned entities of existing IbCI, such as WFP, GGGI, OIC and other major insurance companies, etc.)	In 2nd Cycle of Phase-2, additional interviews were made during the monitoring period, such as ICRC, SAA, WFP, IFPLI, etc. These interviews contributed to the panning of Donor Platform (see 1-10 of this Monitoring Sheet.)
1.4	Design and develop IbCI products.	Completed for Phase-1. (IbCI Development Expert of the Team assumed his assignment in Ethiopia from 30 August 2019). For the 2nd Cycle of Phase-2, the same Vegetation Index is adopted in consideration of limited time/input to consider new (other) type of index insurance due to COVID-19.	While implementing the 2nd Cycle, the team made plan for the introduction of AYII, to be promoted simultaneously with VICI in the 3rd Cycle.
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	Completed for Phase-1. (Workshops in all 36 kebele were completed in September 2019). For the 2nd Cycle of Phase-2, agricultural techniques to be combined with insurance as REPs were confirmed based on the achievement of Phase-1.	Based on the techniques identified as stated in the left column, agricultural trainings at 25 Farmers Training Center and Trial Farms are on-going in this monitoring period

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1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed for Phase-1. (same as 1.5 above.) For the 2nd Cycle of Phase-2, farming management to be taken to REPs were considered.	Same as 1.5 above.
1.7	Set up the institutional arrangement for REPs.	Completed for Phase-1. (Set-up were made in October – November 2019 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies, MFI, etc.). Completed also for 2nd Cycle (Set-up were made in October – November 2020 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies). From 2nd Cycle, extension with MFI is adopted, by the collaboration with WASASA, one of the biggest MFI in the target area.	During this monitoring period, consideration on the set-up for the coming 3rd Cycle of Phase-2 is on-going.
1.8	Formulate the implementation plan for REPs.	Completed for Phase-1. (same as 1.7 above.) Completed also for the 2nd cycle of Phase-2. (same as 1.7 above.)	Formulation of the implementation plan for REPS in the 3rd Cycle of Phase-2 is on-going.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	Training materials of Phase-1 for agricultural techniques and insurance were made in October – November 2019, together with REPs Insurance Registration Manuals. Training materials of 2nd Cycle for agricultural techniques and insurance were made in October – November 2020, together with REPs Insurance Registration Manuals	Preparation of training materials of 3rd Cycle for agricultural techniques and insurance were started, and to be completed in October 2021.

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2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	Training programs for Phase-1 were organized in November 2019, both for Development Agents (DA) and SACCO/MFI staff. Training programs for 2nd Cycle were organized in November 2020, both for Development Agents (DA) /SACCO staff, and MFI staff	Planning for the training programs for 3rd Cycle for both VICI and AYII were started in August 2021.
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	Trainings were executed for DA and SACCO/MFI staff for Phase-1 in November and December 2019. Trainings for 2nd Cycle were executed for DA/SACCO and MFI staff in November-December 2020 and January 2021.	Preparation of trainings for the 3rd Cycle for both VICI and AYII were started in August 2021.

<b>Output 3: The REPs are promoted in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	Promotion activities for Phase-1 (REPs trainings for farmers simultaneously with insurance registration) were made from the end of January 2020 in 36 Kebele in 12 Woreda and completed in May 2020. Promotion activities (REPs trainings for farmers simultaneously with insurance registration) for the 2nd cycle of Phase-2 were started in February 2021 and completed in May 2021.	Planning and preparation of the promotion activities (REPs trainings for farmers simultaneously with insurance registration) for both of VICI and AYII area in the 3rd cycle of Phase-2 were started in August 2021 and on-going.
3.2	Monitor and evaluate REPs promotion activities.	Monitoring works for REPs promotion for Phase-1 (date, place, number of participants, number of insurance purchaser, etc.) were made in April 2020. Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 2nd Cycle of Phase-2 were made in April 2021.	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 3rd Cycle of Phase-2 will be started in next monitoring period (January 2022.)
3.3	Revise and modify the implementation plan and components of REPs regularly	Implementation plans of REPs promotion for both Phase-1 and 2nd Cycle of Phase-2 were reviewed and revised, based on the result of monitoring works in 3.2 above.	Implementation plan of REPs promotion for the 3rd Cycle of Phase-2 will be reviewed and revised, based on the result of monitoring works in 3.2 above.

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<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	Not yet started.	Planning of the Platform is started (See 1-10 of this Monitoring Sheet.)
4.2	Prepare the guidelines for promoting IbCI.	Not yet started (scheduled in 2022.)	Not yet started (scheduled in 2022.)
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	Not yet started (scheduled in 2022.)	Not yet started (scheduled in 2022.)

**1-3 Achievement of Outputs**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019.	Middle Survey is scheduled during this monitoring period.	Not Applicable
1.2	REPs are available for dissemination.	Completed for Phase-1 in August 2019. Completed for the 2nd Cycle of Phase-2 in October 2020.	REPS packaging for the 3rd Cycle is currently being made.	REPS packaging for the 4th Cycle is scheduled to be made in October 2022.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	For Phase-1, total 490 trainees received training on REPs promotion (20 for insurance seminar, 240 for REPs training for DA, and 230 for the same for SACCO/MFI. For the 2nd Cycle, total 435 trainees received training on REPs promotion (334 for REPs training for DA/SACCO, 21 for the same for MFI, 22 on PA training and 58 on follow-up training.	Same kind of trainings (including trainings for newly introduced AYII) will be made for the 3rd Cycle from August – Dec. 2021.	Same kind of trainings will be made for the 4th Cycle from August – Dec. 2022.

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<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	Promotion of REPs for Phase-1 was made from January 2020 and completed in May 2020 in all 36 Phase-I Kebele.	Promotion of REPs for the 2nd Cycle was completed in May 2021 in all 36 Kebele,	REPs Promotion works for the 3rd Cycle of Phase-2 is being planned.
3.2	70,000 farmers complete the REPs training	REPs trainings for Phase-1 were made from January 2020 to May 2020, and total 7,400 farmers attended REPs trainings.	REPs trainings for the 2nd Cycle were made from February to May 2021, and total 9,838 farmers attended REPs trainings.	Same as above.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Not yet achieved	Not yet achieved	Sharing activities of IbCI experiences will be started during the later part of the 2nd contract period.
4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	Not yet achieved	Draft guideline will be made during the later part of the 2nd contract period.
4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved	Trainings for this issue will be made in 3rd contract period.

## 1-4 Achievement of the Project Purpose

### (1) Project Purpose

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period



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1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started	Not yet started.
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 20,000.	During Phase-1 period, total 1,125 farmers purchased insurances and given insurance policy and receipt.	During the 2nd Cycle of Phase-2 period, total 2,352 farmers purchased insurances and given insurance policy and receipt.	Promotion works for insurance on the 3rd Cycle of Phase-2 will be started.

### (2) Observations from the DAC 5 Criteria for Evaluating Development Assistance

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers is on-going, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	So far, all the inputs from the Japanese side were made as planned, except change of assignment period of Japanese Experts due to COVID-19. The Oromia Bureau of Agriculture, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities for Phase-1 was completed and that of Phase-2 (2nd Cycle) is on-going (Aug. 2021), therefore it is early to measure impact of the Project. The first impact analysis (called "Middle Survey") would start in September this year.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project are started.

### 1-5 Changes of Risks and Actions for Mitigation

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs, except COVID-19 related situation and peace & order situation, as below:

#### (1) COVID-19 related issues

For the 2nd Cycle of Phase-2, two (2) issues were taken into consideration: 1) limitation on the trip of Japanese Experts to Ethiopia, and 2) restriction of field activities under laws, rules and regulations for COVID-19 enforced by the Government of Ethiopia.

For 1) limitation of trip of Expert, most of works related to this reporting period were made by remote basis, under which Japanese experts monitor and supervise works made by national

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staff of the Project on REPs promotion activities (insurance sales) from February 2021.

As for 2) restriction of field activities by COVID-19, there was a need to consider the new REPs extension and promotion strategy by reflecting travel restriction and social distance policies, such as use of visual training materials, re-design of workshop style, etc. Under such situation, REPs promotion activities had to be made by shifting workshop style with more than 100 participants in Phase-1 into workshops in smaller group. Despite of this change, the number of insurance purchasers in the 2nd Cycle reaches more than that of the 1st Cycle.

### (2) Peace & Order Situation

As for one of pre-conditions, "Security situations in the target areas maintains at least the current level", the Project sets four (4) Woredas in two (2) Zones (West Harerge and East Harerge), which were designated as Level-2 and Level-3 Security Conditions by the Ministry of Foreign Affairs of Japan, to be excluded in the target areas for the Phase-1 and the 2nd Cycle of Phase-2. Since this situation continues and no change of security condition set by the Government of Japan, these 2 Zone shall not be included also on the 3rd Cycle, with understandings of OBoA and all others concerned.

As for the Tigray issues, there is no significant effect on the operation of ICIP at this moment. However, the team will closely monitor the situation, and take necessary security steps in accordance with the notices/instructions to be made by JICA Ethiopia office.

### **1-6 Progress of Actions undertaken by JICA**

Not applicable.

### **1-7 Progress of Actions undertaken by the Government of Ethiopia**

Not applicable.

### **1-8 Progress of Environmental and Social Considerations (if applicable)**

Not applicable. (This Project is under "Category C" in accordance with JICA's "GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS".)

### **1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)**

For enhancing rural resilience in farm village, it is necessary to have a chance for raising their livelihood standard or economic level without an exception, in other words, with leaving no one behind. In ICIP's target area, there are vulnerable households which are easy to get effect from economic and environmental/climatic change. Targeting these people, ICIP team has been supporting poor widow farmers through distributing a certain amount of fertilizer. In selected 4 woredas (Shiraro, Shala, Negele Arsi, Boset), selected female householders were collected and the project made the awareness creation training. The Team has been

## PM Form 3-1 Monitoring Sheet

providing the lecture of the contents of the trial farm activities and encouraged them to attend on-farm training at FTC, then distribute agricultural inputs.

**1-10 Other remarkable/considerable issues related/affect to the project** (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)

JICA has been executing "Ethio-SHEP" (Smallholder Horticulture Empowerment through Promotion of market-oriented agriculture in Ethiopia) Project from 2017 in Amhara and Oromia Regions. ICIP and this SHEP Project are closely related to each other, since i) their counterpart in Oromia is OBoA as same as ICIP, and ii) their target woreda includes Digeluna Tijo in Arsi Zone where ICIP also being implemented. Due to such reasons, the ICIP Expert Team has been closely coordinating with Ethio-SHEP Team.

However, both ICIP and SHEP have implemented projects in remote manner for the most of the reporting time of this Monitoring Sheet due to JICA's COVID-19 related restriction, therefore coordination between the two projects was minimum during this period. The two projects started direct discussion again upon the arrival of ICIP experts in August 2021.

On the other hand, ICIP Team participated in the meeting in August 2021 with JICA's new project called "Project for Strengthening Climate Resilience through Climate-Smart Agriculture, Forestry, and Natural Resource Management in Ethiopia", which is the continuation phase of "Project for Sustainable Natural Resource Management through FFS in the Rift Valley Area of Oromia Region" completed in 2019. Just like Ethio-SHEP mentioned above, this new project has same counterpart, OBoA. Therefore ICIP has just started consideration of the mode collaboration between ICIP and this new project.

The ICIP Team started the preparation for establishment of the "Dialogue Platform for Supporting Agricultural Insurance in Ethiopia". The main purpose of this dialogue platform is to share the information about agricultural insurance activities in Ethiopia among various actors including government agencies, international donors and private companies. The dialogue also intends to contribute to adoption and implementation of the national agricultural insurance policy in Ethiopia. The ICIP Team and WFP Ethiopia office have been cooperated to establish this dialogue platform. The ICIP Team formulated the concept note of the dialogue platform together with WFP Ethiopia office. The ICIP Team and WFP Ethiopia office have been discussing the concept note with other key stakeholders. The first dialogue meeting is expected to be held in September 2021.

## **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

### **2-1 Detail**

Not applicable.

### **2-2 Cause**

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Not applicable.

### **2-3 Action to be taken**

Not applicable.

### **2-4 Roles of Responsible Persons/Organization**

Not applicable.

