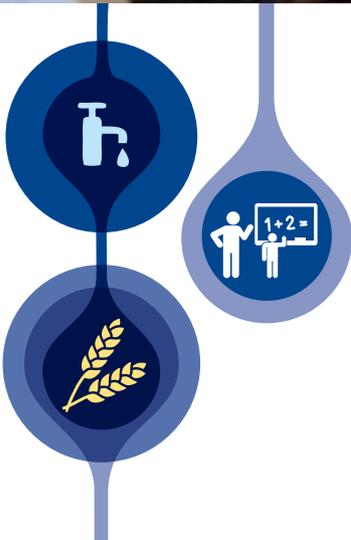




Country Strategy for Development Cooperation

ETHIOPIA 2016-2019

MINISTRY FOR FOREIGN AFFAIRS



Contents

Abbreviations	3
Executive summary	5
1. Country Context	7
1.1 Political, economic and social development	7
1.2 Development scenario for Ethiopia.....	9
1.3 Finland’s relations with Ethiopia and prospects for more diverse relations.....	10
1.4 Themes of dialogue and advocacy	11
2. Development Cooperation Context	13
3. Finnish Development Cooperation to Date and in the Future	15
4. Expected Results of the Development Cooperation Programme	18
4.1 Impact	18
4.2 Outcomes and outputs	20
5. Implementation	31
5.1 Complementarity and coherence	31
5.2 Partnerships and modalities for development cooperation	32
5.3 Long-term sustainability	33
5.4 Risk management.....	34
6. MONITORING AND EVALUATION	35
7. TENTATIVE FINANCING PLAN (BUDGET)	36
Annexes	38



Abbreviations

AfDB	African Development Bank
AgroBIG	Programme for Agro-Business Induced Growth in Amhara National Regional State
AU	African Union
BEAM	Business with Impact
CMP	Community Managed Project
COWASH	Community-led Accelerated Water, Sanitation and Hygiene Project
CSO	Civil Society Organization
CWA	Consolidated WASH Account
DAG	Development Assistance Group
DFID	UK Department for International Development
ETWG	Education Technical Working Group
GEQIP	General Education Quality Improvement Programme
GoE	Government of Ethiopia
GTP	Growth and Transformation Plan
EPRDF	Ethiopian People's Revolutionary Democratic Front
ESDP	Education Sector Development Programme
ESIF	Ethiopian Strategic Investment Framework
EU	European Union
IFAD	International Fund for Agricultural Development
IGAD	Inter-Governmental Authority on Development
ICI	Institutional Cooperation Instrument
LAUD	Land Administration and Use Directorate
LCF	Local Cooperation Fund



ETHIOPIA

LIFT	Land Investment for Transformation Programme
MDG	Millennium Development Goal
M&E	Monitoring and Evaluation
MFA	Ministry for Foreign Affairs of Finland
MoA	Ministry of Agriculture
ODA	Official Development Assistance
OWNP	One WASH National Programme
PSNP	Protective Safety Nets Programme
REILA	Responsible and Innovative Land Management Project in Ethiopia
RD&FS	Rural Economic Development and Food Security
SDG	Sustainable Development Goal
SLMP	Sustainable Land Management Project
SLM-TL	Sustainable Land Management Technical Committee
SMEs	Small and medium-sized enterprises
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNPRRD	UN Partnership to Promote the Rights of Persons with Disabilities
WASH	Water, Sanitation and Hygiene
WASHCO	WASH Committee
WSWG	Wash Sector Working Group



Executive summary

Ethiopia is one of the poorest countries in the world, but is aiming to achieve lower middle-income status by 2025. The roadmap to reach this goal is set out in five-year growth and transformation plans (GTP). The current GTP II sets ambitious goals based on fast, equitable and green economic growth. Ethiopia has previously demonstrated its will and ability to develop. However, rapid population growth coupled with increasingly unpredictable climate conditions and a further decline in human rights and political freedoms may challenge progress and even compromise prospects of achieving results in the future.

Finland and Ethiopia have a good and long-standing relationship. Ethiopia is a country that plays a constructive role in the Horn of Africa, hosting large numbers of refugees and contributing troops to peace-keeping operations. Stable development in Ethiopia is therefore important for the stability of the whole Horn of Africa. At the same time, international development cooperation is needed to support Ethiopia in implementing its reforms and in providing basic services for its rapidly growing population. In 2016 Ethiopia has seen a wave of protests and demonstrations that have threatened national stability. Finland continues to encourage the Ethiopian government to have more active political dialogue with the opposition. In October 2016 Ethiopia declared a six-month state of emergency. An important challenge for the future of Ethiopia is to find a way for inclusive dialogue and to ensure that Ethiopia can pursue the path of democracy and development.

This Country Strategy builds on Ethiopia's vision for the future as outlined in GTP II and on earlier positive experiences of cooperation. Finland's support aims at addressing the population's needs for basic services and livelihood in selected impact areas (rural economic development, water sanitation and hygiene, and education) where Finland can make a difference through policy dialogue, financial contribution and expertise. The previous focused country programme has produced good results. What will change now is the mode of implementation: all operations will be based on results-based management and incorporate vulnerable groups, and policy dialogue in sector working groups will be strengthened based on dedicated plans.



ETHIOPIA

Finland will continue to support the improvement of rural people's livelihoods through a project aimed at developing value chains in the Amhara region. Moreover, a project for the development of land administration systems and the registration of farmers' lands is expected to encourage sustainable land management and so to reduce land degradation and poverty in the whole of Ethiopia.

Increased coverage of water, sanitation and hygiene (WASH) services is expected to improve the health and well-being of the population. In the bilateral Community-led Accelerated Water, Sanitation and Hygiene in Ethiopia (COWASH) project, the country programme will continue to empower people with a community managed project approach that enables communities to manage their own WASH services. COWASH will be implemented in five regions. It is expected that during 2016–2019, the project will provide 900,000 new beneficiaries access to safe water. The achievements of this work will be actively communicated in sector policy dialogue. Finland will also contribute to the government's WASH sector fund that covers the whole country.

In the education sector, support through the General Education Quality Improvement programme (GEQIP) is expected to contribute to improved learning results and reduced drop-out rates across Ethiopia. In particular, Finland's support for improving access to general education is expected to increase the participation of girls and the children with disabilities in education. The participation of different groups in education will also be supported by sector policy dialogue. Moreover, in order to enhance sustainability, the policy dialogue will concentrate on some key improvements needed to strengthen the institutions and management of the Ethiopian education system.

Both Finland and Ethiopia also hope that experiences of successful development cooperation will bolster economic cooperation. Trade and investment between Finland and Ethiopia are currently at a low level and far from their full potential, and therefore promotion efforts will be stepped up. This will include the use of all available Team Finland instruments, such as business delegations and the private sector aid instruments Finnpartnership, BEAM and Finnfund. A stable business environment, including political stability, will also be an important consideration for private sector partners exploring the opportunities that Ethiopia can offer.



PART I

1. Country Context

1.1 Political, economic and social development

Ethiopia is one of the poorest countries in the world, but it has set itself the target of becoming a lower middle-income country by 2025. The roadmap to reach this goal is set out in five-year growth and transformation plans (GTP). The country's current second plan extends to 2020.

