DEVELOPMENT EFFECTIVENESS IN ETHIOPIA

DAG ANNUAL REPORT
July 2017–June 2018
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<td>AAAA</td>
<td>Addis Ababa Action Agenda</td>
</tr>
<tr>
<td>AfDB</td>
<td>African Development Bank</td>
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<tr>
<td>AIM</td>
<td>Aid Information Management</td>
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<td>AMP</td>
<td>Aid Management Platform</td>
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<tr>
<td>ATA</td>
<td>Agricultural Transformation Agency</td>
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<tr>
<td>CAADP</td>
<td>Comprehensive Africa Agriculture Program</td>
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<tr>
<td>CMP</td>
<td>Community Management Project</td>
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<tr>
<td>CSO</td>
<td>Civil Society Organization</td>
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<tr>
<td>CWA</td>
<td>Consolidated WASH Account</td>
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<td>DAC</td>
<td>Development Assistance Committee</td>
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<td>DAG</td>
<td>Development Assistant Group</td>
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<td>DFID</td>
<td>Department for International Development</td>
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<td>DPs</td>
<td>Development Partners</td>
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<tr>
<td>EDCTF</td>
<td>Effective Development Cooperation Task Force</td>
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<tr>
<td>EHCT</td>
<td>Ethiopian Humanitarian Country Team</td>
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<tr>
<td>ESAP</td>
<td>Ethiopia Social Accountability Programme</td>
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<tr>
<td>ESPIG</td>
<td>Education Sector Plan Implementation Grant</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>ExCom</td>
<td>Executive Committee</td>
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<tr>
<td>FDI</td>
<td>Foreign Direct Investment</td>
</tr>
<tr>
<td>FFD3</td>
<td>Third Financing for Development</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GEQUIP-E</td>
<td>General Education Quality Improvement Programme for Equity</td>
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<td>GPE</td>
<td>Global Partnership for Education</td>
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<tr>
<td>GPEDC</td>
<td>Global Partnership on Effective Development Cooperation</td>
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<tr>
<td>GTP</td>
<td>Growth and Transformation Plan</td>
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<td>GTP II</td>
<td>Second Growth and Transformation Plan</td>
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<tr>
<td>GTWG</td>
<td>Governance Technical Working Group</td>
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<tr>
<td>HEW</td>
<td>Health Extension Worker</td>
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<tr>
<td>HLF</td>
<td>High Level Forum</td>
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<tr>
<td>ICT</td>
<td>Information Communication Technology</td>
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<tr>
<td>IDP</td>
<td>Internally Displaced People</td>
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<tr>
<td>IIIEP/UNESCO</td>
<td>International Institute for Educational Planning</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IP</td>
<td>Implementing Agency</td>
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<td>IPs</td>
<td>Industrial Parks</td>
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<tr>
<td>JICA</td>
<td>Japan International Cooperation Agency</td>
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<td>JTR</td>
<td>Joint Technical Review</td>
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<td>KOICA</td>
<td>Korean International Cooperation Agency</td>
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<tr>
<td>LFPM</td>
<td>Livestock and Fisheries Production and Marketing</td>
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<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MoA</td>
<td>Ministry of Agriculture</td>
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<tr>
<td>MoANR</td>
<td>Ministry of Agriculture and Natural Resources</td>
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<tr>
<td>MoARD</td>
<td>Ministry of Agriculture and Rural Development</td>
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<tr>
<td>MoFEC</td>
<td>Ministry of Finance and Economic Cooperation</td>
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<tr>
<td>MoLF</td>
<td>Ministry of Livestock and Fishery</td>
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<tr>
<td>MoU</td>
<td>Memorandum of Understanding</td>
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<tr>
<td>MoWIE</td>
<td>Ministry of Water, Irrigation and Energy</td>
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<tr>
<td>MSF</td>
<td>Multi-Stakeholder Forum</td>
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<tr>
<td>MTR</td>
<td>Mid-Term Review</td>
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<tr>
<td>NDRMCC</td>
<td>National Disaster Risk Management Coordination Commission</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<td>OWNP</td>
<td>One WASH National Program</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>PBS</td>
<td>Protection of Basic Service</td>
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<td>PFM</td>
<td>Public Financial Management</td>
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<td>PIF</td>
<td>Policy and Investment Framework</td>
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<td>PPP</td>
<td>Public Private Partnership</td>
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<td>PSRC</td>
<td>Policy Studies and Research Center</td>
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<td>PSNP</td>
<td>Productive Safety Net Programme</td>
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<tr>
<td>PSTD</td>
<td>Private Sector &amp; Development and Trade</td>
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<tr>
<td>RC</td>
<td>Resident Coordinator</td>
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<td>REDFS</td>
<td>Rural Economic Development and Food Security</td>
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<td>RP</td>
<td>Responsible Party</td>
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<tr>
<td>SDGs</td>
<td>Sustainable Development Goals</td>
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<tr>
<td>SLM</td>
<td>Sustainable Land Management</td>
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<tr>
<td>SNNPR</td>
<td>Southern Nations Nationalities People’s Region</td>
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<tr>
<td>SoE</td>
<td>State Owned Enterprise</td>
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<td>SWGs</td>
<td>Sector Working Groups</td>
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<tr>
<td>TC</td>
<td>Technical Committee</td>
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<tr>
<td>TF</td>
<td>Taskforce</td>
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<tr>
<td>ToR</td>
<td>Terms of Reference</td>
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<tr>
<td>UNOCHA</td>
<td>United Nations Office for Coordination of Human Affairs</td>
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<td>JTR</td>
<td>Joint Technical Review</td>
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<tr>
<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
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<tr>
<td>MoA</td>
<td>Ministry of Agriculture</td>
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<tr>
<td>MoALR</td>
<td>Ministry of Agriculture and Livestock Resource</td>
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<td>MoE</td>
<td>Ministry of Education</td>
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FOREWORD

We are pleased to present the Annual Report for the Development Assistance Group (DAG) for the period 2017-18. This report provides a summary of activities carried out by members for the period July 2017 - June 2018. It provides an overview of Ethiopia’s development landscape. According to the latest OECD data, DAG members, as a group, provided a total of USD 4,211.43 billion in grants and concessional finance during the reporting period.

In an effort to influence and enhance policy imperatives with the Government of Ethiopia within the overall context of development effectiveness, and in order to support the country’s development objectives during the past year, the DAG focused on the following key priorities: private sector engagement, social accountability, population growth and data quality.

During the preceding year, DAG contributed to harmonizing development assistance through various policy dialogues such as the High Level Forums (HLF). Sector and Technical working groups and engagement with the Deputy Prime Minister. The DAG continues to foster close cooperation with the Government of Ethiopia, based on the four principles of development effectiveness namely, ownership of development priorities by the Government as outlined in the 2nd growth and transformational plan (GTPII), focus on results, mutual accountability and fostering inclusive partnerships. It is gratifying to note that Ethiopia has consistently scored above the global average for all indicators measured on effective development cooperation at the country-level.

Given the country’s vulnerability to climatic shocks and other natural hazards, coupled with challenges in adaptive capacities, the DAG collectively recognizes that the humanitarian response is both increasingly unaffordable and does not address the root-causes of vulnerability. To address this chronic challenge, in 2017/18 the DAG engaged in strategic dialogue and advocacy on the humanitarian-development nexus and resilience-building. With Government taking the leadership in the development of a country-wide resilience building programme, the DAG has during the reporting period been working together to assist the Government set out a strategic and forward-looking framework that will provide a more sustainable future for lowland populations, addressing the unique constraints and opportunities of the lowlands. Additionally, a joint mission planned together with the humanitarian resilience donor group (HRDG) was undertaken to Afar to create a better understanding of how both development and humanitarian partners could deliver on concrete projects on the ground.

The DAG will continue to partner with the Government of Ethiopia towards eradication of poverty which remains a major development challenge. We are indeed committed to support Ethiopia’s development agenda in the quest to achieve middle-income status by 2025 and to successfully attain the Sustainable Development Goals (SDGs) by 2030.

Dr. Christian Rigg  
DAG Co-Chair  
DFID Head of Mission

Dr. Abdul B. Kamara  
DAG Co-Chair  
AfDB Country Representative
I. BACKGROUND

The government’s Growth and Transformation Plan (GTP) seeks to transform the country from an agricultural based economy to industry and light manufacturing. Ethiopia aims to become a carbon neutral middle-income country by 2025. Ethiopia’s Gross Domestic Product (GDP) is estimated to be around 80 billion USD in 2017. The expansion of agriculture, construction and service sectors accounted for the majority share of GDP with modest growth in manufacturing. Poverty has been reduced in both urban and rural areas from 44% in 2000 to 23.5% in 2015/16. According to 2017 IMF article IV report, in 2016/17 GDP growth was estimated at 9 percent, as agriculture rebounded from the previous year severe drought conditions. Public investment was projected to moderate, while private investment was projected to increase gradually, aided by better access to credit and anticipated improvements in competitiveness. However, export revenues were largely unchanged, as global agricultural commodity prices remained low. Foreign Direct Investment (FDI) growth, was 27.6 percent, due to investments in the new industrial parks and privatization inflows.

Ethiopia is the second most populous country in Africa with a total population of 105 million. The Ethiopian economy is one of the fastest growing economies in the region, although the country is still one of the poorest with per capita income of $783. The government is implementing the second phase of its Growth and Transformation Plan (GTP II), which aims to expand physical infrastructure through public investment projects and transform the agricultural sector to become a manufacturing hub in the region. The National Bank of Ethiopia has devaluated the Ethiopian Birr by 15% relative to US dollars and has taken restrictive measures to offset the adverse effects of inflation. The development of industrial parks coupled with the devaluation of birr is expected to increase the performance of manufacturing industry.

Continued foreign exchange shortages and limited room for external borrowing pose risks to Ethiopia’s economic sustainability. In addition, persistent Birr overvaluation, large external imbalances, rising debt and weak competitiveness may constrain the development of the manufacturing sector and the creation job opportunities for the youth. This calls for a shift towards a private sector led economic growth; export diversification; employment creation, improved governance; quality of education and export promotion to accelerate poverty reduction in the coming years. The 2016 debt sustainability analysis indicates that Ethiopia is high risk of external debt distress. The Government aims to strengthen domestic resource mobilization through tax administration reforms and improved public enterprises management including State Owned Enterprises (SoEs) and Public-Private Partnerships (PPP). The reform aims to increase private sector participation in the economy by improving the business climate and creating a dynamic market that will lay the foundation for the next phase of economic growth.

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3 2017 IMF Article IV report.
5 World Bank 2017 Ethiopia economic update: The inescapable manufacturing services nexus: exploring the potential of distribution services.
II. HUMANITARIAN SITUATION - IDPs.

Localized inter-communal violence has exacerbated the humanitarian situation in the country by causing loss of life and livelihoods. The Ethiopian Government with the support of development partners is responding to the needs of Internally Displaced People (IDPs) by providing lifesaving assistance despite of the current global resource constraints experienced. According to United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), the total of IDPs from West Guji (Oromia) and Gedeo (SNNPR) inter communal violence reached 818,000 in June 2018, creating a huge risk for disease outbreak. The overall security situation has improved, however intermittent localized incidents were reported that increased the tension and hindered humanitarian response.