## **3. Modification of the Project Implementation Plan**

### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

### **3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

## **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

### **Annex**

- Annex I      Project Monitoring Sheet I (PDM version 1)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.25 to No.30)**


Project Monitoring Sheet No.1 (Project Design Matrix: PDM)

Version 1.0

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Monitoring Sheet No 4  
 Date: 2021/08/31

Target Group: Small-holder farmers in the target area of Oromia Region  
 Period of Project: Mar 2019~Feb 2024  
 Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement	Remarks
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies. 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1.Guidelines are not yet made. 2. Promotion of insurances for Phase-1 and 2nd Cycle of Phase-2 are completed, with total 3,477 purchasers.	1.Guidelines (draft) will be made in the next contracting period. 2. Promotion of insurances for the 3rd Cycle of Phase-2 will be started in December 2021.
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Baseline Survey was completed in August 2019. 2. REPs were packaged in Sept.- Oct. 2019 for Phase-1 and Aug. - Sept 2020 for the 2nd Cycle of Phase-2	2. Packaging of REPs for the 3rd Cycle of Phase-2 will be made in September 2021.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs for DA and SACCO/MFI staff were made with 440 participants for Phase-1, and 435 participants for the 2nd Cycle of Phase-2.	1. Next training on REPs for the 3rd Cycle of Phase-2 are scheduled to start in October 2021.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1.REPs promotion were completed in May 2020 for Phase-1 and May 2021 for the 2nd Cycle of Phase-2. 2. REPs Trainings for farmers for Phase-1 and the 2nd Cycle of Phae-2 were also completed.	REPs promotion and trainings for the 3rd Cycle of Phase-2 will be started in December 2021.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI. 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Not yet made.	Activities for Output-4 will be started in the next contract period.
<b>Activities</b>	<b>Inputs</b> <b>The Japanese Side</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management	1. Allocation of Counterpart Personnel	Majority of the counterparts continue working in respective institutions		
1.1 Carry out a baseline survey for impact evaluation,	2) IbCI Product Design	2. Office space with necessary office furnitures for Japanese experts	Security situations in the target areas maintains at least the current level		
1.2 Identify target areas for promoting REPs,	3) IbCI Promotion	3. Local cost that are not covered by JICA support.	All stakeholders maintains their willingness to extend IbCI.		
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	4) Agricultural Extension	4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)			
1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs,	5) Farm Management (input, saving & credit, insurance, etc.)				
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	6) Rural Survey/Gender				
1.7 Set up the institutional arrangement for REPs,	7) Project Coordinator/ M&E				
1.8 Formulate the implementation plan for REPs	2. Provision of the equipment (office equipment, vehicle, and supplies etc.)				
	3. Training for counterpart personnel (in Japan, in Ethiopia, in third country)				
	4. Local cost for the activity of Japanese Experts				
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>					
2.1 Develop training materials and manuals for REPs,			<b>&lt;Issues and countermeasures&gt;</b>		
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,			So far, there is no change on the risks indicated as pre-conditions and important assumption for Activities and Outputs.		
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI					
4.2 Prepare the guidelines for promoting IbCI,					
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					

Notes:  
**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,  
**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

Project Monitoring Sheet II (Revision of Plan of Operation)

Version 4  
Dated August 31, 2021

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs	Year	2018												2019												2020												2021												2022												2023												2024												Remarks	Monitoring																																																													
		Month																																																																									Issue	Solution																																																																								
<b>Expert</b>																																																																																																																																																				
1) Team Leader/Rural Risk Management	Plan																																																																																																																																																			
Actual																																																																																																																																																				
2) Deputy Team Leader/Rural Risk Management	Plan																																																																																																																																																			
Actual																																																																																																																																																				
3) Index-based Crop (IbCI) Development	Plan																																																																																																																																																			
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4) IbCI Promotion	Plan																																																																																																																																																			
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5) Farm Management/IbCI Promotion (2)	Plan																																																																																																																																																			
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1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy).	Plan																																																																																																																																																			
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## TO CR of JICA ETHIOPIA OFFICE

## PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.5.0 (Corresponding Term: September 2021 – February 2022)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** March 1, 2022

## I. Summary

## 1. Progress

## 1-1 Progress of Inputs

Japanese side**[Dispatch of Japanese Experts]**

This monitoring period (September 2021 - February 2022) was in the middle of Phase-2 contract of consultancy services which started from 21 October 2020. Due to the travel restriction to Ethiopia caused by the pandemic of COVID-19, the assignment of Japanese Experts for the works in Ethiopia has been suspended for a long time, and resumed in August 2021. However, due to the peace and order situation, two experts who stayed in Ethiopia in November 2021 had to terminate assignment in Ethiopia as per instruction of JICA. Therefore, from December 2021 to February 2022, Japanese experts had to work in Japan by using person-month (P/M) for the home office works in Japan allocated from the P/M for works in Ethiopia. The history of P/M allocations of Phase-2 contract, consumed P/M and remaining P/M are summarized in the table below.

		Original Contract	1st Allocation <sup>(1)</sup>	2nd Allocation <sup>(2)</sup>	3rd Allocation <sup>(3)</sup>	Contract Amendment <sup>(4)</sup>	Consumed P/M	Consumption Rate	Remaining P/M
		2020/10/21	2020/10/22	2021/2/25	2021/4/7	2021/12/14	As of Feb.2022	As of Feb.2022	As of 1 Mar.2022
Akira SUDO (T/L, Agri. Risk Management)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	2.47	54.9%	2.03
	In Japan	0.00	1.00	2.00	2.50	3.50	3.50		
Kota HIRAYAMA (Deputy T/L, Agri. Risk Management)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	1.03	22.9%	3.47
	In Japan	0.00	1.00	2.00	2.50	2.50	2.50		
Kiyoshi FUKUWATARI (IbCI Design)	In Ethiopia	1.33	1.33	1.33	1.33	1.33	0.00	0.0%	1.33
	In Japan	3.00	3.00	3.00	3.00	3.00	0.00		
Takahiro FUNAYAMA (Farm Management/ IbCI Promotion)	In Ethiopia	6.00	5.00	4.00	3.50	3.50	1.33	38.0%	2.17
	In Japan	0.00	1.00	2.00	2.50	2.50	2.50		
Moe NONOSHITA (Rural Survey/ Gender)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	0.80	17.8%	3.70
	In Japan	0.00	1.00	2.00	2.50	3.50	3.50		
Ai NAGINO (Agricultural Extension)	In Ethiopia	2.00	2.00	2.00	2.00	2.00	0.00	0.0%	2.00
	In Japan	0.00	0.00	0.00	0.00	0.00	0.00		
Miho KANNO (M&E/Agricultural Extension(2))	In Ethiopia	7.00	6.00	5.00	5.00	5.00	2.63	52.6%	2.37
	In Japan	0.00	1.00	2.00	2.00	3.00	3.00		
Sub-Total	In Ethiopia	37.33	32.33	27.33	25.33	25.33	8.26	32.6%	17.07
	In Japan	3.00	8.00	13.00	15.00	18.00	15.00	83.3%	3.00
TOTAL		40.33	40.33	40.33	40.33	43.33	23.26	53.7%	20.07

1) Total 5.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.

2) Total 5.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.

3) Total 2.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.

4) No changes of P/M for Works in Ethiopia, while total 3.00 P/M were increased in the Home Office Work in Japan.

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### **[Provision of Equipment]**

There was no major change on the plan for equipment to be procured by the ICIP Team during this monitoring period, except minor adjustment of the number of remote sensing equipment and personal computers.

On Phase-1 contract period, provision of motorbikes was included. As the result of discussions with JICA Ethiopia Office, procurement works of the motorbikes were transferred from ICIP Team to JICA Ethiopia Office, and ICIP Team was tasked to assist this procedure. As of the end of this monitoring period (February 2022), the procurement procedure is still being under process.

### **[Training for Counterpart Personnel in Japan and the Third Country]**

There was no overseas training made during this monitoring period. The overseas trainings were once re-scheduled to be made in April 2020, however it was further re-scheduled due to the travel restriction under the situation of COVID-19 pandemic. There is no clear projection on the period of the trainings since travel restriction to/from Japan and third country still continue, though some parts of such restrictions are gradually lifted.

### **[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

### **Ethiopian side**

#### **[Counterpart Personnel]**

Mr. Endalkachew Tefari, Deputy Head of Natural Resources and Food Security of Oromia Agricultural Bureau (OAB) who had been contributed a lot to the implementation of ICIP as the Project Manager, was replaced by Mr. Elias in October 2021. Since then, Mr. Elias has been also participated to ICIP actively, such as attending ICIP's trainings in Adama in January 2022. For other key personnel, no changes on the appointments, namely Mr. Solomon Begne (Food Security Directorate, OAB) as Project Focal Person, and Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

#### **[Office Space]**

As agreed by the R/D, OAB was obligated to secure office space for the ICIP Team. OAB provided office space in the 6th floor of new OAB building in Sarbet, in January 2020. Since then, the Team has been occupying this office space without major problems.

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OAB. Other operation cost of the Project during the reported period was disbursed by JICA budget.



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**[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

**1-2 Progress of Activities (based on PDM version 1)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August 2019.	(Same as left.) Mid-survey is on-going.
1.2	Identify target areas for promoting REPs.	Completed for Phase-1. (The selection of 12 woreda was approved at the Kick-off Meeting held on 19 April 2019). For the 2nd Cycle of Phase-2, number of newly added kebele was limited due to the consideration of manpower and time requirement under COVID-19 pandemic situation. For this Cycle, 36 kebele in 6 woreda were selected as target for intensive promotion (including 18 new kebele). In addition, 8 kebele in 4 woreda was selected as target for normal promotion, and remaining 10 kebele in 6 woreda were set as monitoring kebele.	The selection of target area for the 3rd Cycle was made for 41 existing and 21 newly added Kebele for Vegetation Index Crop Insurance (VICI), and 36 new Kebele for Area Yield Index Insurance (AYII) which is to be introduced from the 3rd Cycle.  The selection of target area for the 4th Cycle will be started in September 2022.
1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	In 2nd Cycle of Phase-2, additional interviews were made during the monitoring period, such as ICRC, SAA, WFP, IFPLI, etc. These interviews contributed to the panning of Donor Platform (see 1-10 of this Monitoring Sheet.)	Same as left.
1.4	Design and develop IbCI products.	Completed for Phase-1. (IbCI Development Expert of the Team assumed his assignment in Ethiopia from 30 August 2019). While implementing the 2nd Cycle, the team made plan for the introduction of AYII, to be promoted simultaneously with VICI in the 3rd Cycle.	The team made sub-contract with consulting firm based in Zambia for the design of AYII, to be promoted simultaneously with VICI in the 3rd Cycle. The design of products is in its final stage.

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1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	Completed for Phase-1. (Workshops in all 36 kebele were completed in September 2019). For the 2nd Cycle of Phase-2, agricultural techniques to be combined with insurance as REPs were confirmed based on the achievement of Phase-1. Based on the techniques identified for the 2nd Cycle, agricultural trainings at 25 Farmers Training Center and Trial Farms were made.	While agricultural trainings at 25 Farmers Training Center and Trial Farms for the 2nd Cycle is on-going, the team identified target FTC and Trial farm for the 3rd Cycle.
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed for Phase-1 and 2nd Cycle of Phase-2 (same as 1.5 above.)	Same as 1.5 above.
1.7	Set up the institutional arrangement for REPs.	Completed for Phase-1. (Set-up were made in October – November 2019 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies, MFI, etc.). Completed also for 2nd Cycle (Set-up were made in October – November 2020 as the structure of the participation by ICIP Team, DA, Woreda/Kebele administration, SACCO, Insurance companies). From 2nd Cycle, extension with MFI is adopted, by the collaboration with WASASA, one of the biggest MFI in the target area.	During this monitoring period, consideration on the set-up for the coming 3rd Cycle of Phase-2 was made. While some set-up are still under consideration, collaboration with WASASA (MFI) is being made also for the 3rd Cycle.
1.8	Formulate the implementation plan for REPs.	Completed for Phase-1. (same as 1.7 above.) Completed also for the 2nd cycle of Phase-2. (same as 1.7 above.)	Completed also for the 3rd Cycle of Phase-2 during this reporting period. (same as 1.7 above.)

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	Training materials of 2nd Cycle for agricultural techniques and insurance were also completed in October – November 2020.	Preparation of training materials of 3rd Cycle for agricultural techniques and insurance were made during this reporting period. Preparation of training materials for new product (AYII) is on-going.

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2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	Training programs for 2nd Cycle were organized in November 2020, both for Development Agents (DA) /SACCO staff, and MFI staff	Training programs for 3rd Cycle were organized during this reporting period (November 2021), both for Development Agents (DA) /SACCO staff, and MFI staff. Training program for new product (AYII) is on-going.
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	Trainings were executed for DA and SACCO/MFI staff for Phase-1 in November and December 2019. Trainings for 2nd Cycle were executed for DA/SACCO and MFI staff in November-December 2020 and January 2021.	For VICI, follow-up training for existing area were made in October 2021, and trainings for newly added area was made in January 2022 for the 3rd Cycle. Trainings for AYII will be started in March 2022.

<b>Output 3: The REPs are promoted in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	Promotion activities for Phase-1 (REPs trainings for farmers simultaneously with insurance registration) were made from the end of January 2020 in 36 Kebele in 12 Woreda and completed in May 2020. Promotion activities (REPs trainings for farmers simultaneously with insurance registration) for the 2nd cycle of Phase-2 were started in February 2021 and completed in May 2021.	Promotion activities (REPs trainings for farmers simultaneously with insurance registration) for existing area and newly added area for VICI for the 3rd cycle of Phase-2 are on-going. For AYII area, promotion will be started soon.
3.2	Monitor and evaluate REPs promotion activities.	Monitoring works for REPs promotion for Phase-1 (date, place, number of participants, number of insurance purchaser, etc.) were made in April 2020. Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 2nd Cycle of Phase-2 were made in April 2021.	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 3rd Cycle of Phase-2 is on-going.
3.3	Revise and modify the implementation plan and components of REPs regularly	Implementation plans of REPs promotion for both Phase-1 and 2nd Cycle of Phase-2 were reviewed and revised, based on the result of monitoring works in 3.2 above.	Implementation plan of REPs promotion for the 3rd Cycle of Phase-2 were being reviewed and revised, based on the result of monitoring works in 3.2 above.

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<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	Not yet started.	Preparatory works for the Platform is started (See 1-10 of this Monitoring Sheet.)
4.2	Prepare the guidelines for promoting IbCI.	Not yet started (scheduled in 2022.)	Preparatory works were started during this reporting period. The first draft will be made during the next reporting period.
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	Not yet started (scheduled in Phase-3.)	Not yet started (scheduled in Phase-3.)