Ethiopia has previously enjoyed relative stability, but in 2016 the country saw growing political unrest and attacks against foreign investments. Ethiopia is a federal democratic republic comprising the federal state and 11 regional states, each with legislative, executive and judicial powers. Ethiopia's state-led development model combined with strong government has delivered good results. However, the opposition's room to manoeuvre has become more restricted, and the current parliament that was elected in 2015 only has members from one coalition, the Ethiopian People's Revolutionary Democratic Front (EPRDF). The wave of political unrest and attacks against foreign investments led to the declaration of a state of emergency in October 2016. Nevertheless, Ethiopia is often considered to play an important role in the unstable region of the Horn of Africa. It currently hosts 734,931 registered refugees.¹ It also plays an important role in the Inter-Governmental Authority on Development (IGAD) and the African Union.

In the past few years economic growth in Ethiopia has reached almost double digits.² The government's aim is for manufacturing to take over from agriculture as the driving force of the Ethiopian economy by 2020. This is based on optimistic projections of average real GDP growth of at least

¹ As of 30 April 2016 UNHCR. <http://reliefweb.int/sites/reliefweb.int/files/resources/EthiopiaFactSheetApril.pdf>

² IMF Country Report No. 15/300, September 2015, <http://www.afdb.org/en/countries/east-africa/ethiopia/>, <http://www.worldbank.org/en/country/ethiopia/overview#1>



ETHIOPIA

11% a year, with aggressive measures put in place to advance rapid industrialisation and restructuring and to ensure the sustainability of growth through a stable macroeconomic framework and a climate resilient green economy. The country is also contextualising and mainstreaming the Sustainable Development Goals (SDGs) into GTP II.³ In corruption rankings, Ethiopia has climbed from 116th in 2010 to 103rd in 2015.⁴

Massive public investments have improved access to basic services. Ethiopia is on track to meet several Millennium Development Goals (MDGs).⁵ Nonetheless, work still remains to be done to promote gender equality and empower women, as well as in the sanitation and education sectors. The share of the population living in absolute poverty has fallen from 38.7% in 2004/05 to 23.4% in 2014/15.⁶ However, rapid population growth (2.5% annually⁷) will inevitably challenge the good results achieved so far. Furthermore, in the field of human development Ethiopia still ranks 173rd out of 186 countries in the world.⁸ Ethiopian society is also vulnerable to shocks created by climate change, as has been demonstrated by the effects of El Niño in 2016.

In the human rights field, Ethiopia emphasises economic, social and cultural rights, where it has demonstrated its commitment to put these rights into action. With regard to civil and political rights, there are still many recommendations that Ethiopia needs to take into consideration.⁹ In the field of press freedom, Ethiopia's current ranking is 142/180 (2016), down from 127th in 2012.¹⁰ The government's reaction to the demonstrations in 2016 drew criticism from many human rights organisations.

³ AfDB, Federal Republic of Ethiopia Country Strategy Paper 2016–2020.

⁴ Transparency International Corruption Perceptions Index 2015.

⁵ MDG Report 2014 Ethiopia; AfDB, Federal Republic of Ethiopia Country Strategy Paper 2016–2020.

⁶ MDG Report 2014 Ethiopia.

⁷ <http://data.worldbank.org/indicator/SPPOP.GROW/countries/ET?display=default>

⁸ National Human Development Report 2014 Ethiopia.

⁹ UNGA, Report of the Working Group on the Universal Periodic Review, Ethiopia, 7 July 2014.

¹⁰ Reporters Without Borders, World Press Freedom Index 2012/2016.



1.2 Development scenario for Ethiopia

Ethiopia's overarching vision is to become a lower middle-income country by 2025. The Government of Ethiopia (GoE) has a well-articulated set of development strategies and policies. It has set up milestones for political, social and economic development in its growth and transformation plans (GTP). GTP II is based on the assumption that economic growth will continue to run at 11% a year, which will also lead to advances in social development and poverty reduction. Furthermore, Ethiopia is aiming to become a carbon-neutral economy.

The goals set out in the current GTP II are ambitious, but Ethiopia has already demonstrated its will and ability to develop. There are several scenarios that could affect the achievement of joint result targets. Ethiopia assumes that its economy will continue to grow at a rapid rate. Its economy is also vulnerable to exogenous environmental and macroeconomic shocks, such as droughts and commodity price shocks. For a land-locked country regional political stability is also important economically. A further decline in human rights and political freedoms could limit programme implementation and might cause donors to re-direct their support. Rapid population growth may also increase unemployment, internal tensions and pressures on the use of natural resources.

Ethiopia is already addressing many of these potential risks. In GTP II, the government emphasises human and institutional capacity-building to enable it to better address future potential risks. One of the key issues with regard to risk mitigation is the promotion of a more diversified economy. An important question at the moment is how to open the way for inclusive dialogue and ensure that Ethiopia can pursue the path of democracy and development. Donors can also play a role in mitigating the risks, such as those related to the political situation in Ethiopia. Some of the risks can be addressed at the level of the country strategy. This applies, for example, to preparing for the effects of climate change.

1.3 Finland's relations with Ethiopia and prospects for more diverse relations

Finland and Ethiopia have a good and long-standing relationship. Finland opened its embassy in Addis Ababa in 1965. Given the size, political and economic importance and geographical location of Ethiopia, it is clear that the country will remain an important partner for Finland in the future. Ethiopia offers many possibilities especially in the field of business and culture. Ethiopia hosts the African Union, a continent-wide organisation dealing with pan-African issues.

Ethiopia is an important partner for Finland in many political questions in the turbulent Horn of Africa. Finland appreciates the stabilising effect of Ethiopia in the region. Ethiopia hosts a larger number of refugees than any other African country, and it is the biggest troop-contributing country to UN peace-keeping operations in the world.¹¹ Ethiopia is currently chairing the Horn of Africa regional initiative, the Intergovernmental Authority on Development (IGAD). In this role it has taken an active role in mediating the conflicts in the Horn of Africa.

The good relationship between Finland and Ethiopia builds on positive experiences of successful development cooperation since 1967. Both countries hope that this experience can also serve as a basis for trade and economic cooperation. Trade cooperation has been promoted through reciprocal visits of business delegations, for example. Nevertheless, trade and investments between Finland and Ethiopia are currently at a very low level. Continuous efforts are needed to develop visions and to turn them into concrete action with mutual interest. Finnish private sector interests in the Ethiopian markets will be promoted with all available Team Finland instruments, including private sector aid instruments such as Finnpartnership, BEAM and Finnfund. A stable business environment, including political stability, will also be an important consideration for private sector partners exploring the opportunities that Ethiopia can offer.

¹¹ <http://www.un.org/en/peacekeeping/resources/statistics/contributors.shtml>



1.4 Themes of dialogue and advocacy

Finland engages in political dialogue with the GoE bilaterally as well as through the EU. The EU and Ethiopia have agreed on a process of ‘strategic engagement’, which will complement the political dialogue that the EU and Ethiopia have already had under Article 8 of the Cotonou Agreement. Strategic engagement will include regular sector dialogue on issues of common interest: regional peace and security, countering terrorism and violent radicalisation, migration, social and economic development, investment and trade as well as governance and human rights. Finland will also engage in bilateral dialogue with the GoE on political and civil rights.

Finland’s dialogue and advocacy within its development programme in Ethiopia is focused on promoting a rights-based approach to development, the reduction of inequality, strengthening a functioning society and environmental sustainability.

