



Ethiopia Country Program Evaluation 2003-2004 to 2008-2009

Synthesis Report



Evaluation Directorate
Strategic Policy and Performance Branch
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LIST OF ACRONYMS

AfDB	African Development Bank
APPR	Annual Project/ Program Performance Report
CANGO	Canadian Network of Non-Governmental Organizations in Ethiopia
CDPF	Country Development Programming Framework
CEAA	Canadian Environmental Assessment Act
CHF	Canadian NGO formerly called Canadian Hunger Foundation
CIDA	Canadian International Development Agency
CPB	Canadian Partnership Branch
CPPR	Country Program Performance Report
CSO	Civil Society Organization
CSR	Civil Service Reform Program
CSSP	Civil Society Support Program
DAG	Development Assistance Group
DBS	Direct Budget Support
DFAIT	Department of Foreign Affairs and International Trade
DFID	Department for International Development (UK)
DPRO	Direct Poverty Reduction Operation
DWG	Donor Working Group
ECCO	Ethiopia-Canada Cooperation Office
ECPE	Ethiopia Country Program Evaluation
ESSP	Ethiopia Strategy Support Program
EU	European Union
FS	Food Security
FSARD	Food Security, Agriculture and Rural Development
FSP	Food Security Project
GBS	General Budget Support
GE	Gender Equality
G(E)F	Gender (Equality) Fund
GFATM	Global Fund to Fight AIDS, Tuberculosis and Malaria
GoC	Government of Canada
GoE	Government of Ethiopia
HAPCO	HIV/AIDS Prevention and Control Office
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IMF	International Monetary Fund
INGO	International Non-Government Organization
JBS	Joint Budget Support
JCC	Joint Coordination Committee
JSEP	Justice Sector Enhancement Project
JSRP	Justice Sector Reform Programme
LFA	Logical Framework Analysis
MDG	Millennium Development Goals
MDTF	Multi-Donor Trust Fund
M&E	Monitoring and Evaluation
MERET	Managing Environmental Resources to Enable Transitions to more sustainable livelihoods
MoARD	Ministry of Agriculture and Rural Development
MoCB	Ministry of Capacity Building
MoFED	Ministry of Finance and Economic Development
MoH	Ministry of Health
MOPAN	Multilateral Organization Performance Assessment Network
MOU	Memorandum of Understanding
NEWA	Network of Ethiopian Women's Association
NGO	Non-Governmental Organization
ODA	Official Development Assistance

OECD	Organization of Economic Cooperation and Development
PAD	Project Approval Document
PASDEP	Plan for Accelerated and Sustainable Development to End Poverty
PBA	Program Based Approach
PBS	Protection of Basic Services
PFM	Public Finance Management
PFS	Partnership for Food Security
PIP	Program Implementation Plan
PMF	Performance Measurement Framework
PPR	Project Performance Report
PRSP	Poverty Reduction Strategy Paper
PSCAP	Public Sector (Reform) Capacity Building Program
PSNP	Productive Safety Net Programme
PSU	Program Support Unit
RBM	Results Based Management
RED-FS	Rural Economic Development and Food Security
SAE	Strengthening Aid Effectiveness
SDPRP	Sustainable Development and Poverty Reduction Program
SEA	Strategic Environmental Assessment
SNCP	Safety Net Consolidation Project
SRAF	Strategic Results Assessment Framework
SWAp	Sector Wide Approach
TBS	Treasury Board Secretariat
TWRDB	Tigray Water Resource Development Bureau
UNDP	United Nations Development Programme
UNFPA	United Nations Family Planning Agency
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WAD	Women's Affairs Department
WB	World Bank
WB-FSP	World Bank Food Security Project
WFP	World Food Programme

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EXECUTIVE SUMMARY

The purpose of the Evaluation was to assess the overall performance and results of CIDA's intervention in Ethiopia from 2003-2004 to 2008-09, a period which corresponds to the implementation of the Agency's Country Development Program Framework (CDPF) for 2004-2009. Over that period, CIDA's expenditures in Ethiopia increased substantially.