**1-3 Achievement of Outputs**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019.	Middle Survey is on-going during this monitoring period.	Endline survey will be made in 3rd contract period.
1.2	REPs are available for dissemination.	Completed for Phase-1 in August 2019. Completed for the 2nd Cycle of Phase-2 in October 2020.	REPS packaging for the 3rd Cycle was made during this monitoring period.	REPS packaging for the 4th Cycle is scheduled to be made in October 2022.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	For Phase-1, total 490 trainees received training on REPs promotion (20 for insurance seminar, 240 for REPs training for DA, and 230 for the same for SACCO/MFI. For the 2nd Cycle, total 435 trainees received training on REPs promotion (334 for REPs training for DA/SACCO, 21 for the same for MFI, 22 on PA training and 58 on follow-up training.	For the 3rd Cycle, total 445 trainees so far received training on REPs promotion (228 for REPs training for DA/SACCO and 217 on follow-up training. (as of 27 February 2022.)	Remaining TOT (for AYII) will be made in March.  Same kind of trainings will be made for the 4th Cycle from Nov.2022 to Jan. 2023.

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<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	Promotion of REPs for Phase-1 was made from January 2020 and completed in May 2020 in all 36 Phase-I Kebele. Promotion of REPs for the 2nd Cycle was completed in May 2021 in all 36 Kebele.	Promotion of REPs for the 3rd Cycle is on-going for 41 existing VICI Kebele, 21 for new VICI Kebele and 36 new AYII Kebele.	REPs Promotion works for the 3rd Cycle of Phase-2 will be continued in the next monitoring period.
3.2	70,000 farmers complete the REPs training	REPs trainings for Phase-1 were made from January 2020 to May 2020, and total 7,400 farmers attended REPs trainings. For the 2nd Cycle were made from February to May 2021, and total 9,838 farmers attended REPs trainings.	REPs trainings for the 3rd Cycle is on-going from January 2022. Total 10,680 farmers attended REPs trainings. (as of 25 February 2022.)	Same as above.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Not yet achieved	Not yet achieved	Sharing activities of IbCI experiences will be started from the first Dialog Platform scheduled in the next reporting period.
4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	The works for the concept and contents of the Guideline are started.	The first draft of the guideline will be made during the next monitoring period.
4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved	Trainings for this issue will be made in 3rd contract period.

## 1-4 Achievement of the Project Purpose

### (1) Project Purpose

As same as 1-3, there is no major activities, at this point of time, to contribute to the

## PM Form 3-1 Monitoring Sheet

achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started	This issue will be made in 3rd contract period.
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 20,000.	During Phase-1 period, total 1,125 farmers purchased insurances and given insurance policy and receipt. During the 2nd Cycle of Phase-2 period, total 2,352 farmers purchased insurances and given insurance policy and receipt.	For the on-going 3rd Cycle of Phase-2 period, total 876 farmers purchased insurances and given insurance policy and receipt, as of 25 February 2022.	Promotion works for insurance on the 3rd Cycle of Phase-2 will be continued for the next monitoring period.

### (2) Observations from the DAC 5 Criteria for Evaluating Development Assistance

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers is on-going, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	So far, all the inputs from the Japanese side were made as planned, except change of assignment period of Japanese Experts due to COVID-19 and security issue especially in November 2021. The Oromia Bureau of Agriculture, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities for Phase-1 (1st Cycle) and 2nd Cycle of Phase-2 were completed, and the 3rd Cycle of Phase-2 is on-going (as of Feb. 2022), therefore it is early to measure impact of the Project. The first impact analysis (called "Middle Survey") is on-going.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project are started.

### 1-5 Changes of Risks and Actions for Mitigation

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs, except COVID-19 related situation and peace & order

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situation, as below:

### (1) COVID-19 related issues

For the 2nd Cycle of Phase-2, two (2) issues were taken into consideration: 1) limitation on the trip of Japanese Experts to Ethiopia, and 2) restriction of field activities under laws, rules and regulations for COVID-19 enforced by the Government of Ethiopia.

For 1) limitation of trip of Expert, most of works related to this reporting period were made by remote basis, under which Japanese experts monitor and supervise works made by national staff of the Project on REPs promotion activities (insurance sales) from February 2021. Likewise, TOT for the 3rd Cycle was also monitored by the Japanese experts in January 2022.

As for 2) restriction of field activities by COVID-19, there was a need to consider the new REPs extension and promotion strategy by reflecting travel restriction and social distance policies, such as use of visual training materials, re-design of workshop style, etc. Under such situation, REPs promotion activities had to be made by shifting workshop style with more than 100 participants in Phase-1 into workshops in smaller group. Despite of this change, the number of insurance purchasers in the 2nd Cycle reaches more than that of the 1st Cycle.

Such methodology to reflect COVID related consideration was also being made also for the current 3rd Cycle.

### (2) Peace & Order Situation

Due to the security condition from September 2021 to the end of the year caused by the battle between the Federal Government and Tigray People's Liberation Front (TPLF), the two ICIP experts who were staying in Addis Ababa in November urgently returned to Japan in accordance with JICA's instructions, and after that, the trip of experts to Ethiopia was made impossible. Currently, there is information that the front has retreated significantly to the area around the border of Tigray, however the battle is still continuing around the border and the ceasefire has not been reached. At present (mid-February 2022), the security level of Addis Ababa by the Ministry of Foreign Affairs of Japan is level 2. Although it is expected that Japanese experts will resume their travels to Ethiopia soon, it is not possible for all Japanese members to adjust their activities in Ethiopia simultaneously. Therefore, remote activities and activities by staying at Ethiopia will be mixed for the next reporting period.

### **1-6 Progress of Actions undertaken by JICA**

Not applicable.

### **1-7 Progress of Actions undertaken by the Government of Ethiopia**

Not applicable.

**1-8 Progress of Environmental and Social Considerations (if applicable)**

Not applicable. (This Project is under “Category C” in accordance with JICA’s “GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS”.)

**1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)**

In the second phase, support activities for widows' households who were severely affected by the abnormal weather in 2020 and inflation caused by COVID-19 were carried out. Among the target areas of ICIP, widows farmers belonging to the poor in the 4 woredas, namely Shiraro, Shala, Negele Arsi, and Boset were greatly affected, so ICIP provided support for agricultural materials to such widows households. Specifically, agricultural materials such as fertilizer (NPS, UREA) were distributed, on condition that they participated in the farming technology training conducted at the FTC at each Kebele in the area targeted for the trial farm. In addition, when distributing materials to widows households and farmers, interviews were made about the economic situation and basic information on farming (target: 5 people from each Kebele, 65 people in total). The average age of the interviewed females was 40 years old, the average number of meals per day was 2.3, and the average area of farmland owned was 1.4 ha. The main crops were maize, teff, green beans, barley and wheat, with an average agricultural income of 7,923 ETB / year. The main issues in farming were the shortage of agricultural input materials due to lack of income, followed by the shortage of labor (human power, cattle).

For the access of female to agricultural inputs, various studies have mentioned the lack of access, such as Girma Gezimu Gebre (2020). A comparison of the corn land productivity gap between male and female households shows that the value-based productivity of male households is 44.3% higher than that of female households. It shows that if a female head household has the same resource access as a male head household, its productivity will increase by 42.3%. From these cases as well, low agricultural productivity due to lack of access to agricultural input materials by women is an issue that should be considered in the target areas of this project, and the combination of agricultural insurance and seeds and fertilizers in Resilience Enhancement Packages (REPs). For the next reporting period.

**1-10 Other remarkable/considerable issues related/affect to the project (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)**

JICA has been executing “Project for Strengthening Climate Resilience through Climate-Smart Agriculture, Forestry, and Natural Resource Management in Ethiopia” which is the continuation phase of “Project for Sustainable Natural Resource Management through FFS in the Rift Valley Area of Oromia Region” completed in 2019. This new project has same



## PM Form 3-1 Monitoring Sheet

counterpart with ICIP, namely OAB, therefore ICIP has started consideration of the mode collaboration between ICIP and this new project.

However, both ICIP and this new project are currently being implemented in remote manner for the most of the reporting time of this Monitoring Sheet due to JICA's security restriction as well as COVID-19 related restriction, therefore coordination between the two projects was minimum during this period.

The ICIP Team has been preparing for establishment of the "Dialogue Platform for Supporting Agricultural Insurance in Ethiopia". The main purpose of this dialogue platform is to share the information about agricultural insurance activities in Ethiopia among various actors including government agencies, international donors and private companies. The dialogue also intends to contribute to adoption and implementation of the national agricultural insurance policy in Ethiopia. The ICIP Team and WFP Ethiopia office have been cooperated to establish this dialogue platform. The ICIP Team formulated the concept note of the dialogue platform together with WFP Ethiopia office. During this reporting period, the ICIP Team and WFP Ethiopia office have been discussing on the concept note with other key stakeholders for the first dialogue meeting which is expected to be held in the next reporting season.

### **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

#### **2-1 Detail**

Not applicable.

#### **2-2 Cause**

Not applicable.

#### **2-3 Action to be taken**

Not applicable.

#### **2-4 Roles of Responsible Persons/Organization**

Not applicable.

### **3. Modification of the Project Implementation Plan**

#### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

#### **3-2 Other modifications on detailed implementation plan**

## PM Form 3-1 Monitoring Sheet

Not applicable for this monitoring period.

### **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

### **Annex**

- Annex I      Project Monitoring Sheet I (PDM version 1)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.31 to No.36)**

Project Monitoring Sheet No.1 (Project Design Matrix: PDM)

Project Title: The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
 Implementing Agency: Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 1.0

Monitoring Sheet No.5

Date: 2022/02/28

Target Group: Small-holder farmers in the target area of Oromia Region

Period of Project: Mar 2019~Feb 2024

Project Site: Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement	Remarks
<b>Overall Goal</b> Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1.Consideration of the contents of Guidelines are started. 2. Promotion of insurances for Phase-1 and 2nd Cycle of Phase-2 are completed, with total 3,477 purchasers. Promotion of 3rd cycle is on-going.	1.Guidelines (draft) will be made in the next contracting period. 2. Promotion of insurances for the 3rd Cycle of Phase-2 is on-going.
<b>Outputs</b>					
1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Mid-Survey is on-going. 2. REPs were packaged in Sept. - Oct. 2019 for Phase-1, Aug. - Sept 2020 for the 2nd Cycle, and Aug. - Sept 2021 for the 3rd Cycle of Phase-2.	2. Packaging of REPs for the 4th Cycle will be made in September 2022.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs for DA and SACCOMFI staff were made with 440 participants for Phase-1 and 435 participants for the 2nd Cycle of Phase-2. Currently participants for training for the 3rd cycle is 228 as of Feb. 2022.	1. Training on REPs for the 4th Cycle will be made on-going.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1.REPs promotion were completed in May 2020 for Phase-1 and May 2021 for the 2nd Cycle of Phase-2. 2. REPs Trainings for farmers for Phase-1 and the 2nd Cycle of Phase-2 were also completed.	REPs promotion and trainings for the 3rd Cycle of Phase-2 are on-going.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Dialog Platform will be established within Phase-2 period, however it is not yet started in this reporting period.	Activities for Output-4 will be started in the next contract period.
<b>Activities</b>	<b>Inputs</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management 2) IbCI Product Design 3) IbCI Promotion 4) Agricultural Extension 5) Farm Management (input, saving & credit, insurance, etc.) 6) Rural Survey/Gender 7) Project Coordinator/ M&E	1. Allocation of Counterpart Personnel  2. Office space with necessary office furnitures for Japanese experts  3. Local cost that are not covered by JICA support.  4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	Majority of the counterparts continue working in respective institutions  Security situations in the target areas maintains at least the current level  All stakeholders maintains their willingness to extend IbCI.		
1.1 Carry out a baseline survey for impact evaluation, 1.2 Identify target areas for promoting REPs, 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy), 1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs, 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs 1.7 Set up the institutional arrangement for REPs, 1.8 Formulate the implementation plan for REPs					
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>					
2.1 Develop training materials and manuals for REPs, 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders, 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI 4.2 Prepare the guidelines for promoting IbCI, 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					
				<b>&lt;Issues and countermeasures&gt;</b>	
			So far, there is no change on the risks indicated as pre-conditions and important assumption for Activities and Outputs.		

Notes:

The Resilience Enhancement Packages (REPs) include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,

The guidelines is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

Project Monitoring Sheet II (Revision of Plan of Operation)

Version 5  
Date: February 28, 2022

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs	Year	2018												2019												2020												2021												2022												2023												2024												Remarks	Monitoring																																																														
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3) Index-based Crop (IbCI) Development	Plan																																																																																																																																																				
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5) Farm Management/IbCI Promotion (2)	Plan																																																																																																																																																				
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**TO CR of JICA ETHIOPIA OFFICE**

**PROJECT MONITORING SHEET**

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.6.0 (Corresponding Term: March 2022 – August 2022)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** September 1, 2022

**I. Summary**

**1. Progress**

**1-1 Progress of Inputs**

**Japanese side**

**[Dispatch of Japanese Experts]**

As stated in the previous monitoring sheet (No.5), due to JICA's instructions by the deterioration of security situation in Ethiopia, members of the Team who were staying in Ethiopia returned to Japan urgently in November 2021. As a result, on December 17, 2021, the contract was amended to increase 3 Person-Months for domestic work to 3 experts for some works which was shifted to works in Japan such as preparation of audio-visual training materials.

In March 2022, JICA's travel restrictions to Ethiopia were lifted, and team members resumed their trips one by one. By mid-October of this year when the existing contract with JICA expires, all person-months agreed upon in the contract (with amendment stated above) will be consumed.

Since focus on ICIP's activities in later part of Phase-2 of the Project gradually shifts from REPs promotion to reflection of the importance of agricultural insurance in national policies, the Team added number of Japanese Experts by newly including Agricultural Policy Expert from August 2022.

The history of P/M allocations of Phase-2 contract, consumed P/M and remaining P/M are summarized in the table in next page.