In Ethiopia, Finland will work to reduce inequality by promoting the rights of persons with disabilities and supporting the disability movement. Finland will advocate for the inclusion of women, girls and vulnerable groups so that they can fully benefit from development programmes and basic services. In the water, land and agricultural sectors, Finland wants to promote inclusive access to decision-making bodies and ensure that the needs and rights of women and girls as well as persons with disabilities are recognised in programme implementation. In the education sector, Finland will focus on identifying and addressing barriers in access to education and on strengthening support for inclusive education.

With regard to improving the functioning of society, Finland’s dialogue will focus on promoting evidence-based decision-making, accountable institutions, information sharing and community managed development. Finland will explicitly advocate for the empowerment of communities to man-



ETHIOPIA

age their water and sanitation facilities and behaviour by gradually removing institutional barriers to community managed project (CMP) implementation in the sector. Finland will facilitate dialogue between the GoE and civil society and seek to enhance an enabling environment for the private sector.

Finally, Finland will engage in dialogue regarding the environmental sustainability and climate resilience of development efforts, particularly with regard to the sustainability of water supply through the CMP approach and through increasing land security to promote investment in soil fertility. Finland will develop a plan for policy dialogue in the WASH and education sectors.



2. Development Cooperation Context

Ethiopia has outlined its visions for development in five-year growth and transformation plans (GTP). GTP II, running from 2016 to 2020, can be summed up as focusing on fast, equitable and green economic growth. According to GTP II, economic growth should average 11% over the next five years. The plan also includes the goals of reducing absolute poverty in the nation from 25% to 16% and raising life expectancy from 64.6 to 69 years. GTP II addresses some of the country's most pressing challenges, notably reaching the poorest sectors of the population more effectively; supporting the private sector to engage in the productive sectors of the economy, particularly in manufacturing and the services sector; ensuring the harmonisation of population growth and socio-economic development so as to safeguard human development gains; addressing youth unemployment; and increasing investment in the quality of education and health services.

Ethiopia is still one of the poorest countries in the world, and the range of development cooperation interventions therefore is very wide. In 2013, total development assistance to Ethiopia came to USD 3.9 billion. The five largest providers of development assistance to Ethiopia in 2013 were the World Bank, the United States, the United Kingdom, the African Development Bank, and the Global Fund.¹² Finland provided around 1% of Ethiopia's total ODA in 2014.

Development cooperation interventions in Ethiopia are to a large extent coordinated through the Development Assistance Group (DAG), which comprises 29 bilateral and multilateral donors. DAG was established in 2001 as a forum where donors can share and exchange information to foster meaningful dialogue with governments. It also acts as an umbrella organisation for several working groups which focus on specific areas of cooperation. Finland participates actively in the relevant working groups. The EU also plays an active coordinator role in Ethiopian development cooperation interventions. Currently, the EU is aiming to move from joint analysis and roadmaps towards joint

¹² OECD DAG Ethiopia factsheet 2016.



ETHIOPIA

programming. The joint programming document that will define the common result areas is still under preparation.

At the moment 82.7% of the Ethiopian budget is financed from domestic sources,¹³ while external assistance accounts for 6.3%. The main shortfalls are the lack of infrastructure, the level of higher education and training and the level of technological readiness. Ethiopia continues to show strong success in reaching its development goals, and it can be forecast that in the long term foreign aid will have declining importance. The GoE has set out its goals in GTP II for more efficient national revenue collection with a view to bolstering the national economy.

Ethiopia expects to attract more foreign direct investment in the future, but it is considered unlikely that current restrictions on foreign participation in key economic sectors will be lifted any time soon.¹⁴ The government is investing in infrastructure development and committed to strengthening the role of agriculture, information technology and light manufacturing. Ethiopia's ranking in the Global Competitiveness Index is 109/140,¹⁵ and in the World Bank's Doing Business Index 146/189.¹⁶ Civil society has limited room to manoeuvre in Ethiopia,¹⁷ and civil society organisations (CSOs) are subject to legislative controls that effectively constrain their advocacy role.¹⁸ Nevertheless local CSOs have an important role in addressing various social, environmental and livelihood needs at the local level.

¹³ UNDP, Synopsis of Federal Budget of Ethiopia, Fiscal Year 2015/16.

¹⁴ Economist Intelligence Unit, Ethiopia Country Report May 2016.

¹⁵ World Economic Forum, Global Competitiveness Index.

¹⁶ <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DBI6-Full-Report.pdf>

¹⁷ E.g. <http://www.state.gov/documents/organization/252893.pdf>

¹⁸ See <http://www.icnl.org/research/monitor/ethiopia.html>



3. Finnish Development Cooperation to Date and in the Future

Finland's country programme in Ethiopia has been well focused and characterised by a long-term commitment in chosen sectors. Indeed, the programme has produced good results and received positive reviews from independent evaluators. According to a recent evaluation of Finland's 2008–2015 country programme in Ethiopia, Finland has been able to 'punch above its weight'. The evaluation recommends that Finland continue working in the present sectors and persist with its existing projects. Moreover, an independent review of Finnish development aid in 2015 singled out Finland's development cooperation in the WASH and education sectors as examples of the country's successful efforts in this field.¹⁹

Finnish CSOs have also been active in Ethiopia. In 2015, disbursements for Finnish CSOs in Ethiopia amounted to 2.7 million euros. The partner organisations that received support through the multi-annual programme were the Foundation for Human Rights (KIOS Foundation), the Abilis Foundation, Disability Partnership Finland, Fida International, the Finnish Red Cross, the Free Church Federation in Finland, Plan Finland, the Finnish Evangelical Lutheran Mission and Save the Children Finland. The use of private sector instruments has still been rather limited in Ethiopia. In 2015 support through Finfund and Finnpartnership totalled some 709,000 euros. Finland has also provided humanitarian aid to Ethiopia. In 2015 the value of this aid was one million euros.

Several international organisations receiving core funding from Finland play an important role in the Finnish country programme's impact areas in Ethiopia. These include the World Bank, the African Development Bank, UNICEF, IFAD and UN Women. Other organisations making an important contribution to the country programme are UNFPA, which will have a central supportive role in con-

¹⁹ <http://formin.finland.fi/public/default.aspx?contentid=329588&nodeid=49540&contentlan=2&culture=en-US>



ETHIOPIA

ducting the census in Ethiopia (which is scheduled to start in 2017), and UNDP, which will work to coordinate and facilitate dialogue between the development partners.

Given its commitment to a human rights based approach, Finland will continue to work to enhance economic, social and cultural rights in Ethiopia. Moreover, the Finnish Embassy will continue to highlight the issue of political and civil rights in its discussions with the Ethiopian government, either in a bilateral context or together with other development partners. The Embassy will also facilitate dialogue between the Ethiopian government and local civil society.

The Embassy of Finland manages the Local Cooperation Fund (LCF), which provides support for Ethiopian CSOs. The role of LCF-supported projects (2015: 282,753 euros) is to complement the bilateral programme. LCF funding will be channelled to support both multiannual and annual CSO projects. The Embassy will also monitor the use of funds awarded to Finnish CSOs working on projects with local CSOs in Ethiopia. In addition to local know-how, the Embassy will provide insights on complementarity for the management teams responsible for the financing decisions. Moreover, in the process of planning and preparing their projects Finnish CSOs can consult the Embassy concerning the Ethiopian context and the complementarity of their project to the current bilateral country programme.