The National Disaster Risk Management Commission (NDRMC) and humanitarian partners have released a prioritized multi-sector response plan for the Gedeo-West Guji displacement crisis, urgently seeking US$117.7 million. Operational hubs have been established in Dilla (Gedeo) and Bule Hora (West Guji) zones. The key priorities encompass emergency shelter; non-food items, food and health assistance to prevent disease outbreaks, including through camp decongestion and massive expansion of WaSH interventions. The response is currently scaled-up with diverted resources from life-saving responses to drought, flood and conflict-displacements. The Ethiopia Humanitarian Country Team (EHCT) endorsed the re-activation of the Logistics Cluster to urgently fill gaps in transportation, storage, staffing capacity to speed-up ongoing relief efforts. There are still significant resource and commodity gaps in relief food; risk protection, enfant malnutrition and hygiene & sanitation.

III. GTP II Mid-Term Review.

The GTP II Mid-Term Review (MTR) was instrumental in creating space for joint reflection in the overall plan and on specific issues related with good governance, equity, integrated social & economic infrastructure and development. The MTR was conducted in nine regions and two city administrations, on 22-25th May 2018.

The objective of the review was to create a common understanding on the overall progress; assess the achievements; identify challenges and draw lessons from the implementation of the plan in the past two years. The National Planning Commission led this exercise in the regions at State Minister level with participants drawn from different fora that included women and youth representatives; farmer and pastoralist representatives; private sector representatives; civil society representatives and participants from government and non-government organizations. Consensus was reached by both federal and regional authorities to fully and effectively address issues raised by the public in the remaining period of GTP II.

IV. ADDIS ABABA ACTION AGENDA (AAAA)

DAG and the Government of Ethiopia agreed at the 17th High Level Forum to jointly prepare a roadmap to effectively implement the Addis Ababa Action Agenda (AAAA), in line with the outcome of the third International Conference on Financing for Development
(FFD3). This new global framework attempts to finance SDGs by aligning all financing flows and policies with economic, social and environmental priorities.

The DAG supports the Government’s effort in mobilizing adequate resources through the implementation of Addis Ababa Action Agenda. Terms of Reference were drafted by the AAAA taskforce that constitutes of five DAG members. Consequently, a local consultant was commissioned to prepare the roadmap. In June 2017, the consultant submitted the draft roadmap, mapping out existing, new and additional sources of finances and innovative initiatives to match the resource requirements of GTP II. The roadmap included comprehensive analysis of the financing landscape in Ethiopia. Although financing options have been broadened to include non-traditional development partners, there is still a need for better allocation of existing resources, alignment of incentives and additional sources of funding from domestic and external sources. Furthermore, tapping into new partnerships and innovative sources of finance can have an enormous role in complementing public sources of finance. The report is still in draft form and is yet to be finalized including the recent economic reforms. Upon completion the report will be endorsed by both GoE and development partners.

The report indicated the following priority areas for the Government and partners to tap into; enhancing domestic resource mobilization (saving, taxes, capital market and public private partnerships); attracting international private business and finance (remittances and FDI); enhancing coordination of Official Development Assistance (grants and loans); increasing South-South Cooperation (bilateral, trilateral and inter-regional initiatives); climate-change finance through bankable projects and cross-cutting issues such as strengthening capacity; enhancing coordination and improving inclusiveness and social security services.

**Dimension of AAAA roadmap.**
While reviewing the AAAA roadmap, the taskforce identified that a clear monitoring framework, outlining specific responsibilities of line-ministries, SMART indicators and a timeline is required to implement the roadmap effectively. Accordingly, the second phase of the roadmap has been initiated at Government’s request to develop a concrete monitoring and evaluation framework that considers the recent economic reforms such as privatization of State Owned Enterprises (SoEs); liberalization of the banking sectors and the like), taking place in the country.

V. AID MANAGEMENT PLATFORM (AMP)

The Aid Management Platform (AMP) has been updated to version 2.13 with the support of DAG pooled fund to include new features such as the global partnership indicator; annual and medium-term aid predictability; aid on budget, use of country systems, automatic validation and freezing of historic data. MoFEC has published bi-annual statistical bulletins to provide up-to-date Official Development Assistance (ODA) data for evidence-based planning, monitoring and evaluation.

### Top five ODA, Grant and Loan contributors to Ethiopia in 2016/17-AMP data

<table>
<thead>
<tr>
<th>No.</th>
<th>Agency</th>
<th>ODA</th>
<th>Agency</th>
<th>Grant</th>
<th>Agency</th>
<th>Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>IDA</td>
<td>1,125million</td>
<td>USAID</td>
<td>247.3 million</td>
<td>IDA</td>
<td>1,062.2 million</td>
</tr>
<tr>
<td>2.</td>
<td>China</td>
<td>249.6 million</td>
<td>WFP</td>
<td>225.9 million</td>
<td>China</td>
<td>249.5 million</td>
</tr>
<tr>
<td>3.</td>
<td>USAID</td>
<td>247 million</td>
<td>DFID</td>
<td>222.9 million</td>
<td>AfDB</td>
<td>215.8 million</td>
</tr>
<tr>
<td>4.</td>
<td>DFID</td>
<td>222.8 million</td>
<td>UNICEF</td>
<td>135.9 million</td>
<td>IFAD</td>
<td>50.8 million</td>
</tr>
<tr>
<td>5.</td>
<td>AfDB</td>
<td>217.8 million</td>
<td>EU</td>
<td>103.3 million</td>
<td>OFID</td>
<td>40.8 million</td>
</tr>
</tbody>
</table>


With the support of the DAG pooled fund MoFEC’s IT department is provided technical capacity in terms of human resources to manage the Aid Management Platform autonomously. A series of trainings and technical expertise were provided to the new and existing IT experts and AMP focal persons to ensure the efficient utilization of the platform by entering quality and timely data.

According to OECD/DAC data, Ethiopia received a total of USD 4,211.43 million Official Development Assistance (ODA) from development partners in 2016. The largest contributors of ODA are the World Bank’s IDA, the United States, the United Kingdom, the European Union, African Development Bank, Germany and United Nations, Canada Netherlands and Japan. Ethiopia receives grants and loans from other sources such as non-DAC partners, philanthropic organizations and through south-south cooperation.

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6 The latest available data from OECD/DAC is 2016.
OEDC/DAC sectoral distribution of ODA shows that humanitarian aid accounts the largest (17%) ODA flows due to climate change disasters and conflict induced emergencies followed by social (welfare, employment and housing), economic infrastructures (transport, communication, ICT and energy) that account 14% and 11% respectively. Health, Agriculture, population and education sectors received significant ODA as per the below chart.

VI. DEVELOPMENT COOPERATION ARCHITECTURE.

The development co-operation architecture in Ethiopia comprises of; the biannual High-level Forum (HLF) between the Government of Ethiopia and development partners, chaired by the Minister of Finance and Economic Cooperation (MoFEC) and the DAG Co-Chairs; The annual progress review (APR), where Government and development partners engage
each other on the basis of the annual progress report, which monitors the progress made in implementing the different sectors of the Growth and Transformation Plan.

The Effective Development Co-operation Task Force (EDCTF) is another structure that aims to strengthen and ensure implementation of policy level strategic dialogue. The EDCTF is co-chaired by MoFEC and the DAG Co-Chairs, it follows up on action points agreed to at the HLF and guides Sector Working Groups. In addition, EDCTF oversee the aid effectiveness action plan, and the overall coordination of development cooperation and Global Partnership on Effective Development Cooperation (GPEDC) monitoring surveys.

Sector Working Groups, co-chaired by the relevant line Ministries and DAG members have their respective Terms of Reference and discuss sector related issues with Government counterparts according to their schedule.

The DAG includes the DAG Heads of Agency; the Executive Committee and Technical Working Groups. DAG technical working groups are donor only groups that discuss technical issues as per their specific area of expertise.
EXISTING, NEW, UPGRADED/REVIVED, FORUMS, SUBGROUPS.
The monthly meetings serve as a platform to share information for strategic engagement with the Government and to address emerging issues timely. At technical level, the co-chairs of Sector Working Groups regularly engage DAG Heads of Agency.

In an effort to better institutionalize and strengthen the coordination structure between DAG and government of Ethiopia, the Ministry of Finance and Economic Cooperation provided technical support to Sector Working Groups in reviewing, updating and implementing sector policies and strategies in alignment with GTP II and Sustainable Development Goals (SDGs).

MoFEC as a chair of EDCTF with the support of DAG secretariat drafted generic ToRs for sector working groups to ensure that SWGs adhere to sector as well as national strategies/policies. Furthermore, EDCTF strengthens horizontal coordination among working groups for better synergy and harmonization.
VII. DAG WORKING GROUPS UPDATES

7.1. RURAL ECONOMIC DEVELOPMENT AND FOOD SECURITY.

The Rural Economic Development and Food Security Sector Working Group (RED&FS) was established in 2008 with the objective of providing a platform for the mobilization, alignment and harmonization of resources and investments towards development of the agriculture sector of Ethiopia. The platform is jointly led by the Government of Ethiopia (GoE), mainly the Ethiopian Ministry of Agriculture & Livestock Resources (MoALR) and supported by Development Partners (DPs), which are active in the agriculture sector.

The organizational structure of RED&FS mirrors the organizational structure of MoALR and consists of four Technical Committees (TCs), each Chaired by the respective agriculture sector and Livestock Resources State Minister and Co-Chaired by two development partner representatives. Membership of each TC consists of key stakeholders from the respective MoALR State Ministry and DP institutions having investments, interest and/or expertise in that particular sector.

The overall oversight and guidance to the platform is provided by an Executive Committee, Chaired by the Minister of Federal MoALR and Co-Chaired by DP representatives. Membership of the Executive Committee consisted of the TC Chairs and Co-Chairs as well as several additional key government and DP representatives.

The RED&FS Secretariat was established as a coordination and facilitation office and consisted originally of a MoA Coordinator and a DP Coordinator. Since its inception in 2008, RED&FS has experienced significant structural expansion. Over time, each TC established specific Task Forces (TFs) dedicated to coordination of particular Ministerial sub-sectors. In addition, several TFs have been established, directly under the Executive Committee, focusing on cross sector topics. Responding to reorganizational changes within the government, RED&FS has altered its structure to maintain its reflection of the government. As a result, new additional platform with similar leadership structure has been established comprising a government Chair and DP Co-Chairs.