Ethiopia context

Approximately, 80% of Ethiopians live on less than US\$2 per day. Per capita GDI is US\$220. UN Human Development indicators in Ethiopia are among the lowest in the world, 171 out of 182 countries. The country has been exposed to the long-term and complex development challenges of drought, soil erosion and demographic pressure, all contributing to severe and chronic food security problems. However, the Government has demonstrated a strong commitment to poverty reduction by adopting its "Sustainable Development Poverty Reduction Program (SDPRP)" in 2002 and its "Plan for Accelerated and Sustained Development to End Poverty" in 2006. There have been significant progress and improvements on human development recently.

According to an International Monetary Fund (IMF) and World Bank report 'HIPC Initiative – Status of Implementation' (2006), Ethiopia has one of the most pro-poor budgets in Africa. Coupled with its improving financial management, relatively low levels of corruption and impressive progress towards the Millennium Development Goals (MDGs), there is a general consensus that Ethiopia is a country of considerable potential and contributes to stability in a region plagued by conflict and deepening poverty.

The Government's commitment to the poverty reduction has been founded on four pillars: 1) Agricultural Development Led industrialization, 2) Governance, Empowerment, and Decentralization to the regions, 3) Justice System and Civil Service Reform, and, 4) Capacity Building for both Private and Public Sectors.

Over the last ten years, the country has become one of the largest recipients of international assistance from the donor community. From

\$318 million in 1997, assistance peaked at \$1,083 million in 2005. Net ODA amounted to \$2 billion in 2006. External grants account for 31% of the national budget, with such high aid volumes, the country is very dependent on foreign aid.

Ethiopia has made rapid and recent progress on key MDG indicators in education, literacy and health. However, progress on other indicators remains slow, including income poverty and access to safe water. As such, Ethiopia's ability towards MDG completion is still considered fragile and cannot be taken for granted.

Following the contested results of the 2005 elections, the government has responded by progressively diminishing democratic space and limiting political freedom. In response to the post-election crisis of 2005, members of the donor community reacted by withdrawing General Budget Support (GBS) to the Government of Ethiopia. Some donors, including CIDA, also limited or suspended direct transactions with government in favour of other development actors. The withdrawal of GBS did not significantly reduce foreign assistance to Ethiopia, however, as all major donors, including CIDA, continued to support large-scale anti-poverty programs. Meanwhile, new donors like China and India, less concerned about governance and democratic reforms, have increased their influence in Ethiopia, making the development assistance context more complex. Today, the international community remains divided over the most effective handling of democratic governance in Ethiopia.

Evaluation Approach and Methodology

The method and approach adopted for the Ethiopia Country Program Evaluation comply with Treasury Board requirements as well as the Federal Accountability Act. In this regard, the evaluation assesses the performance of CIDA's Ethiopia Program in terms of eight internationally accepted evaluation criteria: i) relevance, ii) effectiveness/results, iii) sustainability, iv) coherence, v) efficiency, vi) management principles/Paris Declaration, vii) cross-cutting issues, viii) performance management/monitoring and evaluation.

In keeping with the Government of Ethiopia's poverty reduction strategies and development priorities, CIDA's CDPF emphasized two key

priority areas: Food Security/Agriculture and Governance/Capacity Building. In addition, the CDPF established poverty reduction budget support as a core modality. Cross-cutting themes of Gender Equality, HIV/AIDS and Environmental Sustainability were to be mainstreamed as appropriate in each of the CDPF priority areas.

The Ethiopia Country Program Evaluation has the following objectives:

- To analyze the overall performance of CIDA's interventions in Ethiopia;
- To assess the performance and results of the various delivery mechanisms;
- To document lessons learned; and
- To formulate recommendations to improve the performance of current or future strategies for CIDA's program in Ethiopia.

Before the approval of the CDPF, Canadian ODA for Ethiopia stood at a yearly average of \$37.5 million for the 1998-2003 period. From 2004, ODA increased rapidly to approximately an annual average of \$120 million, including all delivery channels. During the first four-years (2004-2008) of the CDPF period (2004-2009), for which data were available, CIDA's total expenditures in Ethiopia were \$532,956,062.

For the purposes of this evaluation, a sample of 27 initiatives was selected for review, out of a total of 81 initiatives (in the range of \$500,000 and above) in the current CDPF timeframe. Together the sample of 27 initiatives represents \$247,402,157 or 46% of total CIDA investments in Ethiopia for the period under review. Of these 27 sample initiatives, 62% were from Bilateral, 26% were from Multilateral and 11% from Canadian Partnership. Seven initiatives in the sample began before the CDPF 2004-2009 took effect and 12 will continue beyond it. Projects/programs in the sample were rated on a scale of 0-5 from highly unsatisfactory to highly satisfactory. Analysis of sample initiatives helped inform findings and conclusions on CIDA program performance in Ethiopia.