Finland's Country Strategy in Ethiopia is highly relevant to the priority areas in Finland's new development policy (2016).²⁰ Support for rural economic development contributes to the creation of jobs, livelihood opportunities and well-being, including food security and the sustainable use of natural resources. Support for WASH will help to improve access to clean water. Support for education and land administration is essential for strengthening the functioning of society. In all these areas, the rights of women and girls will be highlighted.

²⁰ <http://formin.finland.fi/Public/default.aspx?contentid=341918&nodeid=49540&contentlan=2&culture=en-US>

Finland's current development policy is designed to increase the coverage and volume of private sector support instruments.²¹ Ideally, the private sector should be closely involved in the development cooperation country programme in Ethiopia, opening up business opportunities and at once addressing local development needs. However, the involvement of the Finnish private sector depends on whether or not it is interested in setting up projects in Ethiopia. Such interest will be stoked by ministerial business delegation visits to Ethiopia and Finland, a high-level presence in business development workshops, and regular communication to share information about Ethiopian opportunities and ongoing development cooperation.

²¹ <http://formin.finland.fi/public/default.aspx?contentid=329588&nodeid=49540&contentlan=2&culture=en-US>

PART 2

4. Expected Results of the Development Cooperation Programme

4.1 Impact

Finland is committed to support Ethiopia's GTP II goal of reaching the status of a lower middle-income country by 2025. It will do this by exercising a substantial impact on three sectors that are fundamental to sustainable, equitable and broad-based growth, as well as to the reduction of poverty and inequality: rural economic development, water, sanitation and hygiene (WASH), and basic education. Development in these sectors is identified as a core task in both GTP I and GTP II. Through its support to these three sectors during the Country Strategy, Finland will contribute to the following impacts by 2025:

- People in rural Ethiopia are empowered to enjoy sustainable growth and decent livelihoods
- People are empowered in WASH practices, have access to clean water and enjoy improved health
- Equitable access to quality general education is assured for all children



Finland's contribution to these impacts is built upon a long-term commitment to providing support in these sectors. This commitment can be expected to continue beyond the current Country Strategy period. The intended impact is achieved through a well-focused portfolio, a human rights based approach and a high quality of support and Finnish know-how. Finland's support is centred around people: we focus on empowering people and communities to manage their development, on improving their livelihoods and on improving access to basic services as rights holders. Particular attention is given to the rights of women and girls, people with disabilities and those living in rural areas. Realising people's rights to development requires that the duty bearers' capacities and the functioning of institutions are strengthened. This is best done by working with and through government systems and in dialogue with government bodies, while also building links with the private sector and civil society.

The impacts identified are closely interrelated: improving access to water and sanitation is a precondition for decent lives and livelihoods. Further, it enhances children's school attendance, especially among girls at secondary level. Education enables people to practise better sanitation and hygiene, engage in economically productive activities and claim their rights to land. On the other hand, decent livelihoods, savings and land tenure security enable investment in the productivity of land, rural entrepreneurship, better water and sanitation capabilities and education.

Ethiopia also needs to find ways to address key development challenges: population growth, the impacts of climate change and climate variability. It is largely accepted that educated people are better aware of family planning methods. Support for education, therefore, contributes to tackling the root causes of population growth. Proper sanitation and hygiene help people to live healthier lives, to be more productive members of society, but also to be more resilient to droughts and floods. Sustainable rural development and access to clean water can only be achieved by building up greater resilience to climate shocks in all activities undertaken by Finland.

4.2 Outcomes and outputs



IMPACT 1: BY 2025 PEOPLE IN RURAL ETHIOPIA ARE EMPOWERED TO ENJOY SUSTAINABLE GROWTH AND DECENT LIVELIHOODS

Outcome 1.1: Agriculture provides a decent and sustainable livelihood to people in the rural Amhara regional state

Agriculture and related activities still provide a livelihood for over 80% of Ethiopians, and the population's food security relies largely on smallholder production. In the Amhara regional state, small farm sizes have led to the impoverishment of farmers. Poor farmers cannot afford to make the investments they would need to earn more income from their farms. They need support not only to raise the productivity of their lands, but also to produce to achievable markets the right types of products at the right time. Support for farmers must therefore comprise the whole value chains of different agricultural products, addressing a number of gaps in the supported value chains.

Outputs:

- Agricultural productivity in selected crops is increased and value chains are developed
- A stronger commercial orientation in the agricultural sector; SMEs and decent jobs are created and sustained

Instruments, inputs and linkages:

Both GTP I and GTP II emphasise the importance of developing the agricultural sector as a way of achieving economic growth in Ethiopia. Finland is supporting agribusiness development in the Amhara region through a bilateral project called Programme for Agro-business Induced Growth in Amhara national regional state (AgroBIG). The first programme phase in 2012–2017 (June) has a



total budget of 10.4 million euros, with Finland's contribution amounting to 9.3 million euros. The second phase is scheduled for 2017–2021.

AgroBIG builds up the capacity of all stakeholders along the value chains. It provides funding for farmers so that they can make the necessary investments to address gaps in value chains, such as the lack of suitable seeds, warehouses or access to markets. Most of the support for farmers is currently channelled through cooperatives, and it is expected that cooperatives will continue to receive significant amounts of support in the second phase. Their success depends largely on their ability to focus on the financially most advantageous value chains. The second phase of AgroBIG will build on the first phase, the key achievements of which include several operational funds from which farmers (and other stakeholders involved in the development of the supported value chains) have been able to apply for funding. In the future, greater attention will be given to encouraging closer involvement by women and girls as well as other vulnerable groups through specific activities. Other areas of focus include environmental sustainability and climate change adaptation, and it is expected that farmers will conduct activities to increase soil fertility, for instance.

AgroBIG has already formed some links with other projects in the agricultural sector, such as the Agricultural Growth Programme²² that has activities in Amhara. This link will be further strengthened. Furthermore, AgroBIG needs to continue to communicate and possibly cooperate with the Finnish-supported ICI (Institutional Cooperation Instrument) project, which is exploring limestone resources in Oromia and conducting research on the crop effects of adding lime to the soil.

In the context of the DAG RD&FS²³ working group's sector dialogue, Finland is particularly interested to discuss issues related to the challenges and to the potential connected with supporting farmer groups and SMEs in Ethiopia. Finland will also share its experiences of including vulnerable groups in AgroBIG.

²² See <http://ethioagp.org/>

²³ Rural Economic Development and Food Security.

Outcome 1.2: People in rural Ethiopia have land tenure security and are empowered to participatory land use management in order to reduce land degradation

Although all land in Ethiopia is state-owned, farmers have significant user rights to their lands. Farmlands can be inherited or rented. User rights can be bought from other farmers. The statutory law makes no difference between men in women when it comes to land rights.²⁴ Land can be registered jointly in the names of husband and wife. Female-headed households can have permanent user rights to land as well. The proper registration of farmlands in the names of the users can help to avoid conflicts over user rights. The government's view is that insecurity over land tenure is one factor deterring smallholder investments in soil fertility. The lack of investment in soil and water conservation adversely affects soil productivity and so negatively impacts the livelihood of farmers. Population growth means that the sizes of inherited farmlands are getting smaller, which further adds to pressures to over intensive farming. Ethiopia's goal is to have all farmland registered under a so-called second level certification system.²⁵ For the time being the number of parcels registered under this system is still modest, but GTP II has set the target of issuing second level certificates to more than 50% of the estimated total number of parcels in highland regions. Finland is committed to support the Ethiopian government in developing and implementing a responsible and innovative land administration system.