## PM Form 3-1 Monitoring Sheet

		Original Contract	1st Allocation <sup>(1)</sup>	2nd Allocation <sup>(2)</sup>	3rd Allocation <sup>(3)</sup>	Contract Amendment <sup>(4)</sup>	5th Allocation <sup>(5)</sup>	6th Allocation <sup>(6)</sup>	Consumed P/M	Consumption Rate	Remaining P/M
		2020/10/21	2020/10/22	2021/2/25	2021/4/7	2021/12/14	2022/8/17	To be made	As of 1 Sept. 2022	As of 1 Sept. 2022	As of 1 Sept. 2022
Akira SUDO (T/L, Agri. Risk Management)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	4.50	4.50	3.03	67.3%	1.47
	In Japan	0.00	1.00	2.00	2.50	3.50	3.50	3.50	3.50		0
Kota HIRAYAMA (Deputy T/L, Agri. Risk Management)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	4.50	4.50	2.97	66.0%	1.53
	In Japan	0.00	1.00	2.00	2.50	2.50	2.50	2.50	2.50		0
Kiyoshi FUKUWATARI (IbCI Design)	In Ethiopia	1.33	1.33	1.33	1.33	1.33	1.33	0.66	0.00	0.0%	0.66
	In Japan	3.00	3.00	3.00	3.00	3.00	3.67	3.67	1.30		1.3
Takahiro FUNAYAMA (Farm Management/ IbCI Promotion)	In Ethiopia	6.00	5.00	4.00	3.50	3.50	3.50	3.50	3.50	100.0%	0.00
	In Japan	0.00	1.00	2.00	2.50	2.50	2.50	2.50	2.50		0
Moe NONOSHITA (Rural Survey/ Gender)	In Ethiopia	7.00	6.00	5.00	4.50	4.50	4.37	4.26	3.44	80.8%	0.93
	In Japan	0.00	1.00	2.00	2.50	3.50	3.50	3.50	3.50		0
Ai NAGINO (Agricultural Extension)	In Ethiopia	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.34	67.0%	0.66
	In Japan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0
Takuo NISHIKAWA (Agricultural Policy)	In Ethiopia	0.00	0.00	0.00	0.00	0.00	1.23	1.24	0.50	40.3%	0.73
	In Japan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0
Miho KANNO (M&E/Agricultural Extension(2))	In Ethiopia	7.00	6.00	5.00	5.00	5.00	4.46	4.00	3.26	81.5%	1.20
	In Japan	0.00	1.00	2.00	2.00	3.00	3.00	3.00	3.00		0
Sub-Total	In Ethiopia	37.33	32.33	27.33	25.33	25.33	24.66	24.66	17.54	71.1%	6.45
	In Japan	3.00	8.00	13.00	15.00	18.00	18.67	18.67	16.30	87.3%	1.30
TOTAL		40.33	40.33	40.33	40.33	43.33	43.33	43.33	33.84	78.1%	7.75

- 1) Total 5.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.
- 2) Total 5.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.
- 3) Total 2.00 P/M were allocated from Works in Ethiopia to Home Office Work in Japan.
- 4) No changes of P/M for Works in Ethiopia, while total 3.00 P/M were increased in the Home Office Work in Japan.
- 5) Minor adjustment to generate P/M for new member by decreasing P/M of some member. No changes of total P/M.
- 6) Minor adjustment to allocate P/M between some members. No changes of total P/M.

### [Provision of Equipment]

There was no major change on the plan for equipment to be procured by the ICIP Team during this monitoring period, except some adjustments such as cancellation of remote sensing units, inclusion of small projectors, etc.

During Phase-1 contract period, provision of motorbikes was included. As the result of discussions with JICA Ethiopia Office, procurement works of the motorbikes were transferred from ICIP Team to JICA Ethiopia Office. On July 2022, sixteen (16) units of Motorbikes were delivered to Oromia Agricultural Bureau (OAB) after necessary payment such as custom duties by OAB. Currently OAB and ICIP Team is discussing on the process of hand-over of the bikes to target Woreda.

### [Training for Counterpart Personnel in Japan and the Third Country]

There was no overseas training made during this monitoring period. The overseas trainings were once re-scheduled to be made in April 2020, however it was further re-scheduled due to the travel restriction under the situation of COVID-19 pandemic. There is no clear projection on the period of the trainings in Japan since travel restrictions to/from Japan still continue, while ICIP Team and MoA, OAB are discussing the possibility of the implementation of training in the third country in September 2022.

### [Local Cost for the Activity of Japanese Experts]

Most of the operational costs of ICIP have been disbursed from the JICA budget.

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### Ethiopian side

#### **[Counterpart Personnel]**

Mr. Endalkachew Tefari, Deputy Head of Natural Resources and Food Security of Oromia Agricultural Bureau (OAB) who had been contributed a lot to the implementation of ICIP as the Project Manager, was replaced by Mr. Elias Kadir in the last reporting period. Since then, Mr. Elias has been also participated to ICIP actively, such as attending ICIP's training sessions during this reporting period. For other key personnel, no changes on the appointments, namely Mr. Solomon Begne (Food Security Directorate, OAB) as Project Focal Person, and Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

#### **[Office Space]**

As agreed by the R/D, OAB was obligated to secure office space for the ICIP Team. OAB provided office space in the 6th floor of new OAB building in Sarbet, in January 2020. Since then, the Team has been occupying this office space without major problems.

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OAB. Other operation cost of the Project during the reported period was disbursed by JICA budget.

#### **[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

### **1-2 Progress of Activities (based on PDM version 1)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August 2019.	(Same as left.) Mid-survey is also completed. (The final report of the survey result was submitted from the subcontractor at the end of December 2021. The Team is currently analyzing the result.
1.2	Identify target areas for promoting REPs.	The selection of target area for the 3rd Cycle was made for 41 existing and 21 newly added Kebele for Vegetation Index Crop Insurance (VICI), and 36 new Kebele for Area Yield Index Insurance (AYII) which were introduced from the 3rd Cycle.	The selection of target area for the 4th Cycle will be started in September 2022.

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1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	In 3rd Cycle of Phase-2, additional interviews were made during the monitoring period, such as ICRC, SAA, WFP, IFPLI, etc. These interviews contributed to Dialog Platform (see 1-10 of this Monitoring Sheet.)	Same as left.
1.4	Design and develop IbCI products.	Completed for 1st and 2nd Cycles. The team made sub-contract with consulting firm based in Zambia for the design of AYII, to be promoted simultaneously with VICI in the 3rd Cycle.	The design of AYII was completed.
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	Completed for 1st and 2nd Cycles.	While agricultural trainings at 25 Farmers Training Center and Trial Farms for the 2nd Cycle was completed, and the Team started trainings for selected FTC and Trial farm for the 3rd Cycle.
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed for 1st and 2nd Cycles.	Same as 1.5 above.
1.7	Set up the institutional arrangement for REPs.	Completed for 1st and 2nd Cycles. During the last monitoring period, consideration on the set-up for the 3rd Cycle of Phase-2 was made, including collaboration with WASASA (MFI).	Completed for the 3rd Cycle.
1.8	Formulate the implementation plan for REPs.	Completed for 1st and 2nd Cycles (same as 1.7 above.)	Completed also for the 3rd Cycle of Phase-2 during this reporting period. (same as 1.7 above.)

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	Training materials of the 2nd Cycle and 3rd Cycle were already completed, except CCE (Crop Cutting Experiment) training which is required due to the adoption of AYII from the 3rd Cycle.	Preparation of remaining training materials of 3rd Cycle (especially for CCE manual for new product (AYII) is on-going.



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2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	Preparation of training plan of the 2nd Cycle and 3rd Cycle were already completed, except CCE training which is required due to the adoption of AYII from the 3rd Cycle.	Preparation of remaining plan of 3rd Cycle (especially for CCE training plan for new product (AYII) is on-going.
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	Trainings for the 2nd Cycle and 3rd Cycle were already completed, except CCE training which is required due to the adoption of AYII from the 3rd Cycle.	Preparation of remaining trainings of 3rd Cycle (especially for CCE trainings for new product (AYII) is on-going.

<b>Output 3: The REPs are promoted in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	Promotion activities for Phase-1 (REPs trainings for farmers simultaneously with insurance registration) were made from the end of January 2020 in 36 Kebele in 12 Woreda and completed in May 2020. Promotion activities (REPs trainings for farmers simultaneously with insurance registration) for the 2nd cycle of Phase-2 were started in February 2021 and completed in May 2021.	Promotion activities (REPs trainings for farmers simultaneously with insurance registration) for existing area and newly added area for VICI and AYII for the 3rd cycle of Phase-2 are completed in 20 August, 2022
3.2	Monitor and evaluate REPs promotion activities.	Monitoring works for REPs promotion for Phase-1 (date, place, number of participants, number of insurance purchaser, etc.) were made in April 2020. Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 2nd Cycle of Phase-2 were made in April 2021.	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 3rd Cycle of Phase-2 is still on-going.
3.3	Revise and modify the implementation plan and components of REPs regularly	Implementation plans of REPs promotion for both Phase-1 and 2nd Cycle of Phase-2 were reviewed and revised, based on the result of monitoring works in 3.2 above.	Implementation plan of REPs promotion for the 3rd Cycle of Phase-2 were being reviewed and revised, based on the result of monitoring works in 3.2 above.

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<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	Not yet started.	The first Dialog Platform Meeting was held in May 2022. (See 1-10 of this Monitoring Sheet.)
4.2	Prepare the guidelines for promoting IbCI.	Not yet started (scheduled in 2022.)	Preparatory works were started during this reporting period. The first draft will be made during the next reporting period.
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	Not yet started (scheduled in Phase-3.)	Not yet started (scheduled in Phase-3.)

**1-3 Achievement of Outputs**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019.	Middle Survey is completed. Result analysis is currently on-going during this monitoring period.	Endline survey will be made in 3rd contract period.
1.2	REPs are available for dissemination.	Completed for Phase-1 in August 2019. Completed for the 2nd Cycle of Phase-2 in October 2020. Completed for the 3rd Cycle of Phase-2 in October 2021.	REPS packaging for the 4th Cycle is under preparation.	REPS packaging for the 4th Cycle is scheduled to be made in October 2022.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	For Phase-1, total 490 trainees received training on REPs promotion. For the 2nd Cycle, total 435 trainees received training on REPs promotion.	For the 3rd Cycle, total 445 trainees so far received training on REPs promotion.	Same kind of trainings will be made for the 4th Cycle from Nov.2022 to Jan. 2023.

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<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	Promotion of REPs for Phase-1 was made from January 2020 and completed in May 2020 in all 36 Phase-1 Kebele. Promotion of REPs for the 2nd Cycle was completed in May 2021 in 46 Kebele (27 continued, 19 new Kebele).	Promotion of REPs for the 3rd Cycle was completed on 20 August, 2022 for 41 continued VICI Kebele, 21 for new VICI Kebele and 36 new AYII Kebele.	REPs Promotion works for the 4th Cycle of Phase-3 will be started in the next monitoring period. The number of target Kebele is not yet considered.
3.2	70,000 farmers complete the REPs training (*1)	REPs trainings for Phase-1 were made from January 2020 to May 2020, and total 7,400 farmers attended REPs trainings. For the 2nd Cycle were made from February to May 2021, and total 9,838 farmers attended REPs trainings.	REPs trainings for the 3rd Cycle was completed in 20 August 2022. Total 19,871 farmers attended REPs trainings for this Cycle.	Same as above.

(\*1) Modification of this indicator is currently being discussed, for the approval upon next JCC Meeting.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Not yet achieved	Sharing activities of IbCI experiences was started from the first Dialog Platform Meeting in May 2022.	Sharing activities of IbCI experiences will be continued during Phase-3 period.
4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	The works for the concept and contents of the Guideline are started.	The first draft of the guideline will be made during Phase-3 period.
4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved	Trainings for this issue will be made in Phase-3 period.

## 1-4 Achievement of the Project Purpose

### (1) Project Purpose

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started	This issue will be made in 3rd contract period.
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 20,000 (*2).	During Phase-1 period, total 1,125 farmers purchased insurances and given insurance policy. During the 2nd Cycle of Phase-2 period, total 2,352 farmers purchased insurances and given insurance policy.	The promotion activities for the 3rd Cycle of Phase-2 period was completed in 20 August 2022, with total 4,598 farmers purchased and given insurance policy.	Promotion works for insurance on the 4th Cycle of Phase-3 will be made in the next monitoring period.

(\*2) Modification of this indicator is currently being discussed, for the approval upon next JCC Meeting.

### (2) Observations from the DAC 5 Criteria for Evaluating Development Assistance

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers is on-going, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	So far, all the inputs from the Japanese side were made as planned, except change of assignment period of Japanese Experts due to COVID-19 and security issue especially in November 2021. The Oromia Agricultural Bureau, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities for Phase-1 (1st Cycle) and Phase-2 (2nd Cycle and 3rd Cycle) were completed, However, there will be one more cycle (4th Cycle) in Phase-3, therefore it is early to measure impact of the Project. The analysis on the result of first impact analysis (called "Middle Survey") is on-going.

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5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project are started.
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### 1-5 Changes of Risks and Actions for Mitigation

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs, except COVID-19 related situation and peace & order situation, as below:

#### (1) COVID-19 related issues

Pandemic of COVID-19 gave major impact especially on the 2nd Cycle of Phase-2, by two (2) aspects such as: 1) limitation on the trip of Japanese Experts to Ethiopia, and 2) restriction of field activities under laws, rules and regulations for COVID-19 enforced by the Government of Ethiopia.

Under this reporting period, it seems that effect of COVID-19 to the implementation of the 3rd Cycle lessened as compared to the 2nd Cycle. However, the Project has been continuing basic countermeasures for pandemic upon the implementation of both classroom-type trainings and field trainings (REPs training and agricultural trainings at FTCs).