Main Findings

Overall, within the contextual challenges in Ethiopia, the main dimensions of CIDA's program have been well implemented and delivered in conformity with the policy and

programming intent articulated in the CDPF. Despite justifiable modifications, the Ethiopia Program has generally been found to be very relevant and effectively managed for results, with important, and in some cases, impressive results achieved, despite the fragile political context in the country and the considerable internal changes at CIDA. The evaluation team concludes that CIDA has emerged, during this CDPF period, as a trusted, knowledgeable and reliable development partner in the newly aligned and harmonized ODA environment. CIDA has demonstrated dexterity in balancing commitment to Paris Declaration Principles with a constructive and sustained message on human rights and democratic governance.

Two of the main priority areas of the CDPF: Food Security/Agriculture, and Governance/Capacity Building - were generally perceived to be well aligned with the most critical development needs of the people of Ethiopia as well as with the Government's poverty reduction strategies. The other priority area, Protection of Basic Services (PBS), which replaced General Budget Support after 2005, was seen to be a measured and effective response which continued support for poverty reduction while balancing this with risk mitigation and a coordinated message on democratic governance. All three priority areas of the CDPF were rated as satisfactory in terms of their performance against the evaluation criteria.

Among the eight evaluation criteria applied, relevance, coherence, management principles and effectiveness received the highest overall ratings across all program areas. Sustainability and the cross-cutting issues were given the lowest overall ratings. In terms of Ethiopia Program performance, some key challenges emerge: 1) whether PBS remains the most appropriate program umbrella for CIDA to continue its support for community level basic service delivery in Ethiopia; 2) how to address the complexity, slowness and uncertainty of CIDA's program approval process which tends to undermine Agency influence vis-a-vis the joint donor community, the Government of Ethiopia and CSOs; 3) how to more strategically manage CIDA's mainstreaming and promotion of cross-cutting issues; and 4) defining the relative importance of, role and strategy for civil society strengthening within CIDA's Ethiopia Program, which is seen to have been somewhat neglected since 2004.

The following represent summary conclusions on Ethiopia Program performance against the eight evaluation criteria:

1. Relevance: The Ethiopia Program was found to be relevant to poverty reduction and the MDGs generally, to the Government of Ethiopia poverty reduction plans, as well as to CIDA policy and program priorities. Relevance received the highest performance rating across all evaluation criteria (4.8 as compared to the overall average of 3.8).

2. Effectiveness/Results: The Program was found to be effective and the evaluation concluded that CIDA has made considerable contributions to results achievement in Ethiopia for the period under review. World Bank indicators for Ethiopia suggest that the poor have achieved increased access to resources and services, attained greater food security and improved health indicators. This has contributed to considerable progress on several MDG indicators. Although some international indicators for democratic governance have regressed during the period under review (voice, political stability and accountability), other indicators which correspond to areas of programming investment for CIDA (fiscal accountability, financial management, administrative efficiency in service delivery, greater equality in resource distribution, justice sector reform) have improved since 2004. CIDA is also seen to have been strategic in the use of the different programming mechanisms at its disposal to ensure an ongoing contribution to the effectiveness of program design and delivery.

3. Sustainability: When examining the sustainability of CIDA's development interventions, this criterion received the lowest performance rating across all the evaluation criteria (2.5 compared to an average of 3.8) and results tend to be mixed. On the one hand, the Government of Ethiopia is committed to accelerating achievement of the MDGs and devotes an increasing proportion of its resources to pro-poor development. The Government also invests considerable resources to improve its institutional efficiency and technical capacity. On the other hand, human resource capacity is weak, limiting the sustainability of Government capacity building efforts¹. In addition, the effects

of the economic crisis, deepening climate change, levels of demographic growth, and frequent humanitarian emergencies, point to a continued dependence on international aid for Ethiopia in the foreseeable future.