Outputs:

- An equitable and transparent land administration system is established in the Amhara and Benishangul-Gumuz regional states
- Rural land administration and land use planning capacity is increased in the Amhara and Benishangul-Gumuz regional states

²⁴ At the regional level, Sharia law also affects land registration practices in some areas.

²⁵ The computer-based system is more accurate and advanced than first level certification.



Instruments, inputs and linkages:

Land degradation has been a long-standing concern for the Ethiopian government. In 2008, it published the Ethiopian Strategic Investment Framework (ESIF) to promote sustainable land management and investments in land. ESIF is divided into three five-year phases running through to 2023. ESIF has six component areas, including ‘improving the land administration and certification system’. It is being implemented by several projects.

Finland has supported the development of land administration in Ethiopia through the bilateral Responsible and Innovative Land Administration project (REILA). Launched in 2011, REILA is scheduled to run until June 2017. Finnish support amounts to 12.8 million euros, with an additional 1.1 million euros coming from Ethiopia, partly in kind. The second phase is expected in 2017–2021.

REILA’s overall development objective has been adopted from ESIF: to improve the livelihood and economic well-being of the rural population through the promotion of sustainable land management practices. The purpose of REILA is to contribute to an improved, transparent and appropriate land administration system in Ethiopia. Already the project has helped develop a modern registration system. The systems and methods developed in REILA also have wider use in the land administration sector. The project has supported a variety of capacity-building activities and rigorously applies the human rights based approach. It has ensured that beneficiaries are well informed of the project and even provided legal advisory services to the local population. Special attention has been given to promoting women’s participation in the project. Land registration itself has not progressed as rapidly as originally intended.

Planning for the second phase continued throughout autumn 2016, based on preliminary assumptions and feedback from key stakeholders. Finland is prepared to provide the exact kind of support and know-how that Ethiopia feels it needs to develop the land administration system. In the future, stronger links need to be created to the government’s Sustainable Land Management project (SLMP). Several development partners are involved in supporting land administration development in Ethiopia. The UK Department for International Development (DFID) is spending 67.3 million pounds to support Ethiopia through the Land Investment for Transformation programme (LIFT) in

ETHIOPIA

2014–2020. REILA has already created links with LIFT to agree on the use of common systems and methods. LIFT will register millions of parcels of land. It is assumed that the registration of farmlands will continue under REILA, but on a more limited scale, with a view to supporting the overall development of the land administration system.

Finland will take active part in the coordination meetings of the DAG Sustainable Land Management Committee. Here, it will especially emphasise the gender aspect and the need for transparency and extensive information sharing with beneficiaries. Planning and design of the second phases of both REILA and AgroBIG will give special attention to creating a strong monitoring and evaluation system to strengthen results-based management.



IMPACT 2: BY 2025 PEOPLE ARE EMPOWERED IN WATER, SANITATION AND HYGIENE PRACTICES, HAVE ACCESS TO CLEAN WATER AND ENJOY IMPROVED HEALTH

Outcome 2.1: People in rural Ethiopia have access to clean drinking water, sanitation and hygiene facilities in accordance with national standards and targets

Improved WASH coverage reduces the occurrence of diarrhoeal diseases²⁶ and thus contributes to general population well-being. Furthermore, it contributes greatly to the lives of girls and women, who can use the time freed up from carrying water and looking after family members suffering from waterborne diseases in other productive activities, such as education, farming and income generating activities. Ethiopia has made impressive headway in increasing the coverage of clean water services, attaining the MDG goal 7c.²⁷ At the same time, large numbers of people still have no access to safe water. While important progress is being made in the provision of clean water, the sanitation and hygiene targets have proved to be more challenging. It is therefore well justified that Finland continues to support Ethiopia's efforts to expand clean water and sanitation services.

²⁶ Prevention of diarrhoea through better WASH, WHO 2014.

²⁷ For an explanation of the MDG 7c target, see <http://www.un.org/millenniumgoals/environ.shtml>

Outputs:

- National yearly targets for clean water coverage are achieved in the targeted areas by using community-led management
- National yearly targets for community and institutional sanitation and hygiene coverage are achieved in the targeted areas

Instruments, inputs and linkages:

Ethiopia is highly committed to the development of the WASH sector. This commitment is reflected in the ambitious GTP II targets for service access in rural areas.²⁸ Finland has contributed to WASH development in Ethiopia through bilateral projects since the 1990s. This cooperation has produced impressive results, among other things access to safe water for almost four million people.

The second phase of the COWASH project was implemented in 2011–2016. The third phase was launched in July 2016 and will run through to 2019. The Finnish support will amount to 12.7 million euros. The overall COWASH III budget will be significantly larger, with Ethiopia estimated to cover some 70% of total funding. COWASH will cover 76 earmarked districts (woredas) in five regions. Finland's support continues to include a technical assistance project run by a private consultancy and direct support in the regions. COWASH is implemented with the support of a technical unit within the Federal Ministry of Water, Irrigation and Electricity. COWASH III will strengthen the project's efforts to encourage the local construction of more hygiene facilities, with a special view to the needs of women and the persons with disabilities. The focus is on building WASH services in schools and rural health facilities, which play a key role in sanitation and hygiene promotion.

²⁸ GTP II rural water target 25l/ person/day within a 1km radius (service level 59%), as compared with the GTP I rural water target of 15l/person/day within a 1.5 km radius (service level 76%).

Outcome 2.2: Communities are empowered to manage their WASH facilities and WASH behaviour

COWASH has adopted a CMP approach. This allows communities, usually with financing from micro-finance institutions, to manage the construction and maintenance of WASH facilities. Communities also appoint WASH committees (WASHCOs) to manage water points. The legalisation of these committees further enhances beneficiaries' ownership of the processes of contracting, building, managing and maintaining their water points. Another key element in sustaining operations and in creating jobs is the promotion of entrepreneurship in the WASH sector. CMP has proved to be a cost-effective approach. It has also proved to be sustainable, as demonstrated by the highly effective water schemes. It is therefore justified to empower communities with the CMP approach, which also contributes to the empowerment of women.

Outputs:

- WASH facilities are managed by communities in COWASH districts
- Women's access to and control over WASH management and related entrepreneurship is increased in COWASH

Instruments, inputs and linkages:

The CMP approach was accepted as one of the funding modalities in Ethiopia's WASH sector programme called One WASH national programme (OWNP). However, the Consolidated Wash Account (CWA), a basket fund that finances OWNP, has not yet adopted the CMP approach. CWA is currently funded by the Ethiopian government, the World Bank, DFID, the African Development Bank (AfDB) and UNICEF. Finland will join CWA with a contribution of 2 million euros in 2017–2019, enabling it to participate with other development partners in CWA management and decision-making. Joining CWA will also provide an opportunity to share information about the achievements COWASH



has made with the CMP approach. An annual plan will be prepared to further strengthen Finland's policy dialogue. Moreover, synergies with related institutional, civil society and private sector organisations will be enhanced.