The REDFS platform is dedicated to the Paris Declaration on Aid Effectiveness principles which are fine-tuned towards the following:

i. Government Leadership & Ownership: - Countries to exercise effective leadership over their development policies and strategies and coordinate development action

ii. Alignment with Government policies, strategies & programmes: - Development partners to base their overall support based on the countries’ national development strategies, institutions and procedures.

iii. Harmonization: - Development partners’ actions are more harmonized, transparent and collectively

iv. Effective Managing for results: - Managing resources and improving decision making

v. Mutual Accountability: - Government and Development partners are accountable for development results

Government representatives are represented from the Ministry and their associate Directorates. Development Partners that are represented in the REDFS platform include about 22 of the major Multi and Bi-Lateral Development Institutions that are engaged in Agricultural Development, Sustainable Land Management, Livestock and Fisheries and
Rural Job Opportunity Creation and Food Security. Participation in each Technical Committee is open to those institutions that are directly engaged in related sectoral interventions as well as those that have interest, expertise and capacity to engage in and contribute to Ethiopia’s agriculture transformation agendas.

The organizational structure of the REDFS SWG has three major layers consisting of an Executive Committee, Technical Committees and Task Forces (Working Groups). Additionally, it has subordinate structures which include REDFS Secretariat, M&E Task Force, Cross Pillar Task Force and Broader Platform.

The REDFS SWG Ex Com makes decisions on broader priority action areas and provides directions to the TCs to work on the required details. It also oversees the functions of the TCs, approves their action plans and ensures implementation of the decisions of the platform.

The Major Responsibilities of the Ex Com among others includes:

- Map out vision of REDFS
- Guide work of the TCs
- Lead the platform
- Facilitate conditions for open dialogue in key policy and strategic issues

Under the current REDFS SWG, there are four TCs namely Sustainable Land Management (SLM), Rural Job Opportunity Creation and Food Security (RJOCFS), Agricultural Growth (AG) and Livestock & Fishery TC (LF). The TCs review and discuss policies and strategic matters in a more detailed manner in their respective technical areas. The TCs work closely and report to the REDFS Ex Com.

The Key responsibilities of the TCs are:

- Follow-up technical aspects of their respective sub-thematic area
- Prepare detail action plan for the implementation of priority action areas
- Closely monitor the implementation of priority action areas and
- Initiate policy dialogue in their respective technical areas

Each TC may decide to form either permanent or temporary Task Forces to address specific issues either within the TC or across sector. Each Task Force is chaired by a government representative normally Directors representing that sector and supported by two DP Co-Chairs. Membership consist of any appropriate partner at the decision of the Task Force such members among others include relevant NGOs.

To strengthen linkages among the TCs and to meet the information and communication needs of the SWG, the REDFS Secretariat has been established and housed within MoALR. The Secretariat is responsible to ensure effective delivery of the mandate of the SWG through collaboration with Chairs and Co-Chairs.

The major responsibilities of the secretariat are:

- Knowledge Management
- Networking and Coordination
- Communication and
- Programme Support
THE COMPREHENSIVE AFRICA AGRICULTURE DEVELOPMENT PROGRAMME (CAADP)

CAADP was adopted by Heads of States and Government of African Countries in 2003 in Maputo, Mozambique. Based on this declaration, all African countries committed themselves for its implementation by customizing CAADP principles and values to their own circumstances.

Over the last 10 years, since the adoption of CAADP in 2003, Maputo, Mozambique, CAADP has made progress. One of the successes of CAADP has been the utilization of the Country National Agriculture Investment Plans (NAIPs) as a management tool to monitor and better focus implementation of the investment plans.

The NAIF provides a structure for a systematic review of country policies and strategies through joint sector reviews. In a similar fashion, Ethiopia indigenized CAADP and developed an investment framework named as Agriculture Sector Policy and Investment Framework (PIF 2010-2015). After mid-term evaluation, the process of developing a new National Agriculture Investment Framework covering the period between 2015 and 2025 has been initiated. The NAIF basically considers GTP II and other pertinent policies, strategies and programmes as well as CAADP/Malabo and SDG as foundation for the preparation of the NAIF document.

The country CAADP implementation is a proven working model on CAADP implementation and an important feature in this model has been its ability to adapt and reform and thereby continually adjusting to remain fit for purpose.

Key pillars in the CAADP delivery model among others include

a) CAADP implementation is a national responsibility;

b) Implementation is a multi-sectoral responsibility, with Government, private sector, and civil society having critical differentiated roles and responsibilities which should be implemented coherently exploiting synergies and complementarities;

c) While aiming at 6% annual agricultural growth, it is also important to pay deliberate attention to strengthening systemic capacity in local systems. Implementing CAADP/Malabo commitments on agriculture recognizes and is fully based on and guided by the CAADP principles.

<table>
<thead>
<tr>
<th>Base CAADP Principles</th>
<th>Additional Principles</th>
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<tr>
<td>✓ Local ownership and responsibilities</td>
<td>✓ Align to building systemic capacity</td>
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<tr>
<td>✓ Accountability</td>
<td>✓ Coherence and complementarity</td>
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<tr>
<td>✓ Transparency</td>
<td>✓ Greater support &amp; facilitation on learning</td>
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<td>✓ Inclusiveness</td>
<td>✓ Affirmative action on issues of rural population, women &amp; youth and domestic private sector</td>
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<td>✓ Evidence based</td>
<td>✓ Evidence based policy practice</td>
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<td></td>
<td>✓ Multispectral approaches &amp; coordination</td>
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<td>✓ Complement rather than replicate local resources and efforts</td>
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The Heads of states and Government of the African Union, which met on June 2014, in Malabo Equatorial Guinea adopted decisions and declarations, which directly relate to CAADP and Africa’s agricultural transformation and food security agenda for the next decade/2015-2025.

OVERVIEW OF THE MALABO DECLARATION (2014)

i. Recommitment to the principles and values of the CAADP process;
ii. Recommitment to Ending Hunger by 2025;
iii. Recommitment to enhance Investment Finance in Agriculture;
iv. Commitment to halving poverty by 2025 through inclusive agricultural growth and transformation;
v. Commitment to boosting Intra-African Trade in Agricultural commodities & services Commitment to enhancing resilience in livelihoods & production system to climate variability & other shocks;
vi. Commitment to Mutual Accountability to Actions and Results.

In 2010 EFY various works have been undertaken to achieve the objectives of the SWG. The details of the works accomplished are outlined below.

NATIONAL AGRICULTURE INVESTMENT FRAMEWORK

The Ex-Com initiated the process of developing a National Agriculture Investment Framework (NAIF) through one of its cross-pillar TFs, namely the NAIF TF. The broad objectives of the NAIF are:

- To lay out a comprehensive investment framework to sustain rapid growth of the agriculture sector in order to ensure food security and propel economic growth,
- To clearly identify priority investment areas and financial resources required to contribute to the achievements of the agricultural component of GTP2 and develop an agricultural roadmap for the realization of the vision of Ethiopia to become middle income country by 2025.

In sum, the NAIF will serve as a top-level tool for the planning and prioritization of programmes and projects and a guide for agricultural sector resource and investment mobilization.

The initiative is being guided by a joint Task Force Chaired by the Director of the Planning and Programming Directorate. The Task Team has developed the Terms of Reference for the NAIF preparation. Now the consultancy firm EDRI/EPAU has started the work and it is expected to be finalized towards end of October 2018.

AGRICULTURE INVESTMENT MAPPING (AIM)

RED&FS in partnership with the Agricultural Transformation Agency (ATA) has for several months been developing the Agriculture Investment Mapping (AIM) tool. The objective of AIM is to centralize and visualize investment portfolio information on programmes, projects and investments across the broad ranging the agricultural and related sectors and to provide a comprehensive database of “who is doing what and where”. The AIM will be a valuable tool that will contribute to the planning and programming in the sector and support the coordination of activities and investments.
The AIM team hosted a workshop designed to familiarize users on the components of the AIM and to instruct on the process for inputting institutional project data. The workshop was well attended by government and development partners and the database was effectively populated with relevant data. Currently, Development Partners and Flagship Programmes are populating their respective organization’s portfolio information and 102 projects have already submitted their data into the AIM tool. At present, preparations are underway for the launching of AIM, whereby data will be uploaded in the Ministry’s server for use by all stakeholders.

Taking advantage of the REDFS ten-year anniversary, the REDFS Ex-com has launched an assessment of the REDFS platform. The aim of the assessment was to enhance the platform’s performance and structure based on the principles of Paris Declaration; assess its strengths and weaknesses and look for innovative actions to enhance future performance of the platform to better support the Governments’ transformation agenda. The assessment is expected to be finalized at the end of July 2018.

SUSTAINABLE LAND MANAGEMENT (SLM) TECHNICAL COMMITTEE

The SLM TC is chaired by State Minister H.E Dr. Kaba Urgessa with World Bank and GIZ as Co-Chairs. The TC has five Task Forces namely;

- Land Administration and Use;
- Agriculture Water Management;
- Climate Change;
- Capacity Building
- Agroforestry

LOWLAND SUSTAINABLE LAND MANAGEMENT ASSESSMENT:

- With the support of the Swiss Development Cooperation, the SLM Technical Committee embarked on a low land SLM assessment.
- The assessment will include a list of existing lowland SLM interventions, assess the gap and recommend interventions. The selected consultant already started its assessment work and the assessment is expected to be completed towards end of July.

AGRICULTURE GROWTH TECHNICAL COMMITTEE

Since June 2018, the AG TC has been Chaired by new State Minister H.E Dr. Eyasu Abraha and Co-Chaired by Canadian Development and Italian Development. The TC consists of four Task Forces. These are:

- Private Sector Development;
- Research and Technology;
- Extension and Capacity Building and
- Inputs and Finance.

AGRICULTURE MECHANIZATION FORUM

The Agriculture Mechanization Forum has been established under the REDFS SWG to support the modernization of Ethiopian agriculture and livestock sector with a view to enhancing the livelihoods of smallholder farmers and pastoralists.
The objectives of the forum include; assessing the national knowledge base in agricultural mechanization; constraints to and demand for mechanization; financial services for agricultural machinery; refinement in the mechanization strategies; bringing together stakeholders along the mechanization value chain (financing, production, distribution and utilization) to discuss issues and strategies and build a consensus on the way forward.

During 2010 EFY, fall Army Worm Management Strategy was designed by MoALR; draft Contract Farming proclamation completed and ready to be presented to Council of Ministers for approval prior to submitting to House of People’s Representative for enacting as law; draft Fertilizer Industry Establishment Policy Proclamation was drafted and submitted to the Federal Attorney for input and seed system strategy has been launched

RURAL JOB OPPORTUNITY CREATION AND FOOD SECURITY Technical Committee.

On May 2018, the Rural Job Opportunity Creation Rurabl Job Opportunity Creation & Food Security (RJOC&FS) TC welcomed a new State Minister and TC Chair H.E Ato Tesfaye Mengistie. The TC is Co-Chaired by DFID and World Bank. The TC has two Task Forces, namely Rural Job Opportunity Creation TF and the Food Security Task Force, which accomplished the following.

- Developed and shared RJOC strategy and program design Concept Note;
- Developed English version of implementation guideline, translation work is on progress;
- PSNP financing gap closed through the contribution of WB, WFP, DFID, EU, and UNICEF;
- MoU signed for improved coordination of Food Security activities across organizations and programs. NDRMC, CMU, HFA
- Mainstreaming Nutrition into PSNP is on progress

LIVESTOCK AND FISHERY TECHNCIAL COMMITTEE.