#### (2) Peace & Order Situation

Due to the security condition from September 2021 to the end of the year caused by the battle between the Federal Government and Tigray People's Liberation Front (TPLF), the two ICIP experts who were staying in Addis Ababa in November urgently returned to Japan in accordance with JICA's instructions. Though the dispatch of experts to Ethiopia was resumed in April 2021, dispatch of Japanese experts and national staff to some of ICIP's target area in Oromia Region still require JICA's approval, as per security regulation of JICA.

### 1-6 Progress of Actions undertaken by JICA

Not applicable.

### 1-7 Progress of Actions undertaken by the Government of Ethiopia

Not applicable.

### 1-8 Progress of Environmental and Social Considerations (if applicable)

Not applicable. (This Project is under "Category C" in accordance with JICA's "GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS".)

### 1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)

In Ethiopia, Gender Inequality Index (GII) was 121-ranking among 160 countries in 2017 and the gap between men and women is still big regarding school attendance rate, literacy rate,

## PM Form 3-1 Monitoring Sheet

unemployment rate, reproductive health and participate in the labor market. In rural area, around 20 % of poor household is women head household. Government of Ethiopia has conducted the activities regarding gender after subscribing of the Convention on the Elimination of all Forms of Discrimination against Women in 1980.

Under such situation, the Team is closely monitoring the gender issues in the implementation of Project, such as recording necessary data on the participation rate of women in each project activities such as kebele level workshops, REPs trainings, and also farmer's activities in the demo farms at selected Farmers Training Centers (FTC).

Details of ICIP's activities related to gender issues will be reported on the Progress Report (Phase-2) to be submitted in October 2022.

**1-10 Other remarkable/considerable issues related/affect to the project** (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)

JICA has been executing "Project for Strengthening Climate Resilience through Climate-Smart Agriculture, Forestry, and Natural Resource Management in Ethiopia" which is the continuation phase of "Project for Sustainable Natural Resource Management through FFS in the Rift Valley Area of Oromia Region" completed in 2019. This new project has same counterpart with ICIP, namely OAB, therefore ICIP has been discussing with the experts of this project for possible collaboration between ICIP.

"The 1st Dialogue Platform for Supporting Agricultural Insurance in Ethiopia" was held in May 2022 inviting all the stakeholders including governmental agencies, private companies and donor organizations. In this 1st dialogue platform meeting, the donor organizations shared their activities in the area of index-based crop insurance in Ethiopia. Also, there were intensive discussions about 1) objectives and function of the dialogue platform, 2) operation and management and 3) schedule and discussion topics in the dialogue platform. The participants agreed that the dialogue platform meeting should be organized quarterly, and the next meeting will be held in September 2022. The JICA ICIP Team, WFP Ethiopia and MOA just started discussions about specific agenda for the next the dialogue platform meeting.

## **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

### **2-1 Detail**

Not applicable.

### **2-2 Cause**

Not applicable.

**2-3 Action to be taken**

Not applicable.

**2-4 Roles of Responsible Persons/Organization**

Not applicable.

**3. Modification of the Project Implementation Plan**

**3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

**3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

**4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

**II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

**Annex**

- Annex I      Project Monitoring Sheet I (PDM version 1)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.37 to No.42)**

**Project Monitoring Sheet No.1 (Project Design Matrix: PDM)**

**Project Title:** The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
**Implementing Agency:** Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 1.0

Monitoring Sheet No.6  
 Date: 2022/08/31

**Target Group:** Small-holder farmers in the target area of Oromia Region

**Period of Project:** Mar 2019~Feb 2024

**Project Site:** Oromia Region (16 woredas in 6 zones)

<b>Narrative Summary</b>	<b>Objectively Verifiable Indicators</b>	<b>Means of Verification</b>	<b>Important Assumption</b>	<b>Achievement</b>	<b>Remarks</b>
<b>Overall Goal</b> Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 20,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1. Consideration of the contents of Guidelines are started. 2. Promotion of insurances for Phase-1 and 2nd Cycle of Phase-2 are completed, with total 3,477 purchasers. Promotion of 3rd cycle is on-going.	1. Guidelines (draft) will be made in the next contracting period. 2. Promotion of insurances for the 3rd Cycle of Phase-2 is on-going.
<b>Outputs</b>					
1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Mid-Survey is on-going. 2. REPs were packaged in Sept. - Oct. 2019 for Phase-1, Aug. - Sept 2020 for the 2nd Cycle, and Aug. - Sept 2021 for the 3rd Cycle of Phase-2.	2. Packaging of REPs for the 4th Cycle will be made in September 2022.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs for DA and SACCOMFI staff were made with 440 participants for Phase-1 and 435 participants for the 2nd Cycle of Phase-2. Currently participants for training for the 3rd cycle is 228 as of Feb. 2022.	1. Training on REPs for the 4th Cycle will be made on-going.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 70,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1. REPs promotion were completed in May 2020 for Phase-1 and May 2021 for the 2nd Cycle of Phase-2. 2. REPs Trainings for farmers for Phase-1 and the 2nd Cycle of Phase-2 were also completed.	REPs promotion and trainings for the 3rd Cycle of Phase-2 are on-going.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Dialog Platform will be established within Phase-2 period, however it is not yet started in this reporting period.	Activities for Output-4 will be started in the next contract period.
<b>Activities</b>	<b>Inputs</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management 2) IbCI Product Design 3) IbCI Promotion 4) Agricultural Extension 5) Farm Management (input, saving & credit, insurance, etc.) 6) Rural Survey/Gender 7) Project Coordinator/ M&E 2. Provision of the equipment (office equipment, vehicle, and supplies etc.) 3. Training for counterpart personnel (in Japan, in Ethiopia, in third country) 4. Local cost for the activity of Japanese Experts	1. Allocation of Counterpart Personnel  2. Office space with necessary office furnitures for Japanese experts  3. Local cost that are not covered by JICA support.  4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	Majority of the counterparts continue working in respective institutions  Security situations in the target areas maintains at least the current level  All stakeholders maintains their willingness to extend IbCI.		
1.1 Carry out a baseline survey for impact evaluation, 1.2 Identify target areas for promoting REPs, 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy), 1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs, 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs, 1.7 Set up the institutional arrangement for REPs, 1.8 Formulate the implementation plan for REPs					
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>					
2.1 Develop training materials and manuals for REPs, 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders, 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI 4.2 Prepare the guidelines for promoting IbCI, 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					

**Notes:**  
 The Resilience Enhancement Packages (REPs) include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,  
 The guidelines is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.



Project Monitoring Sheet II (Revision of Plan of Operation)

Version 6  
Date: September 1, 2022

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs	Year	2018												2019												2020												2021												2022												2023												2024												Remarks	Monitoring																																																														
		Month	2018												2019												2020												2021												2022												2023												2024												Issue	Solution																																																													
<b>Expert</b>																																																																																																																																																					
1) Team Leader/Rural Risk Management	Plan																																																																																																																																																				
2) Deputy Team Leader/Rural Risk Management	Actual																																																																																																																																																				
3) Index-based Crop (IbCI) Development	Plan																																																																																																																																																				
4) IbCI Promotion	Actual																																																																																																																																																				
5) Farm Management/IbCI Promotion (2)	Plan																																																																																																																																																				
6) Rural Survey/Gender	Actual																																																																																																																																																				
7) Agricultural Extension	Plan																																																																																																																																																				
8) Agricultural Policy	Actual																																																																																																																																																				
9) M&E/Agri.Extension(2)	Plan																																																																																																																																																				
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1.2 Identify target areas for promoting REPs,	Plan																																																																																																																																																				
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1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),	Plan																																																																																																																																																				
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1.4 Design and develop IbCI products,	Plan																																																																																																																																																				
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1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,	Plan																																																																																																																																																				
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## TO CR of JICA ETHIOPIA OFFICE

## PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.7.0 (Corresponding Term: September 2022 – February 2023)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** March 1, 2023

## I. Summary

## 1. Progress

## 1-1 Progress of Inputs

Japanese side**[Dispatch of Japanese Experts]**

The contract for the current Phase (Phase-3) was signed on 27 October 2022. Since then, total five (5) experts were dispatched to Ethiopia as par Work Plan submitted on 24 November 2022.

The records of dispatch, consumed P/M and remaining P/M are summarized in the table below.

		Original Contract	Consumed P/M	Consumption Rate	Remaining P/M
		2022/10/29	As of 1 March. 2023	As of 1 March. 2023	As of 1 March. 2023
Akira SUDO (T/L, Agri. Risk Management)	In Ethiopia	2.33	0.70	30.0%	1.63
	In Japan	0.25	0.00		0
Kota HIRAYAMA (Deputy T/L, Agri. Risk Management)	In Ethiopia	3.33	0.80	24.0%	2.53
	In Japan	0.00	0.00		0
Kiyoshi FUKUWATARI (IbCI Design)	In Ethiopia	0.67	0.00	0.0%	0.67
	In Japan	1.50	0.00		1.3
Takahiro FUNAYAMA (Farm Management/ IbCI Promotion)	In Ethiopia	2.33	1.33	57.1%	1.00
	In Japan	0.00	0.00		0
Moe NONOSHITA (Rural Survey/ Gender)	In Ethiopia	3.67	0.97	26.4%	2.70
	In Japan	0.00	0.00		0
Ai NAGINO (Agricultural Extension)	In Ethiopia	0.67	0.00	0.0%	0.67
	In Japan	0.00	0.00		0
Takuo NISHIKAWA (Agricultural Policy)	In Ethiopia	3.33	0.00	0.0%	3.33
	In Japan	0.00	0.00		0
Miho KANNO (M&E/Agricultural Extension(2))	In Ethiopia	4.33	1.00	23.1%	3.33
	In Japan	0.00	0.00		0
Sub-Total	In Ethiopia	20.66	4.80	23.2%	15.86
	In Japan	1.75	0.00	0.00%	1.75
TOTAL		22.41	4.80	21.4%	17.61

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### **[Provision of Equipment]**

There is no procurement of equipment planned for this Phase.

During Phase-1 contract period, provision of motorbikes was included. As the result of discussions with JICA Ethiopia Office, procurement works of the motorbikes were transferred from ICIP Team to JICA Ethiopia Office. On July 2022, sixteen (16) units of Motorbikes were delivered to Oromia Agricultural Bureau (OAB) after necessary payment such as custom duties by OAB.

Out of these 16 units, five (5) units were officially handed over to the following Woreda as of February 2023:

Arsi Negele, Adaba, Gedeb Asasa, Sire, Bacho, Elu

Remaining units will be handed over as soon as discussions would be made with OAB, Zonal Agricultural Offices and subject woreda.

### **[Training for Counterpart Personnel in Japan and the Third Country]**

There was no overseas training made during this monitoring period. The trainings in Japan and the third country are scheduled in the next monitoring period.

(PROGRESS REPORT)

### **[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

### **Ethiopian side**

#### **[Counterpart Personnel]**

There is no change for the counter personnel for this Project: Mr. Elias Kadir, Deputy Head of Natural Resources and Food Security of Oromia Agricultural Bureau (OAB) as Project Manager, Mr. Solomon Begne (Food Security Directorate, OAB) as Project Focal Person, and Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

#### **[Office Space]**

As agreed by the R/D, OAB was obligated to secure office space for the ICIP Team. OAB provided office space in the 6th floor of new OAB building in Sarbet, in January 2020. Since then, the Team has been occupying this office space without major problems.

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OAB. Other operation cost of the Project during the reported period was disbursed by JICA budget.

#### **[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming

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technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

**1-2 Progress of Activities (based on PDM version 2.0)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August 2019.) Mid-survey is also completed. (The final report of the survey result was submitted from the subcontractor at the end of December 2021.)	(Same as left.)
1.2	Identify target areas for promoting REPs.	The selection of target area for the 3rd Cycle was made for 41 existing and 21 newly added Kebele for Vegetation Index Crop Insurance (VICI), and 36 new Kebele for Area Yield Index Insurance (AYII) which were introduced from the 3rd Cycle.	The selection of target area for the 4th Cycle was made in this monitoring period. As result, 55 kebele were selected from previous Cycle and 24 new kebele for VICI, while 23 kebele were selected from previous cycle for AYII.
1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	In 3rd Cycle of Phase-2, additional interviews were made during the monitoring period, such as ICRC, SAA, WFP, IFPLI, etc. These interviews contributed to Dialog Platform (see 1-10 of this Monitoring Sheet.)	Same as left for this cycle (4th Cycle).
1.4	Design and develop IbCI products.	Completed for 1st and 2nd Cycles. The team made sub-contract with consulting firm based in Zambia for the design of AYII, to be promoted simultaneously with VICI in the 3rd Cycle.	Completed also for the 4th cycle.
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	While agricultural trainings at 25 Farmers Training Center and Trial Farms for the 2nd Cycle was completed, and the Team started trainings for selected FTC and Trial farm for the 3rd Cycle.	Farmers Training Center and Trial Farms for the 4th Cycle is being identified.
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed for the 3rd Cycle.	Same as 1.5 above.

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1.7	Set up the institutional arrangement for REPs.	Completed for the 1st to the 3rd Cycle.	During this monitoring period, set-up for the 4th Cycle of Phase-3 were made, including collaboration with WASASA (MFI), Agricultural Training Package (by OBA) and Input Voucher System (by OCPA).
1.8	Formulate the implementation plan for REPs.	Completed for the 1st to the 3rd Cycle. (same as 1.7 above.)	Completed also for the 4th Cycle of Phase-3 during this reporting period. (same as 1.7 above.)

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	Completed for the 1st to the 3rd Cycle.	Preparation of training materials of the 4th Cycle were made.
2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	Completed for the 1st to the 3rd Cycle.	Preparation of training plans of the 4th Cycle were made.
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	Completed for the 1st to the 3rd Cycle.	During this monitoring period, follow-up trainings for VICI, AYII and WASASA were made, while TOT for new VICI areas were also made.