4. Coherence: Evaluation findings reveal that CIDA's program in Ethiopia has demonstrated considerable continuity over the last decade, contributing to program coherence and knowledge building. There appears to be internal coherence within each CDPF program area. CIDA has regularly reviewed progress in each program area and taken steps to improve program coherence, as well as to identify and fill gaps as they emerge. All three priority areas were rated as satisfactory in terms of coherence. CIDA has also generally demonstrated leadership in coordinating/ harmonizing with and complementing the work of other donors. This is reflected in CIDA's role in designing PBS and reactivating parliamentary support after the 2005 post-election crisis. However, building coherence across the three program areas has had mixed results and remains a work in progress. Building coherence across delivery channels, under the umbrella of the CDPF and within the context of a decentralized program, has also proven very challenging. The Ethiopia Program did find informal means of exchanging information and building some productive collaboration between CIDA's three programming branches – Bilateral, Multilateral and Canadian Partnership. The coherence between the Ethiopia Program and the Department of Foreign Affairs and International Trade (DFAIT), in particular the importance of working together to manage risks while delivering development aid effectively, constitutes one of the key lessons from this evaluation. However, if CIDA is going to engage in implementing a truly integrated country program strategy, in accordance with aid effectiveness principles, it must identify formal means and coordinated structures through which this can take place.

5. Efficiency: Under efficiency, the evaluation was asked to assess CIDA's performance in the operation and management of the CDPF. Despite considerable internal and external changes, the Ethiopia Program was seen to have been efficiently managed. Of particular

low income countries, in particular high staff turnover due to inadequate salaries and incentives.

¹ The GoE is committed to civil service reform but suffers from the same problems seen in many other

note were the recruitment and deployment of skilled human resources, the strategic use of different delivery mechanisms to respond to changes in program context, and the innovation of new management tools and processes to meet the demands of new aid modalities. Areas where efficiency could be improved include reducing the time and complexity of program approval procedures at CIDA, and developing a management plan to guide the delivery and performance assessment of the CDPF. Also, it has been recognized that limited progress has been made at CIDA Headquarters to provide the management and organizational instruments to facilitate the effective implementation of a bilateral country programme in accordance with aid effectiveness and the Paris Declaration. These are Agency-wide challenges and not particular to the Ethiopia Program.

6. Management Principles/Paris Declaration:

In the context of performance management, monitoring and evaluation of activities, CIDA is seen to have effectively promoted the principles of ownership, alignment and to some extent harmonization, by thoughtfully and coherently balancing support to the poverty reduction agenda of the Government of Ethiopia, while providing a consistent and coordinated message on human rights and democratic governance. Investment in Program Based Approaches (PBAs) provides CIDA with access to information as well as a seat at the policy dialogue table with government. However, CIDA's lengthy approval processes, along with its decision to maintain transactional distance from the Government of Ethiopia since the 2005 post-election crisis, place some limits on CIDA's ability to align and harmonize its aid program.

7. Cross-cutting Issues: Overall ratings were generally low with regard to CIDA performance in mainstreaming cross-cutting issues (they were given an average of 2.7 across the three priority areas). However, it is important to examine each of the cross-cutting issues separately. CIDA is perceived as a leader in the promotion of equality between women and men in Ethiopia. While equality results are mixed on the Ethiopia Program due to external, contextual challenges, it is generally observed that little investment would likely have been made by Government of Ethiopia or other donors within the major PBAs, without CIDA's continual policy dialogue efforts and program investments in training and technical assistance. In relation to

HIV/AIDS in the CDPF, a fund has recently been set up and tools were developed to support mainstreaming. Multilateral and Canadian Partnership Branches investments have contributed to results achievement in HIV/AIDS prevention and care. However, efforts to integrate HIV/AIDS considerations across the Ethiopia Program have generally been diffuse and ad hoc, with greater visibility in Food security than in governance. Environmental sustainability is effectively promoted on Food security while EACC requirements are fulfilled in governance. Efforts on all three cross-cutting issues would have benefited from more explicit program strategies in the CDPF, including purpose, results, resource needs and accountability frameworks.