The L&F TC welcomed a new State Minister, H.E Prof. Fekadu Beyene to partner with existing Co-chairs from World Bank and UNDP. The TC has established four focused Task Forces, namely Mixed Crop Livestock Systems; Pastoral and Agro-Pastoral; Veterinary Services and Feed Quality and Fisheries and Aquaculture.

- Prosopis Management Strategy has been developed by the Pastoral and Agro-Pastoral Task Force and preparatory activities are underway for operationalizing it.
- The development of Fisheries and Aquaculture Strategy and Pastoral Extension Strategy is underway

ACHIEVEMENT

- The platform enabled to increase the visibility of Ethiopia in advancing its Comprehensive Agriculture Development Programmes (CAADP) commitment
- Contributed towards supporting the development of key strategic intervention areas such as the Development of 15 years Livestock Master Plan
- Supported the mobilization of investment for the agriculture sector- Ethiopia won grant funds from the Global Agriculture & Food Security Facility (GAFSF)
- Served as a platform for negotiation for increased investment for agriculture as well as a platform for increasing awareness on government policies, strategies and programmes to our Development Partners
- Provided opportunities for joint planning and avoiding duplication of efforts and resource misuse
- Created opportunity for Development Partners to align their development support with Government’s policies, strategies, programmes and overall to Government’s priorities.

CHALLENGE

- Difficulties in attending and chairing of meetings of the REDFS platforms by the concerned Ministry’s top and middle level officials;
- Lack of coordination amongst flagship programmes and projects found within the Ministry;
- Difficulty in bringing Development Partners together towards agreeing on pooled funding mechanism;
- Several development partners have provided support to the programmes implementation under the four TCs. The TCs have not started the task of monitoring the development partners’ support to the programmes under each respective TC.
- The main tasks of the TCs are to advance policy, programming, and technical issues within their thematic areas in the context of attaining objectives of GTP II. In practice the TCs tend to focus more on operational issues with less attention to key strategic matters. The TCs, particularly the chairs and co-chairs, should strive to guide the TCs tasks in accordance with their ToRs.
- The expected output under REDFS SWG cannot be achieved unless otherwise the TCs works are linked. Even though this is clearly indicated in the ToRs of the TCs sufficient attention has not been given to this task. Close follow up from the SWG Ex Come and the TCs is very essential to realize the necessary linkage amongst TCs.

RECOMMENDATION

- Strong leadership from the REDFS SWG Executive Committee is very essential to achieve alignment and harmonization of development partners’ support.
- All State Ministers/Directors of MoALR have to fully participate and/or be well informed of the progress and made accountable for outcomes in their respective technical areas to ensure effective coordination and integration between the three REDFS TCs.
- The preparation of National Agriculture Investment Framework is underway. This needs to be finalized as soon as possible to direct development partners’ assistance in a coordinated and harmonized way.
- The four TCs need to revise their ToRs as necessary and formulate their action plans for 2011 EFY with adequate attention to current status within their respective areas. More effort is required to synchronize the existing consultation mechanisms with the REDFS SWG structure and the TCs tasks.
The REDFS SWG secretariat is understaffed and its works are largely operational in nature. To support the SWG and to make it focused on strategic issues, the secretariat needs to be adequately resourced and staffed with qualified personnel, so that it would be able to effectively support and facilitate discussions between the TCs particularly on issues of integration of the activities of the TCs.

7.2. WATER, SANITATION AND HYGIENE (WASH)
Water, sanitation, hygiene program is multi-sectoral in nature and several sectors are implementing some of the components of the program. Establishing an effective partnership between key stakeholders - UN, Government and other partners at different tiers - is crucial. Private sector engagement will be one of the key future activities to ensure a sustainable WASH infrastructure for this the government of Ethiopia has taken the initiative to revitalize the water sector working group, with the primary objective of mainstreaming integrated development and management of water in all sectors and engaging with stakeholders in those issues. Most importantly linking WASH and Water Resources Management (WRM), is a decisive milestone to collectively break down the critical barrier to achieving water security, sanitation and drinking water for all- while achieving the ambitious economic development goals.

For many years in Ethiopia WASH implementation has been project based without harmonized funding from development partners. Such approaches not only create high transaction costs and more workload on the government, but it also hinders the possibility of reaching the settled targets as per the required. The government since then adopted a sector wide approach and launched the One WASH National Programme (OWNP) (one plan; one budget and one report). Development partners have been playing a lead role in the partnership with the Ministry to establish this programme. Furthermore, the MoU signatory ministries established a Water Sector Working Group (WSWG) with the objective of setting up a forum for Government and donors to jointly promote, support and coordinate sustainable and integrated development and management of water resources for socio-economic development of Ethiopia. WSWG will serve as a knowledge hub for the entire water, sanitation and hygiene sector.

The OWNP helped in the development of an enabling environment in the sector strategy development, developed a system for program coordination and integration, enhanced sector capacity development and enabled an accelerated provision of WASH services.

Creating a learning ground through sector coordination forums; conducting Joint Technical Reviews (JTRs); undertaking researches; studies and surveys also contributed to a better way to achieving results.

ACHIEVEMENTS


Results achieved during phase I of the ONWP 18.7 million people gain access to water supply through the construction of 38,336 different types of water supply schemes and 11 million people became Open Defecation Free. Open Defecation reduced from 44% to 29%. Over the last 12 months there has been an acceleration in the implementation process, and a significant proportion of the achievement has been done during this period. The OWNP phase I (2014-2017) has been revised, and a second phase (2018-2020) document is being finalized. The second phase is expected to be launched in September 2018.
The four technical working groups (TWG) under the WASH sub-group regularly met to discuss on specific thematic issues that concerns them. During the reporting period, rural and urban WASH TWGs met twice and the emergency WASH TWG (WASH Cluster) held its monthly meetings. Similarly, the WRM sub-group chaired by the State Minister for Irrigation and Drainage and Co-Chaired by USAID and AICS, also held several meetings to enhance stakeholder’s engagement and bring WRM on a national agenda.

The sub group has established six WRM Interest Groups based on the seven WRM hotspot/priority areas identified and agreed by the three Ministries (Ministry of Water, Irrigation and Electricity; Ministry of Agriculture and Natural Resources and Ministry of Environment, Forest and Climate Change). These are irrigation for growth; legislation of groundwater use; conflict resolution; communication; management information system; institutional & human capacity; water charges & tariff; scheme sustainability and water quality.

JOINT TECHNICAL REVIEW (JTR)

The WRM Sub-Group has also held a Joint Technical Review (JTR) by involving concerned ministries, CSOs and development partners (DPs). The JTR had two parts, namely a kick-off workshop that was held in Addis Ababa with the participation of over 80 participants from DPs, regional states, basin authorities, academic institutions, concerned Federal Ministries and the private sectors.

The kick-off meeting was followed by a field mission in three basins (Awash Basin, Rift Valley Lakes Basin and Abay Basin). The kick-off meeting was attended and facilitated by the state ministers of the MoWIE and MoEFCC. The JTR process has contributed to improving communication and information flow among the sector actors regarding WRM and creating consensuses on the priority areas or hotspots.

In addition, the WASH sub-group has organized JTR missions in preparation for the annual Multi Stakeholders Forum (MSF-9)

NATIONAL INTEGRATED WATER RESOURCE MANAGEMENT PROGRAMME

With financial support from USAID and UNICEF, the WSWG Secretariat has already recruited and deployed two consultants (WRM Specialist, as a team leader, and an Economist) to develop a national integrated WRM programme document. The consultants are preparing a programme document, which will be presented to development partners and the Government of Ethiopia.

Joint WASH - WRM Multi Stakeholder Forum: The Government of Ethiopia hosts the First Joint WASH - WRM Multi Stakeholder Forum, at the Hilton Hotel in Addis Ababa, under the theme “Resourcing and Increasing Commitments to One WASH and WRM programs” on 12 June 2018. The two days event focused on the linkages between WASH and WRM, convening over 350 participants including national, regional and local government officials, UN agency representatives, development partners, civil society, private sector and academia. The Ministries of Agriculture and Livestock and Ministry of Environment, Forrest and Climate Change were onboard in the 9th multi-stakeholder forum to discuss, receive feedback, and generate consensus & commitment for priority actions. During this Forum, Ethiopia has showcased the substantial progress made through the OWNP and reflected on the shaping agenda for Water Resources Management that are crucial in the effort to achieve GTP-2 targets by 2020 and SDG target of universal coverage by 2030.
Furthermore, the government, development partners, civil society, the private sector and the community have responded through a number of innovative approaches to achieve SDGs, many of which focus on the active participation of communities and through the involvement of stakeholders including:

**Mobile monitoring of system functionality:** Ethiopia has established a robust monitoring and evaluation framework that will not only monitor the ONEWASH programme, but also report against the SDG indicators. Supporting National WASH Inventory, measuring water quality and groundwater mapping, hotspot mapping, access to water and sanitation mapping, mapping of NWI data.

**Hydrogeological mapping:** The Government of Ethiopia, together with the development partners, is investing substantial resources to map the hydro-geological condition, hydro-economic perspectives and groundwater-potential using remote sensing to detect deep groundwater. All these efforts will ultimately feed into activities that enhance Sustainable Water Resources and increased access to WASH-services. This technological innovation will be scaled up in all drought affected woredas.

**Climate Resilient WASH:** The government of Ethiopia is integrating the humanitarian and development partners (both donors and NGOs) together to ensure that areas of the country affected by chronic shortage of water and high vulnerability to droughts are prioritized in the new climate resilient WASH agenda. The use of groundwater mapping to tap deep aquifers and the increase of service levels by the construction of multi-village water supply schemes aims to break this vicious cycle and contribute to a virtuous circle of resilience, social and economic development. Such climate resilient solutions are already showing results in the hard to reach areas of Ethiopia and the approach has been adopted by UNICEF.
7.3. MACRO-ECONOMIC DISCUSSION FORUM

KEY ACHIEVEMENT

Macroeconomic Discussion Forum: The macroeconomic discussion forum, which provides a platform for dialogue between development partners and the Government on macroeconomic developments, was revived. The 2018 Forum was held in April under the theme ‘Enhancing macroeconomic stability through improved competitiveness and sustainable development financing’. The April 2018 Forum discussed options for strengthening competitiveness, improving public debt management, and diversification of public infrastructure financing (e.g. use of PPPs, privatization, and securitization). The need to improve public investment management and bolster domestic resources mobilization, such as through increasing domestic savings and public revenue mobilization, was also discussed.

Macroeconomic Group meetings have been re-established: macroeconomic group meetings have been reinvigorated, with meetings being held every two months to discuss pertinent macroeconomic themes including export promotion and diversification, structural transformation (e.g. nexus between manufacturing and services), and inclusive growth analyses, among others. These meetings have used to generate consensus amongst development partners on the pertinent macroeconomic reforms and inform key messages for dialogue with the Government, for instance during the macroeconomic discussion forums.