IMPACT 3: BY 2025 EQUITABLE ACCESS TO QUALITY GENERAL EDUCATION IS ASSURED FOR ALL CHILDREN

Outcome 3.1: Quality of general education is improved

The education system in Ethiopia has expanded remarkably. More than 22 million children now go to pre-primary, primary and secondary schools and almost all children start grade one when they turn seven. There are nearly 40,000 schools in the country. However, despite the country's substantial investments in education, with a constant 25% of the government budget going to the education sector, the massive growth of the system has stretched Ethiopia's limited resources and impacted the quality of education. Nearly 90% of the schools inspected annually fall below minimum quality standards with regard to the process and outcomes of learning. While pupil enrolment rates have increased substantially, dropout rates are high and less than half of all pupils complete eight years of primary education. Finland will therefore continue, along with several other development partners, to provide support for improving the quality of general education to offset the pressures from system expansion.

Outputs:

- Teaching and learning conditions in general education are improved
- Institutions at different levels of education management are strengthened



ETHIOPIA

Instruments, inputs and linkages:

Finnish efforts to support the improvement of education quality are based on the objectives spelled out in Ethiopia's education sector strategy (ESDP V). The main ESDP instrument is a sizeable sector programme called the General Education Quality Improvement programme (GEQIP). GEQIP is financed by a World Bank administered trust fund, which is supported by a group of donors. The programme is currently in its second phase, which Finland has supported with 19.8 million euros. Finnish support for the first and second phases of GEQIP amounts to some 5% of the programme's overall budget.

GEQIP II is scheduled to run from 2014 to 2018, and it has a budget of USD 550 million. The third phase of GEQIP is expected to start up in summer 2018. It is a nationwide programme that reaches all levels of the system and aims to improve teaching and learning conditions across the board. GEQIP is also supporting a curriculum reform and contributing to the production of teaching and learning materials. GEQIP-supported annual grants enable schools to put in place their improvement plans. Furthermore, support is made available for pre- and in-service teacher development with a view to increasing the number of qualified teachers and improving their pedagogical skills. At the same time, the programme strengthens institutions and education management by setting up quality assurance mechanisms, improving information management and by building up school leadership.

As well as providing financial aid, Finland will continue to support GEQIP implementation through its active participation in programme planning, monitoring, evaluation and education sector policy dialogue in a related DAG working group. GEQIP has delivered impressive results in increasing the proportion of qualified teachers and in improving the availability of teaching and learning materials. To ensure that these results lead to an improved quality of education, Finland will continue to pay particular attention to textbook distribution and utilisation. Finland will also continue to monitor closely the content of teacher development programmes. Furthermore, Finland will address the sustainability challenges related to GEQIP. For instance, to ensure the sustainability of the school grants financing mechanism it is necessary to reduce dependency on donor funding.



Outcome 3.2: Access to and equity of general education is increased

Although access to education has improved substantially in Ethiopia, significant disparities remain between regions and student populations. Ethiopia has not yet achieved universal access to primary education. Enrolment rates in the Afar and Somali regions, for instance, which have significant pastoralist populations, are well below the national average. Gender disparity is also particularly high in these regions. Furthermore, it is estimated that only 4% of children with disabilities attend school.

Finland has supported the development of national policy and strategy frameworks pertaining to inclusive education and piloted support systems for children with special educational needs. An evaluation of inclusive education in Finland's development cooperation²⁹ notes that Finnish support has had a significant impact in changing attitudes and making teacher training more inclusive. However, these efforts have not led to the wide-scale introduction of programmes that support children with special educational needs. The evaluation recommends that Finland adopt a more strategic approach that moves away from small-scale bilateral projects and focuses instead on supporting larger-scale systemic change in Ethiopia.

Outputs:

- Barriers to access and participation for girls and children with disabilities are reduced
- The inclusive education support system is strengthened

²⁹ <http://formin.finland.fi/public/default.aspx?contentid=334331&contentlan=2&culture=enUS>



ETHIOPIA

Instruments, inputs and linkages:

Finland will continue to scale up its efforts to support inclusive education within GEQIP. It will continue to monitor the second phase of GEQIP and also provide know-how for third-phase planning. Finland will take active part in designing the next phase of GEQIP, with a particular focus on continuing the positive steps already taken and on strengthening the programme's response to regional disparities, gender issues and the inclusion of children with special educational needs. At the same time, Finland will engage in policy dialogue and may offer technical assistance and strategic support to the Ministry of Education with a view to reducing barriers to access and participation and to strengthening the inclusive education support system. Finland's current bilateral cooperation project on inclusive education will come to a close in 2017. Finland will strengthen links between its WASH and education programming, advocating for the connection between girls' educational attainment and school WASH. In its policy dialogue, Finland will continue to advocate for identifying and addressing barriers to girls' and children's with disabilities access. Finland will also prepare an annual plan for its education sector policy dialogue. In addition to bilateral support, synergies with related institutional cooperation and civil society cooperation instruments will be strengthened.



5. Implementation

5.1 Complementarity and coherence

The Country Strategy focuses on Finnish bilateral cooperation with Ethiopia. In addition to bilateral cooperation, Finland makes use of other development cooperation instruments in Ethiopia, including humanitarian assistance, support for CSOs, institutional cooperation³⁰ and private sector support instruments. Bilateral cooperation is also complemented by Finnish support channelled via multilateral institutions such as the European Development Fund, international financial institutions and other agencies, and the United Nations.

Linkages between bilateral cooperation and the instruments mentioned above will be identified with a view to strengthening synergies. These linkages allow for greater impact and provide greater visibility for Finland's support in Ethiopia. One example of complementarity and coherence is the support provided for people with disabilities. Finland channels its support to this area through UNPRPD (UN Partnership to Promote the Rights of Persons with Disabilities), the Disability partnership and the Embassy's local cooperation funds. The Embassy also promotes this issue in its policy dialogue.

Economic cooperation between Finland and Ethiopia is still limited, but both countries are interested in increasing bilateral trade and investments. Finland's new development policy places great importance on the role of the private sector, and this will be taken into account in implementing the Country Strategy. Ideally, the private sector should be closely involved in development cooperation efforts and so address development needs in Ethiopia. This involvement, however, will depend on the interest shown by the Finnish private sector in the Ethiopian markets. These interests will be promoted with

³⁰ Finland has two ongoing ICI projects in Ethiopia: 1) Capacity building to strengthen the Ethiopian dairy development, phase II January 2015–December 2017, and 2) Assessment of soil amendment rock resources and balanced application of lime and fertilizers in Oromia region, phase II, January 2016–December 2018.



ETHIOPIA

all available Team Finland instruments, including private sector support instruments such as Finnpartnership, BEAM and Finnfund.

The EU provides an additional tool that Finland can leverage in its Country Strategy work. Indeed, active participation in the policy dialogue between the EU and Ethiopia will be one of the most efficient ways for Finland to influence the political and human rights situation in Ethiopia. Finland will also continue to participate in EU joint programming efforts.

5.2 Partnerships and modalities for development cooperation

Finland will continue its active dialogue and cooperation with both Finnish and Ethiopian CSOs. The Embassy will systematically monitor the results of Finnish support to Ethiopian civil society. This will include monitoring how the rights of persons with disabilities are included in governmental and CSO projects.

Finland will continue to provide support for GEQIP in the education sector and join the support fund CWA in the WASH sector. Moreover, the bilateral COWASH III project will be implemented to improve WASH in Ethiopia. In addition to a specific technical aid project, Finland has agreed to channel support directly to regions in COWASH III, as has been the case in previous phases. The two bilateral projects in the rural economic development sector, AgroBIG and REILA, have also included a technical assistance project and money sent directly to the Ethiopian government. It is expected that the next phases will have similar arrangements. In principle, Finland has agreed to the Paris, Accra and Busan principles to channel, as far as possible, financial support via the country's national systems.