<b>Output 3: The REPs are promoted in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	Completed for the 1st to the 3rd Cycle.	Promotion of REPs for this 4th Cycle were started in February 2023
3.2	Monitor and evaluate REPs promotion activities.	Monitoring works for REPs promotion for Phase-1 and Phase-2 were completed.	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 4th Cycle of Phase-3 is still on-going.
3.3	Revise and modify the implementation plan and components of REPs regularly	Implementation plans of REPs promotion for both Phase-1 Phase-2 were reviewed and revised, based on the result of monitoring works in 3.2 above.	Implementation plan of REPs promotion for the 4th Cycle of Phase-3 were being reviewed and revised, based on the result of monitoring works in 3.2 above.

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<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	The first Dialog Platform Meeting was held in May 2022.	The consultation meeting with MoA was carried out in January 2023. (See 1-10 of this Monitoring Sheet.)
4.2	Prepare the guidelines for promoting IbCI.	Not yet started (scheduled in 2022.)	Preparatory works were started during this reporting period.
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	Not yet started.	Not yet started (scheduled in the later part of Phase-3.)

**1-3 Achievement of Outputs**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019. Middle Survey was completed in August 2022.	Not Applicable.	Endline survey will be made in this Phase. (October 2023)
1.2	REPs are available for dissemination.	Completed for Phase-1 in August 2019. Completed for the 2nd Cycle of Phase-2 in October 2020. Completed for the 3rd Cycle of Phase-2 in October 2021.	REPS packaging for the 4th Cycle was completed in October 2022.	Not Applicable.

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	For Phase-1, total 490 trainees received training on REPs promotion. For the 2nd Cycle, total 435 trainees received training on REPs promotion. For the 3rd Cycle, total 445 trainees received training on REPs promotion.	For the 4th Cycle, total 355 trainees so far received training on REPs promotion.	Not Applicable.

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<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	Promotion of REPs for Phase-1 was made from January 2020 and completed in May 2020 in all 36 Phase-1 Kebele. Promotion of REPs for the 2nd Cycle was completed in May 2021 in 46 Kebele (27 continued, 19 new Kebele). Promotion of REPs for the 3rd Cycle was completed on 20 August, 2022 for 41 continued VICI Kebele, 21 for new VICI Kebele and 36 new AYII Kebele.	Promotion of REPs for the 4th cycle is on-going for 55 kebele from previous cycle and 24 new kebele for VICI, while 23 kebele from previous cycle for AYII.	REPs Promotion works for the 4th Cycle of Phase-3 will be also continued in the next monitoring period.
3.2	50,000 farmers complete the REPs training (*1)	REPs trainings for Phase-1 were made from January 2020 to May 2020, and total 7,400 farmers attended REPs trainings. For the 2nd Cycle were made from February to May 2021, and total 9,838 farmers attended REPs trainings. REPs trainings for the 3rd Cycle was completed in 20 August 2022. Total 19,871 farmers attended REPs trainings for this Cycle.	REPs trainings for the 4th Cycle were just started in this month.	Same as above.

(\*1) This figure was modified from original (70,000) upon the 4th JCC meeting held on 29 September 2023.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Sharing activities of IbCI experiences was started from the first Dialog Platform Meeting in May 2022.	Same as left.	Sharing activities of IbCI experiences will be continued during Phase-3 period.
4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	The works for the contents of the Guideline are being made.	The first draft of the guideline will be made during Phase-3 period.

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4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved	Trainings for this issue will be made in the later part of Phase-3 period.
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## 1-4 Achievement of the Project Purpose

### (1) Project Purpose

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started	This issue will be made in the later part of 3rd contract period.
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 12,000 (*2).	During Phase-1 period, total 1,125 farmers purchased insurances and given insurance policy. During the 2nd Cycle of Phase-2 period, total 2,352 farmers purchased insurances and given insurance policy. The promotion activities for the 3rd Cycle of Phase-2 period was completed in 20 August 2022, with total 4,598 farmers purchased and given insurance policy.	Promotion of REPs for the 4th Cycle is on-going.	Promotion works for insurance on the 4th Cycle of Phase-3 will be continued for the next monitoring period.

(\*2) This figure was modified from original (20,000) upon the 4th JCC meeting held on 29 September 2023.

### (2) Observations from the DAC 5 Criteria for Evaluating Development Assistance

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other



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		hand, direct REPS promotion to farmers is on-going, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	So far, all the inputs from the Japanese side were made as planned, except change of assignment period of Japanese Experts due to COVID-19 and security issue especially in November 2021. The Oromia Agricultural Bureau, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities for Phase-1 (1st Cycle) and Phase-2 (2nd Cycle and 3rd Cycle) were completed, However, one more cycle (4th Cycle) in Phase-3 is on-going, therefore it is early to measure impact of the Project. The analysis on the result of impact analysis (called "End-line Survey") is scheduled in October 2023.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project are started.

### 1-5 Changes of Risks and Actions for Mitigation

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs, except COVID-19 related situation and peace & order situation, as below:

#### (1) COVID-19 related issues

Pandemic of COVID-19 gave major impact especially on the 2nd Cycle of Phase-2, by two (2) aspects such as: 1) limitation on the trip of Japanese Experts to Ethiopia, and 2) restriction of field activities under laws, rules and regulations for COVID-19 enforced by the Government of Ethiopia.

Under this reporting period, it seems that effect of COVID-19 to the implementation of the 4th Cycle was lessened as compared to the 2nd and the 3rd Cycles. However, the Project has been continuing basic countermeasures for pandemic upon the implementation of both classroom-type trainings and field trainings (REPs training and agricultural trainings at FTCs).

#### (2) Peace & Order Situation

Due to the security condition from September 2021 to the end of the year caused by the battle between the Federal Government and Tigray People's Liberation Front (TPLF), the two ICIP experts who were staying in Addis Ababa in November urgently returned to Japan in accordance with JICA's instructions. Though the dispatch of experts to Ethiopia was resumed in April 2021, dispatch of Japanese experts and national staff to some of ICIP's target area in Oromia Region still require JICA's approval, as per security regulation of JICA.

### 1-6 Progress of Actions undertaken by JICA

Not applicable.

**1-7 Progress of Actions undertaken by the Government of Ethiopia**

Not applicable.

**1-8 Progress of Environmental and Social Considerations (if applicable)**

Not applicable. (This Project is under “Category C” in accordance with JICA’s “GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS”.)

**1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)**

In Ethiopia, Gender Inequality Index (GII) was 121-ranking among 160 countries in 2017 and the gap between men and women is still big regarding school attendance rate, literacy rate, unemployment rate, reproductive health and participate in the labor market. In rural area, around 20 % of poor household is women head household. Government of Ethiopia has conducted the activities regarding gender after subscribing of the Convention on the Elimination of all Forms of Discrimination against Women in 1980.

Under such situation, the Team is closely monitoring the gender issues in the implementation of Project, such as recording necessary data on the participation rate of women in each project activities such as kebele level workshops, REPs trainings, and also farmer’s activities in the demo farms at selected Farmers Training Centers (FTC).

Details of ICIP’s activities related to gender issues were reported on the Progress Report (Phase-2) submitted in October 2022.

**1-10 Other remarkable/considerable issues related/affect to the project (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)**

“The 1st Dialogue Platform for Supporting Agricultural Insurance in Ethiopia” was held in May 2022 inviting all the stakeholders including governmental agencies, private companies and donor organizations. In this 1st dialogue platform meeting, the donor organizations shared their activities in the area of index-based crop insurance in Ethiopia. Also, there were intensive discussions about 1) objectives and function of the dialogue platform, 2) operation and management and 3) schedule and discussion topics in the dialogue platform. The participants agreed that the dialogue platform meeting should be organized quarterly, and the next meeting was planned to be held in September 2022. The JICA ICIP Team, WFP Ethiopia and MOA just started discussions about specific agenda for the next the dialogue platform meeting.

On 25 January 2023, a consultation meeting was held with Ministry of Agriculture (MoA), to discuss on how the Ministry will continue insurance promotion activities after JICA-ICIP. For this meeting, from MoA, H.E Dr. Sofiya Kassa (State Minister for Agriculture Investment and

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Input), Ms Sintayehu Demissie (Head, Food Security Coordination Office, Project Director of JICA-ICIP) were attended, with representatives from JICA Ethiopia Office and WFP.

On this meeting, MoA has proposed that MoA will set up a small group for coordinating the agricultural insurance-related priorities and challenges with the development partners. Once this group is arranged internally, MoA will reach out to the JICA-ICIP and WFP to agree on further steps, including the 2nd meeting of the National Dialogue Platform for Agriculture Insurance.

### **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

#### **2-1 Detail**

Not applicable.

#### **2-2 Cause**

Not applicable.

#### **2-3 Action to be taken**

Not applicable.

#### **2-4 Roles of Responsible Persons/Organization**

Not applicable.

### **3. Modification of the Project Implementation Plan**

#### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

#### **3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

### **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**

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**Annex**

- Annex I      Project Monitoring Sheet I (PDM version 2.0)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.43 to No.48)**

**Project Monitoring Sheet No7 (Project Design Matrix: PDM)**

**Project Title:** The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
**Implementing Agency:** Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

Version 2.0

**Target Group:** Small-holder farmers in the target area of Oromia Region

Date: 2023/02/28

**Period of Project:** Mar 2019~Feb 2024

**Project Site:** Oromia Region (16 woredas in 6 zones)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement	Remarks
<b>Overall Goal</b> Index-based Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies. 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 12,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1.Consideration of the contents of Guidelines are started. 2. Promotion of insurances for Phase-1 and 2nd/3rd Cycle of Phase-2 are completed.	1.Guidelines (draft) will be made in this contracting period. 2. Promotion of insurances for the 4th Cycle of Phase-3 is on-going.
<b>Outputs</b>					
1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Mid-Survey is completed. 2. REPs were packaged in Sept. - Oct. 2019 for Phase-1, Aug. - Sept 2020 for the 2nd Cycle, and Aug. - Sept 2021 for the 3rd Cycle of Phase-2 and Aug. - Sept 2022 for the 4th Cycle.	2. Packaging of REPs for the 4th Cycle was completed.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs for DA and SACCO/MFI staff were made with 440 participants for Phase-1 and 435 participants for the 2nd Cycle of Phase-2. Currently participants for training for the 3rd cycle is 228 as of Feb. 2022.	1. Training on REPs for the 4th Cycle of Phase-2 are on-going.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 50,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1.REPs promotion were completed for 1st to 3rd cycle. 2. REPs Trainings for farmers for 1st to 3rd Cycle were also completed.	REPs promotion and trainings for the 4th Cycle of Phase-3 are on-going.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI. 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Dialog Platform will be established and the 1st meeting was held in May 2022.	Activities for Output-4 are on-going in this contract period.
<b>Activities</b>	<b>Inputs</b>	<b>The Ethiopian Side</b>	<b>Pre-Conditions</b>		
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management 2) IbCI Product Design 3) IbCI Promotion 4) Agricultural Extension 5) Farm Management (input, saving & credit, insurance, etc.) 6) Rural Survey/Gender 7) Project Coordinator/ M&E	1. Allocation of Counterpart Personnel  2. Office space with necessary office furnitures for Japanese experts  3. Local cost that are not covered by JICA support.  4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)	Majority of the counterparts continue working in respective institutions  Security situations in the target areas maintains at least the current level  All stakeholders maintains their willingness to extend IbCI.		
1.1 Carry out a baseline survey for impact evaluation, 1.2 Identify target areas for promoting REPs, 1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy), 1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs, 1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs 1.7 Set up the institutional arrangement for REPs, 1.8 Formulate the implementation plan for REPs					
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>					
2.1 Develop training materials and manuals for REPs, 2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders, 2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.					
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>					
3.1 Promote REPs based on implementation plan in 1.8, 3.2 Monitor and evaluate REPs promotion activities, 3.3 Revise and modify the implementation plan and components of REPs regularly					
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>					
4.1 Convene annual platform meeting to exchange information and advocate IbCI 4.2 Prepare the guidelines for promoting IbCI, 4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments					

Notes:  
**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers,  
**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including those of the JICA Project.

Project Monitoring Sheet II (Revision of Plan of Operation)

Version 7  
Date: March 1, 2023

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs	Year	2018												2019												2020												2021												2022												2023												2024												Remarks	Monitoring																																																														
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## TO CR of JICA ETHIOPIA OFFICE

## PROJECT MONITORING SHEET

**Project Title:** Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement (ICIP)

**Version of the Sheet:** Ver.8.0 (Corresponding Term: March 2023 – August 2023)

**Name:** Akira SUDO

**Title:** Team Leader/Rural Risk Management

**Submission Date:** September 1, 2023

## I. Summary

## 1. Progress

## 1-1 Progress of Inputs

Japanese side**[Dispatch of Japanese Experts]**

The contract for the current Phase (Phase-3) was signed on 27 October 2022. Since then, total twelve (12) trips to Ethiopia were made by six (6) experts as par Work Plan submitted on 24 November 2022. As compared to previous phases, there were no significant changes from the original schedule.

The records of dispatch, consumed P/M and remaining P/M are summarized in the table below.