Collaboration with other thematic/sector working groups (TWG/SWG) has been strengthened, notably the Governance TWG, Private Sector Development and Trade (PSD/T) SWG, as well as sub-groups working on various macroeconomic issues such as tax policy and administration. This collaboration has enhanced the sharing of information on topical political economy, macroeconomic, and private sector development initiatives and has ensured that the DAG receives consolidated feedback on related developments.

Updates and briefing has been provided to the DAG: jointly with the Governance TWG and PSD/T SWG, the Macroeconomic Group briefed HoMs/HoAs in February 2018 on key political, governance, and macroeconomic and private sector developments in Ethiopia as well as the implications for development partner country dialogue processes and programming.

Information sharing across the macroeconomic group has been enhanced following the introduction of a ‘coordination matrix’: a matrix, summarizing ongoing and planned interventions to strengthen macroeconomic management, was initiated to improve coordination, reduce duplications, and maximize synergies.

LESSONS LEARNED

A key lesson learned is that coordination both within and across related TWGs/SWGs reduces duplication of efforts and maximizes synergies. For instance, the ‘coordination matrix’ developed by the macroeconomic group will reduce the possibility of duplicative interventions in macroeconomic management across development partners. In addition, the partnership between the Macroeconomic, PSD/T, and Governance TWGs/SWG helped to consolidate the updates and briefings provided to the DAG HoMs/HoAs.
7.4. EDUCATION SECTOR WORKING GROUP

ACHIEVEMENTS

Education sector working group is co-chaired until March 2018 by Ministry of Education (MoE) and UNICEF. From April 2018 onwards, the group is chaired by MoE and Embassy of Finland, supported by DFID.

Members of Education sector working group are comprised of MoE, Embassy of Finland, DFID, CSO, ETA, GIZ, IADC, JICA, KOICA, Embassy of Norway, UNESCO, UNHCR, UNICEF, USAID, WB, WFP. During the reporting period, the Ethiopian Teachers Association, representative of civil society organizations and UNHCR were invited to join the group.

According to the terms of reference of the ETWG (November 2016), ETWG aims to achieve the following:

1) Better coordinated, more harmonised planning, budgeting and monitoring support to the Education Sector
2) Financing for ESDP scaled up and increasingly channeled through government-led joint instruments
3) Engagement in ESDP development and assistance in delivery
4) Enhanced GoE policies, plans and reports.
5) Strengthened linkages, coordination, mutual accountability and working relationships between Government, the DAG and other stakeholders

In order to realize its objectives, the ETWG meets every month. During the period from January 2017 to June 2018, the ETWG hold ten regular meetings; two extraordinary meetings; and one meeting with the Minister, discussed 52 agenda items and agreed upon 46 action points. The meetings serve as a forum to ensure that development cooperation at the sector level is aligned to national sectoral strategies and plans; harmonized donor engagement at sector level and enhance meaningful and effective dialogue and mutual accountability.

DEVELOPMENT COORDINATION AND HARMONIZATION

The ETWG hold several meetings with the World Bank regarding the GEQIP-II (General Education Quality Improvement Programme), and participated in the Implementation Support Missions, to follow-up closely the progress in general education, and to make contribution to the programme implementation. The ETWG sought better coordination among pooled and non-pooled partners in the implementation of the GEQIP-II, and consequently UNICEF joined the traditional pooled funding partners in addition to its bilateral support to education through Channel 2.

The ETWG members also played key roles in the design and negotiation of General Education Improvement Programme for Equity (GEQIP-E) which will be operational from 12/20/2017 to 07/07/2022. Currently, efforts are being made in order to support the MoE in the coordination of various technical assistance provided to the MoE.
EDUCATION SECTOR POLICY DIALOGUE

ETWG appraised and endorsed the request from Ministry of Education for no-cost extension of its Education Sector Program Implementation Grant (ESPIG), which was requirement for the Global Partnership for Education (GPE) to give no objection to the government. GPE Secretariat accepted the request, and the current closing date of July 7, 2018 has been extended to January 9, 2019.

The ETWG participated in the MoE’s 27th Education Annual Conference that took place from October 16-17, 2017 in Assosa.

The ETWG discussed and endorsed the ESDP V Midterm Evaluation to take place in the first half year of 2018. IIEP/UNESCO was commissioned to prepare a road map including objectives, tasks, modality, and scope of work for the evaluation. The report was discussed and accepted by ETWG. The TOR for the MTR drafted by MoE, was approved by ETWG and the review process has already been initiated in June 2018, with funding from Italy, and additional funding request submitted. The reliability and quality of the evaluation will be followed up by a steering committee and a technical committee composed of appropriate directorates, agencies and ETWG members.

FUND MOBILISATION AND INCREASED FINANCING FOR ESDP THROUGH JOINT INSTRUMENTS.

New programmes and annual operation plans developed by partners and MoE are followed up in order to ensure that they align with ESDP V and to avoid duplication of efforts and resources.

Support was mobilized by the Education in Emergency (EiE) Cluster Group to mitigate the impact of drought on the education sector through the provision of school meals, water service, teaching-learning materials, and temporary learning centres for internally displaced persons (IDPs).

EXCHANGE OF INFORMATION

The ETWG invited a range of directorates in MoE as well as stakeholders to present at its monthly meetings. The following pertinent topics, policy and strategy related issues were presented in the meeting, discussed and appropriate advice, suggestions and technical inputs were provided to the Ministry of Education and relevant stakeholders for effective implementation and ultimately better outcome.

- Establishment of a National TVET programme
- Conclusions from the 1st International TVET Conference
- Delivery Plan in General Education
- ESDP V midterm evaluation
- Curriculum Revision Road map
- Overview of Refugee Education Strategy
- Pastoralist Education Strategy
- Education Results Based Financing (RBF) Project Independent Verification Agency- Inception Report
- Raising Learning Outcomes for All through Education System Research in Ethiopia /by Research on Improving Systems of Education in Ethiopia (RISE-Ethiopia) Project
Reforming and strengthening EMIS in Ethiopia
New initiative to strengthen TVET-East Africa Skills for Transformation and Regional Integration Project (EASTRIP)
Update on status of Implementation of GEQIP II presented on regular basis
Update on the emergency as a result of conflict and floods and its implication for education.
Update on support to IDP children to access schools
Update on University-Centers of Excellence

7.5. ENERGY SECTOR WORKING GROUP

The Ministry of Finance and Economic Cooperation suggested the realignment of Sector Working Groups to the GTP II. The revised structure entails the setting up of a new Energy Sub-Sector Group under MoWIE.

In response to this, in 2017 development partners active in energy sector in Ethiopia organised themselves and created Energy Development Partners Coordination Group. The group includes 12 Development Partners (DP) and aims to meet quarterly to share information and updates; coordinate efforts and provide a forum for regular dialogue with the Government of Ethiopia (GoE). According to the Terms of Reference the group envisaged to meet annually or biannually with the Minister of Water, Irrigation and Electricity to discuss the strategic directions for the coming years, including the role of the donors in assisting the GoE in achieving its objectives and priorities in the energy sector.

The Energy Development Partners Coordination Group was co-chaired by the Danish Embassy and the European Union between June 2017 and June 2018. The group will be co-chaired by the World Bank and the European Union in 2018-2019.

ACHIEVEMENT

Generation capacity: The Energy sector has an overall generation capacity of 4,244.67 MW (hydro-3,814.20 MW, geothermal -7.30 MW, wind-324 MW and diesel- 99.17 MW). The sector has 168 transmission substations and a total length of electric circuit transmission lines is about 19,149 km. In 2016/17, Ethiopia has exported 1,251.57 GWH to Djibouti and Sudan and consumed 8,035.66 GWH. Considerable increase in power supply is expected with the completion of projects in pipeline in 2019 and 2020 to meet the generation targets of the GTPII.

Private sector Investment: Investment climate is key to achieving government's ambition. The energy sector has also made progress in engaging private sector in power production. The PPP proclamation was ratified, and the first private power production agreement is signed. Project preparation and development of bankable projects is going on. The first private solar and wind power production agreement is in the pipeline. A number of development partners are working with the MOWIE and MOFEC to facilitate the PPP and IPP implementation.

Financial viability of the sector: Ethiopian Electric Utility (EEU) and Ethiopian Electric Power (EEP) are key vehicles for the transformation of the energy sector as laid down in
the GTP II and therefore their financial viability is essential. Tariff reforms and costs structures analysis are ongoing.

**Access:** The National electrification programme was launched in November 2017 with the aim of ensuring access to electricity to all. There is a need to further develop the strategy to implement and reach the objectives for both on-grid and off-grid by 2025.

**Information Sharing and Coordination:** The energy group has created an excellent platform for timely information sharing, coordination and improving complementarity and synergy of different initiatives. Feasibility studies are shared to implement projects and leverage financing. The group welcomes the active role of government representatives in the energy group meetings.

**Capacity Building:** Development partners are closely working with the different sub-sectors in the energy sector. Assessments have been conducted to address the capacity gaps. The ongoing capacity building activities cover areas such as resource mobilisation, feasibility studies and project preparations, tendering procedures for engaging private sector in power production and off-grid electrification, advisory support (legal, financial, transaction support), system integration and increasing access.

**OPPORTUNITIES AND CHALLENGES.**

The recent policy change and the decision to partially privatize the energy sector and reform the sector presents both opportunities and challenges.

**Privatization:** Privatization of the sector in the long run will increase power production, improve access & export capacity, and bring the much-needed efficiency. However, the capacity of the sector to restructure itself, separating the generation from transmission, decentralizing the distribution to regional level, and formulate tenders is quite limited and needs resources from both the government and development partners.

**Reforming the energy sector:** to facilitate the envisaged partial privatization of power generation is an important step. Detailed plans are expected to be disclosed in the coming months. This creates excellent opportunity to address capacity gaps in the sector for Development Partners.

7.6. **TRANSPORT SECTOR WORKING GROUP**

The Transport Sector Working Group (TSWG), co-chaired by the Ministry of Transport and EU, is the main forum for policy dialogue between DPs and the Government of Ethiopia.

Transport infrastructure is considered by the Government, crucial catalysts to foster sustainable development and promote broad and inclusive growth. The Government has been allocating significant resources (3.5 billion USD) in the period 2015/2017 to expand transport infrastructure and transport service delivery in order to provide access to basic services, reduce transport cost and foster the competitiveness of the Ethiopian economic production.
The GTP I emphasized the importance of developing large-scale energy, transport and telecommunication projects. The results achieved in the road and railway sectors have been impressive, though lower than the overambitious targets. The federal and regional road network has been expanded from 53,143 in 2010/2011 to 63,604 in 2014/2015 km and 46,810 km of new woreda roads have been built. This has substantially improved the life condition of rural population, connecting remote kebele to all-season roads (from 39% in 2010 to 76% in 2015) and reducing the average time required to reach the nearest all-season roads (from 3.7 hours in 2010 to 1.7 in 2015). Households in kebeles with recently improved rural roads increased consumption at an average of 5.2% annually between 2012 and 2016. The railway sector has been one of the major new developments in the transport infrastructure. The ambitious plan to build more than 5,000 km of new lines has been initiated and priority projects, such as the Addis Ababa – Djibouti line (656km) and the Light Railway Transit in the urban area of Addis Ababa (34km) have been completed, with a further 649km under construction.