5.3 Long-term sustainability

According to the 2016 evaluation of the Ethiopian Country Strategy, strong Ethiopian ownership has greatly enhanced the sustainability of the strategy. Country Strategy interventions are aligned with Ethiopia's own development plans, contributing to strong commitment on the Ethiopian side. However, external assistance is still needed to achieve quality improvements, to support capacity-building and to strengthen systems and institutions and so to ensure the long-term sustainability of development results. Political stability is also crucial for the long-term sustainability of the Country Strategy.

Given the country's highly rural population and the challenges it faces in consolidating food security, agriculture and land management remain central to the Ethiopian development scenario. Finland's support improves the capacity of public institutions to provide services for accelerated agricultural production, promoting the shift towards high value crops and sustainable, market-led agricultural development. There is a strong political will to establish a sustainable land administration system that can help achieve these goals.

The GoE has demonstrated a strong commitment to ensuring the rural population's access to clean drinking water, sanitation and hygiene. Finland is a well-recognised partner in building sustainable solutions by empowering communities to manage their WASH facilities and WASH behaviour. Ethiopia has increased its share of financing from about 40% to 70% of the total cost of the programme, covering the building of the infrastructure. Finland will continue its support by training and capacity-building.

In the education sector, donor financing accounts for some 10% of overall expenditure. Donor financing has been crucial to filling in the gaps in investments in quality and to introducing novel ideas, such as inclusive education, as well as to building institutional capacity. While it is likely that in the medium term Ethiopia will continue to rely on donor support in the education field, it is anticipated that in the coming years there will be a gradual shift towards increased government funding to sustain critical quality improvement mechanisms such as school grant financing.

5.4 Risk management

Finland divides the risks that could have an effect on the development cooperation programme into contextual, programmatic and institutional risks. The main contextual risks in Ethiopia are related to the development of the political and human rights situation, the effects of population growth and the preparedness for environmental shocks. The principal institutional risks have to do with changes in Finland's role as a donor in Ethiopia, and on the other hand with the misappropriation of funds. Programmatic risks include weaknesses in financial management systems, the lack of capacity in general and partner organisations' weak information systems.

Risk response and mitigation measures have been identified for both contextual, programmatic and institutional risks. Political dialogue with the GoE on a bilateral basis and as part of the donor community is crucial in relation to risks associated with the political and human rights situation. The risk of the misappropriation of funds and weak financial management systems require the use of a full range of safeguard measures, such as careful planning, monitoring and the use of audits and evaluations. Participation in the programmes' administrative and governing bodies is part of risk management at the programme level. Risks related to institutional weaknesses and lack of capacity can be addressed through capacity-building. For instance, in bilateral projects where the country systems are used for the management of Finnish support, identified capacity gaps need to be addressed by specific technical support. Attention will also be paid to Finland's own human resource management and continuous competency development.



6. MONITORING AND EVALUATION

Country Strategy monitoring is based on ongoing monitoring of development projects, programmes, policy dialogue and other cooperation by the Embassy. This work follows the MFA's principles and guidelines, especially the Guideline on Results-based Management, the Manual for Bilateral Programmes and the Evaluation Guidelines. In joint arrangements, Finland will participate in joint reviews and evaluations.

The Country Team will continuously monitor the validity of the assumptions made in the Country Strategy and its Logic Model (Annex I) as well as the identified risks, and take corrective measures as needed. The use of Country Strategy budgeted funds is monitored on an ongoing basis using automated reports from the MFA financial accounting systems.

The Country Team will prepare an annual report following the MFA reporting format in the first quarter of the calendar year. The annual report provides an overview of Country Strategy monitoring and reporting. The potential need for corrective measures will be determined by the Department for Africa and the Middle East.

Findings of project-level management reviews and mid-term, final and potential impact evaluations, as well as relevant thematic evaluations also feed into Country Strategy monitoring and reporting.

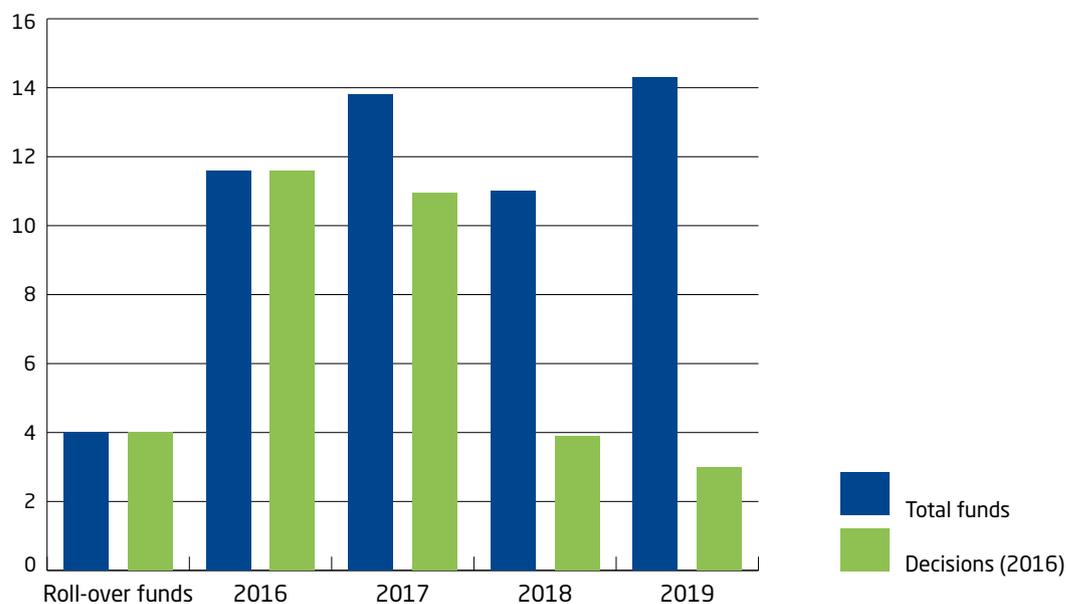
The Country Strategy as a whole will be evaluated towards the end of the strategy period (MFA Evaluation Unit).

7. TENTATIVE FINANCING PLAN (BUDGET)

The planned budget frame for 2016–2019 is approximately 55 million euros. The financing plan only applies to the bilateral development cooperation that comes under the Country Strategy. It does not include humanitarian aid, private sector instruments or Finnish CSOs referred to in Chapter 3.