		Original Contract	Consumed P/M	Consumption Rate	Remaining P/M
		2022/10/27	As of 31 August. 2023	As of 31 August. 2023	As of 31 August. 2023
Akira SUDO (T/L, Agri. Risk Management)	In Ethiopia	2.33	1.40	60.1%	0.93
	In Japan	0.25	0.00		0
Kota HIRAYAMA (Deputy T/L, Agri. Risk Management)	In Ethiopia	3.33	1.80	54.1%	1.53
	In Japan	0.00	0.00		0
Kiyoshi FUKUWATARI (IbCI Design)	In Ethiopia	0.67	0.00	0.0%	0.67
	In Japan	1.50	0.00		1.3
Takahiro FUNAYAMA (Farm Management/ IbCI Promotion)	In Ethiopia	2.33	2.67	114.6%	-0.34
	In Japan	0.00	0.00		0
Moe NONOSHITA (Rural Survey/ Gender)	In Ethiopia	3.67	2.17	59.1%	1.50
	In Japan	0.00	0.00		0
Ai NAGINO (Agricultural Extension)	In Ethiopia	0.67	0.00	0.0%	0.67
	In Japan	0.00	0.00		0
Takuo NISHIKAWA (Agricultural Policy)	In Ethiopia	3.33	1.00	30.0%	2.33
	In Japan	0.00	0.00		0
Miho KANNO (M&E/Agricultural Extension(2))	In Ethiopia	4.33	2.00	46.2%	2.33
	In Japan	0.00	0.00		0
Sub-Total	In Ethiopia	20.66	11.04	53.4%	9.62
	In Japan	1.75	0.00	0.00%	1.75
TOTAL		22.41	11.04	49.3%	11.37

## PM Form 3-1 Monitoring Sheet

### **[Provision of Equipment]**

There is no procurement of equipment planned for this Phase.

### **[Training for Counterpart Personnel in Japan and the Third Country]**

Overseas trainings were cancelled in Phase-1 and Phase-2 due to COVID pandemic. Since most of restrictions in international travel were lifted in 2023, training in Kenya was made from 29 May to 2 June 2023, and training in Japan was made from 3 to 11 July 2023.

### **[Local Cost for the Activity of Japanese Experts]**

Most of the operational costs of ICIP have been disbursed from the JICA budget.

### **Ethiopian side**

#### **[Counterpart Personnel]**

Mr. Solomon Begne (Food Security Directorate, OAB) had worked as project focal person since commencement of this project, however resigned OAB in April 2023. There is no change for other counterpart personnel for this Project: Mr. Elias Kadir, Deputy Head of Natural Resources and Food Security of Oromia Agricultural Bureau (OAB) as Project Manager, Ms. Sentayehu Demisse (Director of Natural Resources and Food Security Coordination, Ministry of Agriculture) as the Project Director.

#### **[Office Space]**

As agreed by the R/D, OAB was obligated to secure office space for the ICIP Team. OAB provided office space in the 6th floor of new OAB building in Sarbet, in January 2020. Since then, the Team has been occupying this office space without major problems.

#### **[Local Cost]**

The cost for electricity, water and janitorial services for the office stated above are being paid by OAB. Other operation cost of the Project during the reported period was disbursed by JICA budget.

#### **[Available Data]**

So far, data, statistics and information related to agricultural production, existing farming technology, farm level institutionalization, climatology data etc. were provided by Ethiopian side.

### **1-2 Progress of Activities (based on PDM version 2.0)**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
1.1	Carry out a baseline survey for impact evaluation.	Completed. (The final report of the survey result was submitted from the subcontractor at the end of August 2019.) Mid-survey was also completed in December 2021.	(Same as left.) End-line survey is being carried out.



PM Form 3-1 Monitoring Sheet

1.2	Identify target areas for promoting REPs.	The selection of target area for the 3rd Cycle was made for 34 existing and 21 newly added Kebele for Vegetation Index Crop Insurance (VICI), and 36 new Kebele for Area Yield Index Insurance (AYII) which were introduced from the 3rd Cycle. The selection of target area for the 4th Cycle was made for 56 kebele were selected from previous Cycle and 24 new kebele for VICI, while 35 kebele were selected from previous cycle for AYII.	(Completed.)
1.3	Review and assess the existing and on-going IbCIs in Ethiopia.	In 3rd Cycle of Phase-2, additional interviews were made during the monitoring period, such as ICRC, SAA, WFP, IFPLI, etc. These interviews contributed to Dialog Platform (see 1-10 of this Monitoring Sheet.)	Same as left for this cycle (4th Cycle).
1.4	Design and develop IbCI products.	Completed for 1st and 2nd Cycles. The team made sub-contract with consulting firm based in Zambia for the design of AYII, to be promoted simultaneously with VICI in the 3rd Cycle. Completed for the 4th Cycle too.	(Completed.)
1.5	Identify and develop agricultural techniques, technologies and extension for REPs.	While agricultural trainings at 25 Farmers Training Center and Trial Farms for the 2nd Cycle was completed, and the Team started trainings for selected FTC and Trial farm for the 3rd Cycle. Trainings at Farmers Training Center and Trial Farms for the 4th Cycle was also started.	Trainings at Farmers Training Center and Trial Farms for the 4th Cycle is being carried out.
1.6	Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)
1.7	Set up the institutional arrangement for REPs.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)
1.8	Formulate the implementation plan for REPs.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)

PM Form 3-1 Monitoring Sheet

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
2.1	Develop training materials and manuals for REPs.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)
2.2	Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)
2.3	Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)

<b>Output 3: The REPs are promoted in Oromia Region.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
3.1	Promote REPs based on implementation plan in 1.8.	Completed for the 1st to the 3rd Cycle. Also, completed for the 4th Cycle.	(Completed.)
3.2	Monitor and evaluate REPs promotion activities.	Monitoring works for REPs promotion for Phase-1 and Phase-2 were completed.	Monitoring works for REPs promotion (date, place, number of participants, number of insurance purchaser, etc.) for the 4th Cycle of Phase-3 is still on-going.
3.3	Revise and modify the implementation plan and components of REPs regularly	Implementation plans of REPs promotion for both Phase-1 Phase-2 were reviewed and revised. Implementation plan of REPs promotion for the 4th Cycle of Phase-3 were also	(Completed.)

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>			
No.	Activity	Status of the previous monitoring period	Progress in this monitoring period
4.1	Convene annual platform meeting to exchange information and advocate IbCI.	The first Dialog Platform Meeting was held in May 2021.	The second meeting was held in April 2023. The 3rd meeting and 4th meeting are scheduled in September 2023 and January 2024, respectively.

PM Form 3-1 Monitoring Sheet

4.2	Prepare the guidelines for promoting IbCI.	Not yet started (scheduled in 2023.)	Preparatory works were being carried out during this reporting period.
4.3	Carry out training on the guidelines by inviting officers of both regional and federal governments.	Not yet started.	Not yet started (scheduled in the later part of Phase-3.)

**1-3 Achievement of Outputs**

<b>Output 1: Resilience Enhancement Packages (REPs) meeting local needs are developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.1	Baseline survey for impact analysis completed.	Completed in August 2019. Middle Survey was completed in August 2022.	End-line survey were prepared.	End-line survey is on-going.
1.2	REPs are available for dissemination.	Completed for Phase-1 in August 2019. Completed for the 2nd Cycle of Phase-2 in October 2020. Completed for the 3rd Cycle of Phase-2 in October 2021. Completed for the 4th Cycle of Phase-3 in October 2022.	(Completed.)	(Completed.)

<b>Output 2: Human resources for promoting the REPs is developed in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
2.1	700 trainees received the training and fulfilled the requirements.	For Phase-1, total 490 trainees received training on REPs promotion. For the 2nd Cycle, total 435 trainees received training on REPs promotion. For the 3rd Cycle, total 445 trainees received training on REPs promotion. For the 4th Cycle, total 355 trainees received training on REPs promotion.	(Completed.)	(Completed.)

PM Form 3-1 Monitoring Sheet

<b>Output 3: The REPs are promoted in Oromia Region.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
3.1	Activities for promoting REPs carried out in 130 Kebeles.	Promotion of REPs for Phase-1 was made from January 2020 and completed in May 2020 in all 36 Phase-1 Kebele. Promotion of REPs for the 2nd Cycle was completed in May 2021 in 46 Kebele (27 continued, 19 new Kebele). Promotion of REPs for the 3rd Cycle was completed on 20 August, 2022 for 41 continued VICI Kebele, 21 for new VICI Kebele and 36 new AYII Kebele.	Promotion of REPs for the 4th cycle is completed for 56 kebele from previous cycle and 24 new kebele for VICI, while 35 kebele from previous cycle for AYII.	(Completed.)
3.2	50,000 farmers complete the REPs training (*1)	REPs trainings for Phase-1 were made from January 2020 to May 2020, and total 7,400 farmers attended REPs trainings. For the 2nd Cycle were made from February to May 2021, and total 9,838 farmers attended REPs trainings. REPs trainings for the 3rd Cycle was completed in 20 August 2022. Total 19,871 farmers attended REPs trainings for this Cycle.	REPs trainings for the 4th Cycle was completed in 31 July 2023. Total 14,243 farmers attended REPs trainings for this Cycle.	(Completed.)

(\*1) This figure was modified from original (70,000) upon the 4th JCC meeting held on 29 September 2023.

<b>Output 4: A basis for promoting IbCI nation-wide is established.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
4.1	The experiences and the lessons are shared among the players of IbCI.	Sharing activities of IbCI experiences was started from the first Dialog Platform Meeting in May 2022.	Sharing activities of IbCI experiences will be continued during Phase-3 period, through the 2nd Dialog Platform Meeting in April 2023.	Sharing activities of IbCI experiences will be continued during Phase-3 period, through the 3rd and 4th Dialog Platform Meetings.

PM Form 3-1 Monitoring Sheet

4.2	A draft of guidelines to promote IbCI prepared.	Not yet achieved	The works to prepare contents of the Guideline are being made.	The draft of the guideline will be reviewed and approved through the 3rd and 4th Dialog Platform Meetings and JCC meetings.
4.3	37 officers both regional and federal governments are trained.	Not yet achieved	Not yet achieved.	Trainings for this issue will be made in the later part of Phase-3 period.

**1-4 Achievement of the Project Purpose**

**(1) Project Purpose**

As same as 1-3, there is no major activities, at this point of time, to contribute to the achievement of Project Purpose.

<b>Project Purpose : The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed.</b>				
No.	Indicator	Status of the previous monitoring period	Status of the current monitoring period	Projection for the next monitoring period
1.	By the completion of the Project, the Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders.	Not yet started	Not yet started.	This activity will be made in the later part of 3rd contract period.
2.	By the completion of the Project, the number of the insured farmers in Oromia Region is increased by 12,000 (*2).	During Phase-1 period, total 1,125 farmers purchased insurances and given insurance policy. During the 2nd Cycle of Phase-2 period, total 2,352 farmers purchased insurances and given insurance policy. The promotion activities for the 3rd Cycle of Phase-2 period was completed in 20 August 2022, with total 4,598 farmers purchased and given insurance policy.	The promotion activities for the 4th Cycle of Phase-3 period was completed in 31 July 2023, with total 4,659 farmers purchased and given insurance policy.	(Completed.)

(\*2) This figure was modified from original (20,000) upon the 4th JCC meeting held on 29 September 2023.

**(2) Observations from the DAC 5 Criteria for Evaluating Development Assistance**

No.	Criteria	Observation
1	Relevance	The Government of Ethiopia has been promoting the enhancement of resilience of rural farmers, therefore the concept of Project is relevant to the Government's policy.
2	Effectiveness	More woreda officers and kebele Development Agents have understood the concept of the Project by attending seminars and workshops, On the other hand, direct REPS promotion to farmers is on-going, hence it may be too early to consider the effectiveness of the Project.
3	Efficiency	So far, all the inputs from the Japanese side were made as planned, except change of assignment period of Japanese Experts due to COVID-19 and security issue especially in November 2021. The Oromia Agricultural Bureau, Zone and Woreda Agricultural Officers as well as Development Agents in its jurisdiction have been collaborating to the Project by allowing themselves and/or their staff to participate in and carry out the Project activities.
4	Impact	At this point of time, IbCI promotion activities were completed, However, the analysis will be made by the result of impact analysis (called "End-line Survey") which is on-going.
5	Sustainability	At this point of time, no major project activities related to secure the sustainability of the Project are started.

**1-5 Changes of Risks and Actions for Mitigation**

There is no change on the risks as indicated in the PDM as pre-conditions and important assumption for Activities and Outputs, except COVID-19 related situation and peace & order situation, as below:

**(1) COVID-19 related issues**

The pandemic of COVID-19 gave major impact especially on the 2nd Cycle of Phase-2, by two (2) aspects such as: 1) limitation on the trip of Japanese Experts to Ethiopia, and 2) restriction of field activities under laws, rules and regulations for COVID-19 enforced by the Government of Ethiopia.

However, under this reporting period, the effect of COVID-19 to the implementation of the 4th Cycle was lessened as compared to the 2nd and the 3rd Cycles. Lift of restrictions on international travel gave positive impact to the project, especially trips of Japanese Experts to Ethiopia, training in third country and training in Japan.

**(2) Peace & Order Situation**

After the crisis on security condition from September 2021 to the end of the year caused by the battle between the Federal Government and Tigray People's Liberation Front (TPLF), there is no major impact of peace and order situation to the project operation. Though dispatch of Japanese experts and national staff to some of ICIP's target area in Oromia

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Region still require JICA's approval as per security regulation of JICA, implementation of the project become smooth without major security problems.

### **1-6 Progress of Actions undertaken by JICA**

Not applicable.

### **1-7 Progress of Actions undertaken by the Government of Ethiopia**

Not applicable.

### **1-8 Progress of Environmental and Social Considerations (if applicable)**

Not applicable. (This Project is under "Category C" in accordance with JICA's "GUIDELINES FOR ENVIRONMENTAL AND SOCIAL CONSIDERATIONS".)

### **1-9 Progress of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)**

In Ethiopia, Gender Inequality Index (GII) was 121-ranking among 160 countries in 2017 and the gap between men and women is still big regarding school attendance rate, literacy rate, unemployment rate, reproductive health and participate in the labor market. In rural area, around 20 % of poor household is women head household. Government of Ethiopia has conducted the activities regarding gender after subscribing of the Convention on the Elimination of all Forms of Discrimination against Women in 1980.