The GTP II has prioritized the transport sector, again setting very ambitious targets in order to enhance availability, accessibility and quality of transportation services; reduce traffic accidents; support transportation of agricultural and industrial products; support investments and trade activities and reduce the overall import and export transit time and cost. The plan is to double the road network, build 2,741 km of new railways along five main corridors and continue strengthening the capacity of federal and local authorities. In the first two year of the GTP II the road network has been expanded to 136,726 km, including more than 71,000 km of woreda roads.

The TSWG has reviewed the policy implementation; results achieved and the strategies to improve the main areas of concern. Overall coordination of the sector by the Ministry of Transport continues to be a concern. The long-awaited transport sector policy has not been published, and the need for a rigorously prioritized infrastructure investment programme for the sector is becoming even more critical, given the increasing constraints in funding. The AfDB is financing a large capacity building program for the MoT to build its regulatory and policy setting capabilities. The MoT is currently in the process of formulating the specifics of the program.

Although substantial improvements have been made in transport infrastructure, the inefficiencies in logistics services continue to increase costs to consumers and businesses and impede the competitiveness of Ethiopian exports.

In attempt to address the situation, AfDB has completed a trade and transport study covering the Ethiopia - Kenya corridor with regional implications, whose findings will be disseminated in 2018.

Important steps forward have been made to address the most relevant shortcomings of the road and railway sub-sectors. Issues such as capacity building, road safety, maintenance, rural access, regional corridors, prioritization of rail projects and intermodal freight and passenger transport have been discussed and to some extent taken into account for the policy formulation and the deployment of the DPs' technical assistance projects. With the recent enactment of the PPP Proclamation, opportunities for private sector investment need to be identified and transacted. The following are the key policy issues discussed during the TSWG’s activities.
**Capacity building:** Despite the important achievements, the capacity gap remains one of the most crucial areas to ensure the implementation of large-scale policies and ensure that results attained are sustainable. Considering the importance of research and development in the road sector, the WB and the EU have started supporting capacity building initiatives at foreign Universities to foster the ability of the Ethiopian Road Research Centre to contribute to construction and maintenance of paved and gravel roads. Road maintenance has also been considered under the Road Fund perspective and specific technical assistance activities have been agreed upon by Government to improve the capacity to prioritize projects and allocate resources, as well as develop staff capacity of the Road Fund Office. Although not unique to the transport sector, the retention of experienced staff, so vital for the management of major engineering contracts, innovation and the maintenance of technical standards, continues to be a challenge.

**Road Safety:** Many DPs have brought to the attention of the Government the importance of road safety. After putting a strong focus on physical achievements at the beginning of road network development, the need to strengthen road safety has gained momentum. The DPs, in consultation with relevant Government’s stakeholders, have coordinated the respective projects to support the activities of the National Road Safety Council (NRSC), which is the leading office for road safety. The EU has recently supported the development of a web-based accident database system, including training activities for the officials of the NRSC and Regional Authorities.

**Rural Access:** Since 2010 the Universal Rural Road Access Program has been trying to connect all kebele to all-season roads. The TSWG has discussed results and challenges, encouraging the government in continuing providing access to rural population and ensure the sustainability of the program with appropriate maintenance and involvement of local communities. The Ethiopian Roads Authority launched in 2016 a project to assess the impact of the new woreda roads at kebele level. The project covers the majority of the country and the first results are showing the importance of rural access and a general improvement of livelihood in areas, which are connected for the first time to the all-weather road network. Furthermore, the WB has financed an analytical study to assess the implementation of the various programs dealing with rural roads. The main conclusion from this econometric analysis confirms that Ethiopia’s recent rural road development has substantially increased household welfare and particularly supported households amid the historically severe droughts. It is estimated that rural roads increased household welfare by 23% between 2012 and 2016. The maintenance of the assets remains, nevertheless, a challenge.

**Regional corridors:** New opportunities to develop regional corridors have been discussed and are currently under review by the Government. All the major partners involved in the sector have expressed interest in supporting the development of the Djibouti and Berbera Corridors. The improvement of the Kenya corridor is almost complete and there are initiatives underway by the main DPs to improve the Addis Ababa – Djibouti corridor including One Stop Border Post, road studies and capacity building activities. Different implementation modalities have been considered and a dialogue with all the concerned countries encouraged.
7.7. GOVERNANCE TECHNICAL WORKING GROUP (GTWG)

The reporting period (July 2017 – June 2018) was overshadowed by a major political transition in the country following the sudden resignation of the previous Prime Minister HaileMariam Desalegn, resulting to a lot of uncertainties. Consequently, a six-month (March – August 2018) State of Emergency was declared as a pre-emptive measure to contain any potential upheaval during the transition period. Meanwhile, GTWG and its sub-groups continued to provide relevant technical advisory services to the DAG, by analysing the situation and making policy recommendations to the DAG.

Governance Dashboard

Taking a centre stage of the GTWG support to DAG was the interactive “Governance Dashboard”, which has been in existence since May 2017. GTWG continued to engage with external thinkers to reflect on Governance trends in Ethiopia to provide regular updates to the DAG-HoAs on critical governance issues. Recognizing the interplay of many sectors and the potential implications for Ethiopia’s stability and resilience, the dashboard aims to assist the DAG consider how their work in various sectors can contribute to overall inclusive stability. The dashboard contains composite and sector risks ranging across political, security, economic, humanitarian and regional issues, with each linked to several proxy indicators on various governance issues. Relevant global indicators, which give a sense of trends in Ethiopia year to year, are included on issues such as fragility, rule of law, ease of doing business, etc. The aim of the dashboard is to stimulate DAG level discussion on what can be done to support positive, inclusive outcomes to the challenging Governance environment within Ethiopia through being able to consider the interplay of multiple sectors.

Discussion Paper on Political Situation

Following the sudden resignation of the previous prime minister, the DAG-HoAs called on GTWG to prepare a paper on the existing political situation in Ethiopia, its implications for the economy and the investment climate. Jointly with the Macro-Economic and Private Sector Development and Trade Working Groups, the three working groups presented key issues including the huge investment splurge; increased external debt (30.4% of GDP) & domestic debt (26.5% of GDP) - PPG debt increased from 46.8% of GDP in 2013/14 to 56.9% in 2016/17; and the continuous drop is mostly driven by the imbalance in export and import. On the security side, the analysis pointed at the SoE and continuous unrest in certain parts of the country as major concern and was also contributing to the low foreign investment.

CHALLENGES

Getting members to opt as co-chairs for GTWG and sub-groups was a major challenge for the effective functioning of the groups. The GTWG run for almost all through the reporting period without a co-chair, while the sub-groups had gone almost moribund for lack of co-chairs, since the terms of offices for previous co-chairs expired.

Another major challenge was the feeling of disillusion by members of the TWG for what they perceived as lack of proper guidance or feedback from DAG.
7.8. HEALTH POPULATION AND NUTRITION (HPN) SECTOR WORKING GROUP

The HPN Sector Working Group is a platform that brings together development partners to promote, support and coordinate effective and sustainable health service delivery system in Ethiopia and to achieve the goals of the Health Sector Transformation Plan (HSTP, 2015-2020), in line with the Growth and Transformation Plan II (GTP II). The Federal Ministry of Health (FMoH) and HPN group, in addition to multi-lateral and bilateral partners, hold high-level Joint Consultative Forums (JCFs) to facilitate policy dialogue and address binding constraints to accelerate progress towards the HSTP and health Global Goals. The JCF, which is the highest joint governance body, enables evidence-based decision making; harmonisation and alignment of investments to respond to increasingly complex health challenges in Ethiopia. The FMoH and the HPN group are working together to make the JCF, as well as other coordination and technical forums (such as Joint Consultative Coordination Committee and Technical Working Groups), more effective for evidence-based decision making and for improved harmonisation and alignment of investments to accelerate progress towards the HSTP goals.

MAJOR CHALLENGES

Ethiopia continues to achieve remarkable progress in the health sector, as demonstrated in the 2016 Ethiopian Demographic and Health Survey. Between 2011 and 2016, the Ethiopia’s under five mortality rate declined from 88 to 67 deaths per 1,000 live births; the prevalence of stunting among children decreased from 44 to 38 percent; use of family planning improved from 29 to 36 percent; deliveries at health facilities increased from 10 to 26 percent; and, child vaccination improved from 24 to 39 percent.

As a result of these improvements, 2 million more women are using modern family planning methods; 500,000 more women are accessing safe delivery services; 500,000 more children are being vaccinated; and, 30 million more people are receiving treatment from public health facilities today, in comparison to 2011. These results have contributed to 68,000 fewer deaths of children and women in 2016, in comparison to 2011.

Also, Ethiopia has made impressive gains in health at a very low cost in the last five years. Currently, the country spends around $29 per capita per year on health, significantly below the World Health Organization’s recommended level of $44 for providing basic, life-saving services. Although the progress has been impressive, Ethiopia's accomplishments should be considered in the context of the very low base Ethiopia’s public health services started from. Despite progress, the public health system today still has variable capacity and remains under-resourced, and nearly 13,000 pregnant women and more than 200,000 children continue die each year in Ethiopia. Most of these deaths could be avoided with increased efforts.

To accelerate progress, the HPN provides support to FMoH to enhance the existing joint priority setting, planning, delivery and reporting mechanisms to support the Government-led health sector transformation agenda. During 2017-18, the HPN group provided financial and technical support to many ongoing and proposed initiatives to accelerate progress towards HSTP. The group also highlighted the following high impact
initiatives, challenges and opportunities to FMoH as key areas for continued collaboration:

The Health Extension Programme (HEP): HEP has contributed to the implementation and scale-up of key promotive, preventive and selective curative public health interventions in the country. The FMoH has deployed over 40,000 Health Extension Workers (HEW) in the past decade. These workers have made significant contribution to the Maternal, Neo-natal and Child Health (MNCH) outcomes. Despite progress, coverage of MNCH interventions in Ethiopia is still not universal, and quality of care remains variable. In response, the HPN is supporting FMoH’s second generation HEP, which is being made fully operational. Moreover, the HPN is also assisting roll-out of the Ethiopian Primary Care Clinical guidelines to enable HEWs to integrate the management of chronic diseases, acute diseases and trauma with existing HEW package of services.

Quality of Care: FMoH is implementing the Health Sector Quality Strategy (HSQS) for 2016-2020, to improve the outcomes of clinical care, patient safety, and patient-centeredness, while increasing access and equity for all segments of the Ethiopian population. At the federal Ministry of Health level, the Health Service Quality Directorate (HSQD), supported by a National Health Care Quality Steering Committee with participation from HPN, is advising and monitoring implementation of the HSQS. The FMoH, with support from HPN, is also rolling out the demonstration phase of the Integrated Primary Health Care Clinical Guidelines for Health Centres. It’s a great initiative – first of its kind in developing countries for integrating service delivery, training, medical supplies and monitoring and evaluation at the health centre level. In addition, Compassionate, Respectful and Caring (CRC), key part of the Transformation Agenda to increase patient satisfaction and thus compliance with therapy, is being promoted at all level of the Ethiopian Health Service Delivery System.