Budgeting framework 2016-2019

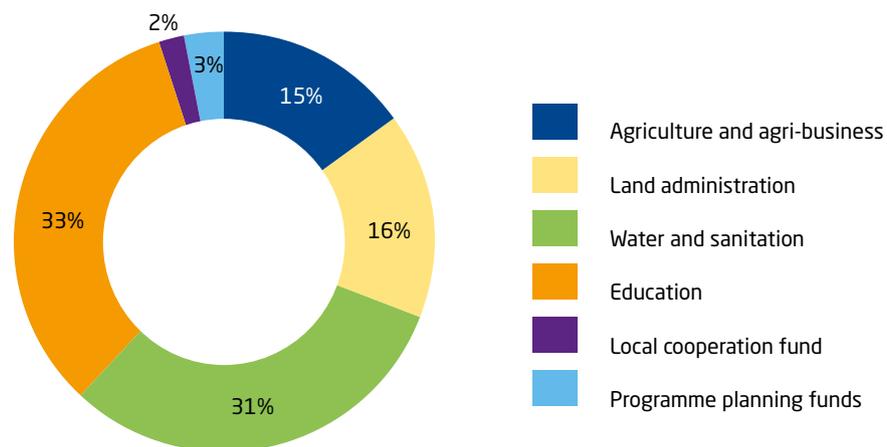
(million euros)





Planned budget allocation 2016-2019

(Total funds 55 million euros)



Annexes

Annex I. Logic Model

IMPACT	OUTCOME	OUTPUT	Key assumptions linking outputs/ outcomes/impacts	Instruments and inputs
1. By 2025 people in rural Ethiopia are empowered to enjoy sustainable growth and decent livelihoods	1.1. Agriculture provides a decent and sustainable livelihood for people in rural Amhara regional state	1.1.1. Agricultural productivity in selected crops is increased and value chains are developed	Output-outcome: <ul style="list-style-type: none"> • Farmers are willing to invest in farmlands to improve their livelihood. • The value chains promoted by AgroBIG have sufficient market potential. • GoE support for private sector development and empowerment maintained. • Outcome-impact: <ul style="list-style-type: none"> • Market-oriented selection of value chains is approved by regional authorities. • Good governance in attribution and use of financial resources ensured. • Climate resilience strengthened and climate variability remains within known parameters. 	<ul style="list-style-type: none"> • Financing of AgroBIG project phase I during 2016-2017 and phase II during 2017-2021. • Counsellor and Advisor in Agricultural Growth and Land Administration. • Policy dialogue and active participation in sector coordination mechanisms (DAG's working group RD&FS).³¹
	1.1.2. Commercial orientation in the agricultural sector is strengthened; SMEs ³² and decent jobs are created and sustained	1.2. People in rural Ethiopia have land tenure security and are empowered to participatory land management to mitigate land degradation		

³¹ Rural Economic Development and Food Security.

³² Small and medium-sized enterprise.

³³ Sustainable Land Management Technical Committee.



IMPACT	OUTCOME	OUTPUT	Key assumptions linking outputs/ outcomes/impacts	Instruments and inputs
		1.2.2. Rural land administration and land use capacity is increased in Amhara and Benishangul-Gumuz regional states		
2. By 2025 people are empowered in WASH³⁴ practices, have access to clean water and enjoy improved health	2.1. People in rural Ethiopia have access to clean drinking water, sanitation and hygiene facilities in accordance with national standards and targets	2.1.1. National yearly targets for clean water coverage are achieved in the COWASH districts	Outcome-impact: <ul style="list-style-type: none"> • Water quality is monitored throughout the ONWP.³⁵ • Sanitation facilities are properly used and good hygiene practices are largely followed. • Output-outcome: • Good governance in attribution and use of financial resources is ensured. • GTP I³⁶ level clean water service target is maintained and achieved. • Sanitation and hygiene practices are efficiently promoted by several actors. 	<ul style="list-style-type: none"> • Financing of COWASH project phase II until 6/2016 and phase III during 7/2016–6/2019. • Counsellor and Advisor in WASH. • Policy dialogue and active participation in sector coordination mechanisms (CWA's³⁷ management meetings and DAG's³⁸ working group meetings).
		2.1.2. National yearly targets for community and institutional sanitation and hygiene coverage are achieved in the COWASH districts		

³⁴ Water, sanitation and hygiene.

³⁵ One WASH national programme.

³⁶ Growth and transformation plan, phase I.

³⁷ Consolidated WASH Account.

³⁸ Development Assistance Group.

ETHIOPIA

IMPACT	OUTCOME	OUTPUT	Key assumptions linking outputs/ outcomes/impacts	Instruments and inputs
	2.2. Communities are empowered to manage their WASH facilities and WASH behaviour	2.2.1. WASH facilities are managed by the communities in COWASH districts	<p>Outcome-impact:</p> <ul style="list-style-type: none"> • WASHCO legalisation facilitates the adoption of CMP by other funding mechanisms, especially CWA. • Gender-specific plans lead to WASH systems that better recognise women. • Output-outcome: • There is wide interest in CMP among communities, authorities and CWA partners. • The market for WASH systems is sufficiently attractive for private sector actors. • Women's improved status in communities contributes to their empowerment. 	<ul style="list-style-type: none"> • Financing of COWASH project phase II until 6/2016 and phase III during 7/2016-6/2019. • Contribution to CWA sector programme during 2017-2019. • Counsellor and Advisor in WASH. • Policy dialogue and active participation in sector coordination mechanisms • (CWA's³⁹ management meetings, DAG's⁴⁰ WSWG⁴¹ meetings).
		Output 2.2.2. Women's access to and control over WASH management and related entrepreneurship is increased in COWASH		
3. By 2025 equitable access to quality general education is assured for all children	3.1. Quality of general education is improved	3.1.1. Teaching and learning conditions in general education are improved	<p>Outcome-impact:</p> <ul style="list-style-type: none"> • GoE share of financing in education sector is maintained and share of general education financing gradually increased. • Continued pressure to expand system is likely to impact quality. Quality improvement is likely to take time, particularly when measured in improved learning outcomes. • Output-outcome: • GEQIP II financing gap will be met. • GEQIP III will receive adequate pooled financing. • GEQIP III maintains similar objectives. • GEQIP strengthens RBM approach. 	<ul style="list-style-type: none"> • Financing to GEQIP II and III, active participation in GEQIP II follow-up and GEQIP III preparation. • Education counsellor and local advisor. • Policy dialogue. • Active participation in sector coordination mechanisms (DAG's ETWG⁴²).

³⁹ Consolidated WASH Account.

⁴⁰ Development Assistance Group.

⁴¹ Wash Sector Working Group.

⁴² Education Technical Working Group.



IMPACT	OUTCOME	OUTPUT	Key assumptions linking outputs/ outcomes/impacts	Instruments and inputs
		3.1.2. Institutions at different levels of education management are strengthened		
	3.2. Access and equity of general education is increased	3.2.1. Barriers to girls' and children's with disabilities access and participation are reduced	Outcome-impact: <ul style="list-style-type: none"> • Political will to make tangible commitments to equity agenda is maintained. • Funding for related programmes such as PSNP⁴³ continued. • Data quality allows analysis of achievement of results. • Commitment maintained to address regional disparities. • Output-outcome: • Intersectoral collaboration is in place to increase access and reduce barriers. • Donors work together to advance equity agenda. • Education in emergencies is well coordinated. • GEQIP III will be better targeted to addressing equity and inclusion. • M&E system to monitor results is strengthened. • It is expected that the positive impact of bilateral project interventions will continue to be reflected in expanding resource centre networks and increasing enrolment of children with special needs, especially in the project's target regions. 	<ul style="list-style-type: none"> • As above and • Possible provision of technical assistance and strategic support towards the specific outputs. • Finland leading the dialogue and coordination on inclusive education. • Contribution of COW-ASH and CWA to building school latrines, contribution of CSOs.
		3.2.2. The inclusive education support system is strengthened		

⁴³ Protective safety nets programme.



MINISTRY FOR FOREIGN
AFFAIRS OF FINLAND

<http://formin.finland.fi/developmentpolicy>