Under such situation, the Team is closely monitoring the gender issues in the implementation of Project, such as recording necessary data on the participation rate of women in each project activities such as kebele level workshops, REPs trainings, and also farmer's activities in the demo farms at selected Farmers Training Centers (FTC).

Details of ICIP's activities related to gender issues will be reported on the Progress Report (Phase-3) to be submitted in September 2023.

### **1-10 Other remarkable/considerable issues related/affect to the project (such as other JICA's projects, activities of counterparts, other donors, private sectors, NGOs etc.)**

"The 1st Dialogue Platform for Supporting Agricultural Insurance in Ethiopia" was held in May 2022 inviting all the stakeholders including governmental agencies, private companies and donor organizations. In this 1st dialogue platform meeting, the donor organizations shared their activities in the area of index-based crop insurance in Ethiopia.

On 25 January 2023, a consultation meeting was held with Ministry of Agriculture (MoA), to discuss on how the Ministry will continue insurance promotion activities after JICA-ICIP. For this meeting, from MoA, H.E Dr. Sofiya Kassa (State Minister for Agriculture Investment and Input), Ms Sintayehu Demissie (Head, Food Security Coordination Office, Project Director

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of JICA-ICIP) were attended, with representatives from JICA Ethiopia Office and WFP. On this meeting, MoA has proposed that MoA will set up a small group for coordinating the agricultural insurance-related priorities and challenges with the development partners.

After the second Dialog Platform Meeting in April 2023, this idea of forming small group was developed during the training in Kenya and training in Japan in July 2023, wherein MoA and OAB representatives, JICA-HQ and ICIP team agreed on the Action Plan made by MoA/OAB which contains establishment of “Agricultural Insurance Committee” within the Ministry, with its timeframe.

This establishment of the committee will be announced and presented on the next Dialog Platform Meetings scheduled in September 2023 for the consensus of all stakeholders.

### **2. Delay of Work Schedule and/or Problems (if any)**

There has not been marked significant delay in the implementation of the Project up to date.

#### **2-1 Detail**

Not applicable.

#### **2-2 Cause**

Not applicable.

#### **2-3 Action to be taken**

Not applicable.

#### **2-4 Roles of Responsible Persons/Organization**

Not applicable.

### **3. Modification of the Project Implementation Plan**

#### **3-1 PO**

Not applicable for this monitoring period.

(Note: Minor updating works were made on the PO (as Annex-II), such as change of project year, title and positions of Experts, etc. since the PO was originally made in 2016.)

#### **3-2 Other modifications on detailed implementation plan**

Not applicable for this monitoring period.

### **4. Preparation of Gov. of Ethiopia toward after completion of the Project**

During the monitoring period, there are no activities related to the completion of the Project.

## **II. Project Monitoring Sheet I & II**

**Attached in Annex I and Annex II**



**Annex**

- Annex I      Project Monitoring Sheet I (PDM version 2.0)**
- Annex II     Project Monitoring Sheet II (Plan of Operation)**
- Annex III    Project Newsletters (No.49 to No.54)**

**Project Monitoring Sheet No7 (Project Design Matrix: PDM)**

Version 2.0

**Project Title:** The Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement  
**Implementing Agency:** Ministry of Agriculture and Natural Resource and Oromia Bureau of Agriculture

**Target Group:** Small-holder farmers in the target area of Oromia Region

**Date:** 2023/08/31

**Period of Project:** Mar 2019~Feb 2024

**Project Site:** Oromia Region (16 woredas in 6 zones)

<b>Narrative Summary</b>	<b>Objectively Verifiable Indicators</b>	<b>Means of Verification</b>	<b>Important Assumption</b>	<b>Achievement</b>	<b>Remarks</b>
<b>Overall Goal</b> Index-base Crop Insurance (IbCI) for resilience enhancement is disseminated and operated sustainably	1. The Ethiopian Government positions the IbCI within its Agricultural Policies, 2. The coverage of IbCI is expanded outside Oromia Region	1. Agricultural policy documents on the IbCI, 2. List of insurance products,		Not applicable	-
<b>Project Purpose</b> The institutional capacity of the Index-based Crop Insurance for rural resilience enhancement is developed	By the completion of the Project, 1. The Guidelines for IbCI promotion to other regions is finalized and agreed by the stakeholders, 2. The number of the insured farmers in Oromia Region is increased by 12,000.	1. The guidelines agreed by the stakeholders, 2. Statistics of insurance	Resources to extend the activities outside Oromia region secured	1.Consideration of the contents of Guidelines are started. 2. Promotion of insurances for Phase-1 , 2nd/3rd Cycle of Phase-2 and Phase-3 were completed.	1.Guidelines (draft) will be made in this contracting period. 2. Completed.
<b>Outputs</b> 1. Resilience Enhancement Packages (REPs) meeting local needs are developed	1.1 Baseline survey for impact analysis completed, 1.2 REPs are available for dissemination	1.1 Baseline survey report 1.2 Explanation of the REPs	There is no catastrophic weather conditions that diminish the effectiveness of the IbCI	1. Mid-Survey is completed. 2. REPs were packaged in Sept. - Oct. 2019 for Phase-1, Aug. - Sept 2020 for the 2nd Cycle, and Aug. - Sept 2021 for the 3rd Cycle of Phase-2 and Aug. - Sept 2022 for the 4th Cycle.	1. Completed. 2. Completed.
2. Human resources for promoting the REPs is developed in Oromia Region,	2.1 700 trainees received the training and fulfilled the requirements	2.1 Training Record, manuals and post-training evaluation report	The Ethiopian Government maintains the current agricultural policies for supporting rural resilience enhancement	1. Trainings on REPs for DA and SACCO/MFI staff for Phase-1, Phase-2 and Phase-3 were completed.	1. Completed.
3. The REPs are promoted in Oromia Region,	3.1 Activities for promoting REPs carried out in 130 Kebeles, 3.2 50,000 farmers complete the REPs training	3.1 Activity report, 3.2 Training report		1.REPs promotion were completed for 1st to 4th cycle. 2. REPs Trainings for farmers for 1st to 4th Cycle were also completed.	1. Completed. 2. Completed.
4. A basis for promoting IbCI nation-wide is established	4.1 The experiences and the lessons are shared among the players of IbCI, 4.2 A draft of guidelines to promote IbCI prepared, 4.3 37 officers both regional and federal governments are trained	4.1 Reports on seminars and workshops 4.2 The guidelines 4.3 Training report		Dialog Platform will be established and the 1st meeting was held in May 2022. 2nd meeting was held in April 2023 .	Activities for Output-4 are on-going in this contract period.

<b>Activities</b>	<b>Inputs</b>	<b>Pre-Conditions</b>
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>	<b>The Japanese Side</b> 1. Dispatch of Japanese Experts Such areas as: 1) Team Leader/ Rural Risk Management 2) Deputy Team Leader/ Rural Risk Management  2) IbCI Product Design  3) IbCI Promotion  4) Agricultural Extension  5) Farm Management (input, saving & credit, insurance, etc.)  6) Rural Survey/Gender  7) Project Coordinator/ M&E	<b>The Ethiopian Side</b> 1. Allocation of Counterpart Personnel  2. Office space with necessary office furnitures for Japanese experts  3. Local cost that are not covered by JICA support.  4. All available data related to the Project (agricultural statistics, agricultural cooperatives, research papers on crop production, marketing, input distribution, etc.)
1.1 Carry out a baseline survey for impact evaluation,		Majority of the counterparts continue working in respective institutions
1.2 Identify target areas for promoting REPs,		Security situations in the target areas maintains at least the current level
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),		All stakeholders maintains their willingness to extend IbCI.
1.4 Design and develop IbCI products, 1.5 Identify and develop agricultural techniques, technologies and extension for REPs,		
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,		
1.7 Set up the institutional arrangement for REPs,	2. Provision of the equipment (office equipment, vehicle, and supplies etc.) for promoting REPs,	
1.8 Formulate the implementation plan for REPs	3. Training for counterpart personnel (in Japan, in Ethiopia, in third country)  4. Local cost for the activity of Japanese Experts	
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>		
2.1 Develop training materials and manuals for REPs,		
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,		
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs.		
<b>Activities for the Output 3: " The REPs are promoted in the Oromia Region"</b>		
3.1 Promote REPs based on implementation plan in 1.8,		
3.2 Monitor and evaluate REPs promotion activities,		
3.3 Revise and modify the implementation plan and components of REPs regularly		
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>		
4.1 Convene annual platform meeting to exchange information and advocate IbCI		
4.2 Prepare the guidelines for promoting IbCI,		
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments		

**Notes:**  
**The Resilience Enhancement Packages (REPs)** include an Index-based Crop Insurance (IbCI) product combined with a set of agro-economic promotion activities aiming at improvement of livelihood of smallholder farmers.

**The guidelines** is derived from experiences and lessons learned from all IbCI promotion activities nation-wide including the JICA Project.

Project Monitoring Sheet II (Revision of Plan of Operation)

Version 8  
Date: September 1, 2023

Project Title: Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement

Inputs		Year		2018		2019		2020		2021		2022		2023		2024		Remarks	Monitoring									
		Month	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3		4	5	6	7	8	9	10	11	12	Issue
<b>Expert</b>	1) Team Leader/Rural Risk Management	Plan																Some Adjustments of the timing and the duration to be engaged in the activities in Ethiopia have been made for each of the Experts, however there has not been seen any significant delay in the engagements.	Not applicable	Not applicable								
	2) Deputy Team Leader/Rural Risk Management	Plan																										
	3) Index-based Crop (IbCI) Development	Plan																										
	4) IbCI Promotion	Plan																										
	5) Farm Management/IbCI Promotion (2)	Plan																										
	6) Rural Survey/Gender	Plan																										
	7) Agricultural Extension	Plan																										
	8) Agricultural Policy	Plan																										
	9) M&E/Agri.Extension(2)	Plan																										
<b>Equipment</b>	Office Equipment	Plan															Not applicable	Not applicable										
	Motorbike	Plan																										
	Training in Japan/ 3rd Countries	Plan																										
Training in Japan	Plan																Plan cannot be made due to COVID-19.	Not applicable										
	Actual																											
Training in 3rd Countries	Plan																Plan cannot be made due to COVID-19.	Not applicable										
	Actual																											
<b>Activities</b>		Year		2018		2019		2020		2021		2022		2023		2024		Responsible Organization	Achievements	Issue & Countermeasures								
Sub-Activities		Month	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3				4	5	6	7	8	9	10	11
<b>Activities for the Output 1: "Resilience Enhancement Packages (REPs) meeting local needs are developed"</b>																												
1.1 Carry out a baseline survey for impact evaluation,																		JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable							
Actual																												
1.2 Identify target areas for promoting REPs,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
1.3 Review and assess the existing and on-going IbCIs in Ethiopia (including product design and marketing strategy),																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
1.4 Design and develop IbCI products,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
1.5 Identify and develop agricultural techniques, technologies and extension for REPs,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
1.6 Identify and develop farming management (e.g. agricultural input, finance, etc.) for promoting REPs,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
1.7 Set up the institutional arrangement for REPs,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
1.8 Formulate the implementation plan for REPs																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
<b>Activities for the Output 2: "Human resources for promoting the REPs is developed"</b>																												
2.1 Develop training materials and manuals for REPs,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
2.2 Prepare the training plans for agricultural officers, agricultural cooperatives, insurance companies and other stakeholders,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
2.3 Conduct training on agricultural officers, agricultural cooperatives, insurance companies and other stakeholders on REPs,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
<b>Activities for the Output 3: "The REPs are promoted in the Oromia Region"</b>																												
3.1 Promote REPs based on implementation plan in 1.8,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
3.2 Monitor and evaluate REPs promotion activities,																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
3.3 Revise and modify the implementation plan and components of REPs regularly																	JICA	MoA OBoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
<b>Activities for the Output 4: "A basis for promoting IbCI nation-wide is established"</b>																												
4.1 Convene annual platform meeting to exchange information and advocate IbCI																	JICA	MoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
4.2 Prepare the guidelines for promoting IbCI,																	JICA	MoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
4.3 Carry out training on the guidelines by inviting officers of both regional and federal governments																	JICA	MoA	See the Section 1.2 of the main report.	Not applicable								
Actual																												
<b>Duration / Phasing</b>																												
Plan																												
Actual																												
<b>Monitoring Plan</b>		Year		2018		2019		2020		2021		2022		2023		2024		Remarks	Issue	Solution								
Month		1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4				5	6	7	8	9	10	11	12
<b>Monitoring</b>																												
Joint Coordinating Committee (JCC) Meeting		Plan																The 2nd JCC Meeting was held on 28 April 2021.	Not applicable	Not applicable								
Actual																												
Baseline and endline surveys		Plan															Mid-Survey is on-going.	Not applicable	Not applicable									
Actual																												
Set-up the Detailed Plan of Operation		Plan															The 5th Monitoring Sheet was made in 28 Feb.	Not applicable	Not applicable									
Actual																												
Submission of Monitoring Sheet		Plan															The 5th Monitoring Sheet was made in 28 Feb.	Not applicable	Not applicable									
Actual																												
Monitoring Mission from Japan		Plan															Not applicable	Not applicable										
Actual																												
Joint Monitoring		Plan															Not applicable	Not applicable										
Actual																												
Post Monitoring		Plan															Not applicable	Not applicable										
Actual																												
<b>Reports/Documents</b>																												
Training Materials		Plan															Not applicable	Not applicable										
Actual																												
Project Progress Report		Plan															Interim Report (2) was made in February 2022	Not applicable	Not applicable									
Actual																												
Guidelines		Plan															Drafting of Guideline was started.	Not applicable	Not applicable									
Actual																												
<b>Public Relations</b>																												
Newsletter		Plan															Being issued at the end of every month.	Not applicable	Not applicable									
Actual																												