Community-Based Health Insurance (CBHI) represents the government leadership in pro-poor health policy, demonstrating a powerful commitment to raising domestic resources. If successful, the scheme could be a major step on the pathway towards Universal Health Coverage. However, to make the scheme effective and successful, additional macro as well as micro level evidence-based strategies need to be developed and implemented. HPN has managed to bring in world class expertise to support FMoH on this.

Harmonisation and Alignment: The FMoH and HPN groups, adhering to the principle of ‘one plan, one budget, one report’ has developed and jointly implementation of the Health Harmonisation and Alignment Plan with objectively measurable outcomes.

Public Financial Management (PFM): The Ethiopian Government’s Public Financial Management (PFM) system is reasonable, and Ethiopia is one of the only countries in Sub-Saharan Africa where donors still have confidence to put money through the government system. Recent ratings of the Ethiopian PFM system from donors show continued progress. Almost all FMoH’s internal audit reports in the past three years have been ‘unqualified’ and a physical inventory of property is being conducted annually at all levels of the health sector. To further enhance the PFM’s capacity to reduce the
programmatic and financial risks, the FMoH and HPN group have developed and are monitoring the implementation of the Comprehensive Risk Assurance Plan, again first of its kind in this part of the world.

**Emergency Health:** The health sector has made significant achievements despite consecutive droughts, disease outbreaks, and internal displacement of people and extraordinary influxes of refugees from South Sudan and Somalia. Furthermore, important strides have been made to protect the developmental gains in the advent of emergencies and develop community and system resilience. One such initiative is to try out the integrated management of both moderate and severe acute malnutrition (IMAM) through the routine health service delivery system. This initiative will reduce the service delivery costs and enhance nutrition outcome by ensuring that the malnourished children receive a full cycle of treatment. It will also increase the community engagement and demand for health and nutrition services. Although the Ministry's response to many of the emergency health and nutrition situations have been impressive, this experience needs to be objectively documented and shared with external partners. For example, the FMoH with support from HPN group has prepared and implementing the first integrated emergency health and nutrition plan ‘Building Resilient Health Systems for Health and Nutrition Emergencies in Ethiopia, Sep 2017 – Aug 2018’. Despite noteworthy progress, a lot needs to be done to link humanitarian response with longer term (developmental) initiatives. Also, there is an urgent need to create an effective rapid response/surge capacity and to strengthen the capacity of the Ethiopian Institute of Public Health Emergency Management (IPHEM). In addition, a stronger focus on WASH is required as part of a long-term solution to prevent health emergencies.

**Demographic Transition:** Fertility rate is reducing (although at a slow pace). The number of children per woman has declined from 6.4 in 1990s to 4.6 in 2016, a decline of two children per woman. This decline is mainly due to the successful implementation of evidence-based population policies and family planning programmes by FMoH with support from HPN group. Nearly one-in-three women (36%) are now using modern family planning methods, compared to less than one-in-thirty (3%), 25 years ago. Despite progress, Ethiopia’s population has doubled in the last 25 years because of rapidly declining mortality rates and slower declining fertility rates. If the current fertility trend continues, the country’s population is likely to double again in the next 35 years to reach 209 million in 2050 which will significantly undermine its ambition of reaching middle-income country by 2025. However, with increased investments in family planning, health, education and economic growth, Ethiopia’s population growth will slow down, and the country is now estimated to have a population of around 169 million by 2050 - 40 million less people than the scenario projected on the basis of the current trend;

**Health Care Financing:** The level of financing on health sector remains under USD 29 per capita per year, well below global recommendations. This calls for continued prioritization of resources for health by all actors at all levels, while necessitating the need to diversify funding source in view of the evolving global funding landscape. For
instance, the Sustainable Development Goal Pooled Fund (SDG-PF) whilst having grown considerably from a smaller beginning has virtually halved in size from its peak. There are related concerns about the predictability of financing flows from development partners. In response to this challenge, the FMoH with support from HPN has developed the Health Care Financing Strategy (HCFS, 2017-2025) to guide a transition to a more sustainable financing for health, through gradual replacement of external fund by domestic fund. In addition to initiatives outlined in the HCFC, the health sector, in close consultation with MOFEC, may consider non-traditional financing sources, such as domestic and private capital and remittances.

- Health Sector Transformational Plan (HSTP) Mid-Term Review: The FMoH, with support from HPN group and others, has just completed the HSTP-MTR. The FMoH and HPN partners are working together to fully understand and draw out actionable recommendations to incorporate the MTR recommendations into this year’s comprehensive health plan.

CHALLENGES AND OPPORTUNITIES

- Despite the impressive progress mentioned above, absolute levels of morbidity and mortality remain high. Moreover, there are strong disparities in access to basic health care across the socioeconomic status, gender, and livelihood. For instance, while 85 per cent of the richest women receive antenatal care from a skilled provider, only 48 per cent of the poorest receive the same skilled care. The issue of equity and inclusion needs to be continued to constitute the core of the HSTP.

- In addition to effective implementation of the Health Care Financing strategy (HCFS), given the constraints in health financing, development partners and the Government of Ethiopia both acknowledge that there is significant potential revenue and expertise from remittances and the diaspora community. The Ministry of Health has committed to doing more to use the diaspora’s technical skills to support healthcare in Ethiopia. The Ministry recognises that diaspora often wish to make improvements in their home town or region and have a particular comparative advantage in tertiary care compared to what the Federal Government can afford and provide.

- It has been noted that there is a wide discrepancy between the data generated through the routine Health Management Information System (HMIS) and findings of the population and facility-based surveys. These discrepancies are making difficult to objectively assess Ethiopia’s progress towards HSTP and Global Goals on an annual basis, and hampers evidence-based planning and decision making on an annual basis. Despite this limitation, data from household and facility-based surveys which are being carried out once in two to three years are of very high quality to set valid and reliable mid-term baselines for HSTP.

- Inter-sectoral coordination: Similarly, there are common challenges in coordinating development partners and government Ministries on an inter-sectoral basis. The HPN Group acknowledges that it needs to do more to work
with non-health partners such as nutrition, WASH and energy to ensure we collectively meet our goals. The HPN Group will begin a series of dialogues to leverage the One WASH National Programme (OWNP) and help broker coordination between the Ministry of Health and Ministry of Water, Irrigation and Electricity to improve Institutional WASH. At present a very high proportion, over half in some areas, of health facilities lack running water – but with better coordination this can be addressed, since the funding streams exist in the OWNP.

- **Reduction in Transaction Costs.** The HPN group is continually looking for ways to better partner with the Government of Ethiopia, and in particular to reduce its transaction cost. Efforts are underway to:
  - Rationalise the number of meetings and particularly eliminate bilateral discussions as far as possible to free up Ministry time to focus on delivery.
  - Donors to commit to reducing the number of indicators they use for their programmes to a standard core as far as possible to reducing monitoring burden on Ministry of Health and Regional Health Bureaus.
  - Reduce the number of duplicative audits from different partners, and as far as possible introduce collective audits which meet partner needs yet reduce burden on the Ethiopian Government, particularly the PFSA.

- **Procurement, supply and distribution systems are improving but despite progress a lot needs to be done to ensure uninterrupted supply of essential medicines to health facilities.** The FMoH, in consultation with partners, has developed and implemented a Business Process Reengineering Plan for improving procurement, warehousing and distribution of essential health commodities. Additional support will be needed for effective implementation of this plan.

- **Capacity building and retention of skilled health human resources, particular at remote areas and developing regional states continues to be a challenge.** The HPN group and FMoH are developing an integrated capacity building plan (i.e., technical support plan) to address some of the causes.

### 7.9. DONOR GROUP ON GENDER EQUALITY (DGGE)

Ethiopia is signatory of various international agreements on gender and development, such as the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW, 1979), African (Banjul) Charter on Human and Peoples’ Rights (1981), the Protocol to the African Chapter on Human and Peoples’ Rights on the Rights of Women in Africa (2003), and the Solemn Declaration on Gender Equality in Africa (2004), among others.

At the 4th World Conference on Women, held in Beijing in 1995, governments and development organizations agreed to “gender mainstreaming” as a strategy for achieving gender equality and women’s empowerment (GEWE). In this connection, commitment of the Government of Ethiopia (GoE) has been demonstrated by putting in place a coordination structure from ministerial level to an office at the Kebele (village) level and a conducive environment towards achieving progress in relation to gender equality and women’s empowerment in the country through the adoption of a series of policy and legislative frameworks.
The establishment of a think tank group interested in gender equality and women empowerment dates to the 90s which gave birth to the Donor Group on Gender Equality in Ethiopia (DGGE). Prior to the 4th World Conference on Women, a number of donor agencies in Ethiopia met informally to coordinate and facilitate the participation of representatives from Ethiopia in the conference. Soon after the 4th World Conference on Women, some organizations wished to continue meeting to exchange information, coordinate on various activities related to GEWE and to provide strategic technical support to the National Women Machinery and to the Ministry of Women and Children. Since then, the gender group has evolved into a donor coordination group on gender issues with the key mandate to contribute to the strengthening of mainstreaming gender issues and concerns into national and international development policies and strategies.

The Group has been instrumental in providing technical support to the GoE, the Ministry of Women and Children Affairs (MoWCA), in the design and in the launch of the various strategies and plans on gender and development. A crucial intervention is the strengthening of the capacity of the Ministry of Women and Children Affairs and the networking and coordination across sectors. Group members have also been involved in providing financial and technical support to Sectoral Ministries to promote and implement targeted projects that contribute to gender equality and women's empowerment.

As the secretariat of the group, UN Women has been instrumental in regularizing the DGGE and served as a co-chaired with the Canadian Embassy which took over the co-chair role from the Austrian Development cooperation since 2017. The membership is open to all development partners and UN agencies; however, attendance vary from time to time depending on the availability of focal persons. The Embassy of Sweden, Embassy of Canada, Embassy of the Netherlands, Embassy of Finland, Embassy of Norway, European Delegation, African Development Bank, Italian Agency for Development Cooperation, Embassy of Australia, Embassy of Ireland, Embassy of France, USAID, UNICEF, UNFPA, UNDP, WFP, GIZ, DFID, Embassy of Japan and the World Bank are the regular members of the DGGE.

The objectives of the DGGE are strengthening the capacity of institutions mandated with oversight functions and roles of gender mainstreaming to effectively mainstream gender equality and women’s empowerment in policies, programs and projects; harmonize amongst agencies, technical working groups, Government and other development partners as well as Civil Society Organizations (CSOs) for the effective delivery of gender equality commitments;

The DGGE meets every two months hosted by interested members on a ration basis. It also organizes annual retreats to stock taking on what has worked well, what not and to plan for years to come. The DGGE regular meeting is a platform where members share information on key strategic areas of interventions. This has helped members to familiarize with strategic interventions each are doing towards the promotion of gender equality and women’s empowerment in Ethiopia, which in turn contributed to build synergy between different interventions and avoid duplication of efforts.
GENDER ANALYSIS REPORT BY USAID

The USAID in Ethiopia made conducted gender analysis by multidisciplinary team with the aim of providing useful information that would be incorporated into USAID/Ethiopia Country Development Cooperation strategy and share information with the DGGE members.

Highlights of comments from members on the gender analysis report include,

Increased Economic Growth in Rural Ethiopia.

There were concerns regarding women’s participation in the manufacturing industries in that women may have difficulties in finding daycare center facilities. It was also reported that young women face different types of harassment by their male counterparts and employers. Because of the low salary and the drastically increasing living standards it was mentioned that some women were forced to commercial sex work, which makes them vulnerable to HIV/AIDS. The need for research and studies on the prevalence of gender-based violence (GBV) amongst adolescent girls in the country was highlighted.

Joint Land Certificate Program has been implemented in most of the regions to empower women to have legal access to land, however, men still have more control over land due to legal plurality and patriarchal history of the country. Therefore, more efforts are needed to promote women’s legal rights towards land, which is a main source of income.

Increasing manufacturing jobs for women need to be accompanied by appropriate interventions such as health, day care facility, safety kits, training and education, accommodation. Management of manufacturing firms need to have legal measures well communicated with all staff to protect women from all kind of harassment.

Increased Utilisation of Health Services.

Even though 38,000 female health extension workers (HEWs) work in Ethiopia, still maternal mortality rate is higher than other countries, mainly due to delays in seeking and receiving standard health services, unmet family planning needs, limited delivery by skilled birth attendant, and not getting immediate postnatal care. Assessments done showed that, Health Extension Workers (HEWs) were found to be overburdened with household chores and their skills are not up to standard to provide the required service, which calls for further capacity building efforts. There is a need to examine why women do not seek skilled healthcare providers. This is an area that needs further investigation and evidence to inform measures/actions to mitigate the problem. It is recommended that appropriate antenatal and postnatal care be provided to women and quality of reporting be ensured. Systematized and regularized data collection on maternal mortality should be institutionalized. Female Genital Mutilation (FGM) is criminalized in the penal code of Ethiopia, however, the practice is still prevalent because of weak enforcement of the law and the attitude of society towards HTP including FGM.

Improved Learning Outcomes.

There were concerns about the low quality of education as the focus of the Gov’t is on creating access and not much on improving quality. Capacity building efforts in promoting women in leadership and decision-making positions in the education system
was suggested for future engagements in the sector. Women’s representation has increased from 27 % (2010) to 38.8 % in the 2015 election, which is very encouraging, however, the need to invest in building the capacity of women to influence discussions and decisions calls for concerted efforts.

Civil society organizations (CSOs) are struggling with financial resource mobilization due to the Charities and Societies Proclamation (CSP) directive, which prohibit CSOs to raise funds from foreign agencies. Because of the difficult CSO terrain in Ethiopia, it was suggested to consider innovative ways of supporting CSOs within the limited space. There are still ways to engage with CSOs by providing room for discussion, experience sharing and common platforms such as UN Women’s Advisory Group.

The gender analysis was used as a reference tool for the DGGE members and provided good directions for donor’s future programming related to gender equality issues. US Embassy tries to push the Ethiopian government to use existing code procedures to provide protection to survivors of intimate partner violence/gender-based violence. The Embassy is further working on data collection regarding HIV to analyse, why women have higher rate of HIV/AIDS than male counterparts. Even though DHS survey was conducted in 2016, detailed HIV data collection has been a slow process.

ACHIEVEMENTS

Donor Group on Gender Equality (DGGE) deliberated on identifying priority areas for 2018 in the areas of policy advocacy, awareness raising, joint initiative/programming and better coordination.

Production of Gender statistics report for the first time

The Swedish Embassy through SIDA office in Stockholm and UN Women facilitated training opportunity on gender statistics to Central Statistics Agency senior experts to secure advanced training. The experts mined data from existing source and produced gender statistics for selected sectors. Trainees were able to produce a gender statistics report for the first time in the country that has been circulated widely after going through rigorous review process by key stakeholders and endorsement by senior management of the Central Statistics Agency (CSA).

High level discussion with Minister of Women and Children Affairs and Deputy Director General of the central Statistics Agency

The Minister of Women and Children Affairs requested a well-organized, coordinated and earmarked assistance from the donor group on skill training, technology transfer and seed money for the economic empowerment of women, including pastoralist and semi-pastoralist women to achieve the government priorities. Additional support was requested to make one third of woredas free from HTPs, FGM and child marriage in particular; commemorate events such as March 8 (Women day) and June 16 (Children’s Day) to create awareness and mobilise communities; make and keep functional the newly developed Gender MIS toward the collection of high quality data; strengthen MoWCA and the national M&E systems; technical assistance and training to increase the Ministry’s institutional capacity and facilitate the consumption of sex-disaggregated data produced by CSA.
Donor Group on Gender Equality’s focus on policy advocacy; awareness creation; joint initiatives/programming and better coordination, internally and externally

Besides DGGE recommended provision of direction on gender equality in the Ethiopian development community, and the donor community; enhanced learning/sharing, and assisting MoWCA in the role of coordination and added/colllective voice to gender equality issues to be prioritized.

DGGE co-chairs presented to the DAG on the DGGE’s objectives, challenges, and way forward. The DGGE received the green light to discuss with Ethiopian authorities toward establishing a gender sector working group. This working group will involve MoWCA, MoFEC and the DAG. The creation of this working group is aligned with MOFEC’s decision. The DGGE co-chairs will convene a meeting in August with the DAG secretariat and the DGGE members to discuss the next steps. Gender working group will increase policy dialogue with MoWCA on gender equality and strengthen MoWCA’s coordination role. The co-chairs agreed that DGGE should increase its influence, networking, partnership building; organize seminars/events highlighting current gender issues and invite external stakeholders; support women candidates and highlight gender issues in 2020 elections (federal and regional); build capacity of National Women’s Machineries; assist the GoE in integrating gender equality into development plans; assist the GoE in including gender in the implementation of SDGs in Ethiopia and report back to the DAG regularly on progress.

7.10. PRIVATE SECTOR DEVELOPMENT AND TRADE (PSTD) SECTOR WORKING GROUP
The PSDT SWG is chaired by the Ministry of Industry. Even though the ToR indicates the involvement of other key Government agencies and private sector representative bodies, participation from other line ministries and private sector has been very weak. This has resulted in discussions focus mainly on Industry specific topics and support. The frequency of the meetings remains below target for the three-consecutive year, with only one SWG meeting held in November 2016, whereas the ToR requires bi-monthly regular meetings to be held. Without the participation of key interlocutors, state Minister of Industry, it was impossible to nominate a new co-chair.

The group plans to revive the active participation of line Ministries and the Private Sector to focus better on Trade and Private Sector; streamlining donors interventions and maintain a systematic follow up matrix in line with the expected results under GTP II; revise the ToR for the SWG, if and when necessary in consultations with the Government; incorporate agenda items on trade and business climate topics with Ministry of Industry (MoI) to deepen dialogue; Organise technical sessions – either thematic or specific topic of concern or visit to special areas of interest followed by a technical discussion on Ethiopian Investment Commission (EIC), Industrial Park Development Corporation (IPDC); maintaining regularity of Technical Working Group sessions in the three thematic areas identified (Textile, Agro-processing and Leather) and identifying new areas for future technical working groups as necessary.
7.11. MONITORING AND EVALUATION WORKING GROUP

The terms of reference for the Monitoring and Evaluation Working Group (M&E WG) were jointly drafted with National Planning Commission and the DAG M&E Working Group. The M&E WG is co-chaired by NPC and the DAG. The DAG members represented on the Monitoring and Evaluation Working Group (M&E WG) are DFID, World Bank, USAID, UNDP and EU. The World Bank represents the DAG, as co-chair of this technical working group. The indicators proposed to monitor GTP II are the subset of indicators in the different sections of GTPII policy matrix and a number of new SDGs indicators in the area of labour and social security, with focus on youth employment. The criteria used by the M&E WG to select the indicators included, significance i.e. indicators that assess progress towards achieving national development goals and relevance i.e. measurability and availability of reliable data.

The DAG M&E Working Group has come up with and agreed on a set of joint indicators for both Government and Development partners to monitor progress made against GTP objectives. However, one challenge that is crucially important to flag is the large disparity between the indicators values that the government reports in the Annual Progress Review (APR) of GTP II and the indicator values that come out of recent surveys. For example, for the year 2016, these disparities are huge and exist in various sector making the whole progress review exercise complicated.

7.12. CLIMATE RESILIENT GREEN ECONOMY FORUM

In February 2017, the Government of Ethiopia and the Donor Assistance Group (DAG) agreed to realign the Sectoral Working Groups (SWGs) to the Second Growth and Transformation Plan (GTP II) and strengthen their overall structure. This was a result of an assessment carried out by the DAG on the performance of SWGs and a consequent proposal for restructuring or creating new groups and forums.

The proposal by the DAG included the creation of a new forum dedicated to the Climate Resilient Green Economy (CRGE). The Government of Ethiopia welcomed the creation of the CRGE Forum and communicated to the DAG through a letter from the Office of the State Minister of the Ministry of Finance and Economic Cooperation (MoFEC). Accordingly, a term of reference has been developed through a consultation with stakeholders.

The CRGE Forum aims to serve as a discussion platform to promote the exchange of information and facilitate dialogue and programmatic efforts in relation to the CRGE. The forum is relevant for informing and guiding future efforts such as the GTP III and could play a critical role in ensuring the effectiveness of development cooperation within the CRGE sphere. The ToR has been shared with DAG members for endorsement.
## VIII. FINANCIAL SUMMARY
### ODA Disbursement by Sector

Amounts are in thousands (000) - USD

<table>
<thead>
<tr>
<th>No.</th>
<th>Sectors</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Agriculture, Forestry and Food security</td>
<td>1,023,607.16</td>
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<tr>
<td>2.</td>
<td>Climate Resilient Green Economy (CRGE)</td>
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<tr>
<td>3.</td>
<td>Education</td>
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<td>Energy</td>
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<td>Governance and CSOs</td>
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<td>Industry</td>
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<td>Macro economy</td>
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<td>11.</td>
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<td>13.</td>
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<td>15.</td>
<td>Private Sector Development</td>
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<td>16.</td>
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<td>17.</td>
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<td>18.</td>
<td>WASH</td>
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**Total**: 2,614,971.16

*Note: AMP data from July 8 2017 to July 7, 2018*
ODA Disbursement from DAG Members.

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<thead>
<tr>
<th>Donor Group</th>
<th>Donor Agency</th>
<th>Actual Disbursements EFY 2009</th>
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<td><strong>BILATERAL Group</strong></td>
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<td>CIDA Canada</td>
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<td>Denmark</td>
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<td>Finland</td>
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<td>IRISH AID</td>
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Amounts are in thousands (000) - USD
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<th>UN Group</th>
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<td>International Labor Organization</td>
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<td><strong>Total</strong></td>
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*Note: AMP data from July 8, 2017 to July 7, 2018*