8. Performance Management/Monitoring and Evaluation:

CIDA's performance in managing for results in Ethiopia is generally good. Innovative and progressive attempts have been made to assess performance at the country program level, with efforts increasing during the latter half of the CDPF period, after the contracting of a Monitoring and Evaluation advisor at the Ethiopia-Canada Cooperation Office (ECCO). In terms of mutual accountability, CIDA has contributed significantly to capacity building of Government of Ethiopia in RBM / monitoring / evaluation. Most importantly, CIDA has taken a leading role in efforts to develop a Poverty Reduction Strategy performance matrix against which the Government can assess performance, as well as contributing significantly to joint donor supervision missions and mid-term reviews on PBAs. While CIDA and other donors did not foresee the post-election crisis of 2005, CIDA has played a leadership role in joint-donor risk analysis, joint performance monitoring and analysis as well as evidence-based policy dialogue in the governance arena since that time.

9. Delivery mechanisms and channels: The evaluation was also tasked with examining the relative performance of the various delivery mechanisms used by CIDA in Ethiopia, including directive projects, responsive projects and core funding, as well as the three main delivery channels (bilateral, multilateral and partnership). Despite limitations in comparing initiatives which differ vastly in scope, size, intent and level of intervention, the evaluation has found little observed difference in average ratings across

delivery mechanisms. All received generally satisfactory ratings. It was concluded that all delivery mechanisms have their strengths and challenges – that each mechanism has its place within a diversified and strategically managed country program portfolio. While the 2004 CDPF marked a shift for CIDA towards investment in PBAs and a move away from project modalities, the Agency is now seen to be moving towards a more balanced investment portfolio, with projects viewed as an effective means to fill gaps left by PBAs and to test new approaches which PBAs can eventually scale up.

With regard to delivery channels, no major differences were highlighted in rankings between bilateral, multilateral and partnership channels. All appear to play a distinct and useful role in the context of the Ethiopia Program. Before the CDPF, CIDA's programming was heavily tilted toward multilateral assistance. After approval of the CDPF in 2004, with its emphasis on longer-term development and aid effectiveness approaches (i.e. PBAs), that balance shifted in favour of the bilateral program of Africa Branch. Bilateral programming was perceived as effective in leveraging Canada's policy dialogue efforts. Multilateral programming was perceived as effective in expanding CIDA's reach and capitalization on economies of scale. Partnership programming was perceived as being more able to reach different categories of beneficiaries, to mobilize a wider range of Canadians skills and to leverage other sources of funding.

General Conclusion

The designation of Ethiopia as a country of focus in 2002, and approval of the CDPF in 2004, resulted in several important programming shifts: a significant increase in budget; decentralization of key positions, including the Country Program Director; a shift towards longer-term development strategies; and a focus on investment in new aid modalities. In addition to this, the development context in Ethiopia has been relatively uncertain and volatile. The post-election crisis of 2005 required CIDA, as a part of the international donor community, to review and adjust several aspects of its CDPF: suspension of General Budget Support in favour of Protecting Basic Services (PBS); and maintaining transactional distance with GoE in the negotiation of any investment post-2005.

CIDA's Ethiopia Program performance for the period 2004-2009 must be assessed in light of these profound changes in context.

In conclusion, despite significant organizational, management and contextual transformations during the CDPF period, most dimensions of the Ethiopia Program evolved very well. CIDA emerged as a leader in the newly aligned and harmonized ODA environment. The Agency has judiciously acted to reduce risks related to the delivery of aid to Ethiopia. It is concluded that CIDA's Program in Ethiopia was largely effective, and has established a firm foundation upon which further progress can be made during the next CDPF period.

There are, however, some overriding issues that continue to confront the Agency in its quest for ongoing program performance improvement:

- The form and substance of continued assistance to Ethiopia in compliance with the Paris Declaration Principles and the Accra Agenda - balancing aid effectiveness principles with ongoing political governance concerns (the forthcoming federal election in Ethiopia in 2010 will likely be a challenge in this regard).
- The form and substance of organization and management processes, structures and tools necessary to improve aid effectiveness within the context of new aid modalities and more decentralized program management. What has the Agency learned from the experience of the past five years, in Ethiopia and in other countries of focus, which can guide the development of new management processes?
- How to overcome the complexity, slowness and unpredictability of CIDA's approval process which dilute its ability to conform with Paris Declaration Principles, as well as diminishing its leadership role and credibility in the donor community?
- PBS in the 2005 context was a good substitute for GBS. To what extent today does it remain the most appropriate program umbrella for support to basic service delivery to the rural poor in Ethiopia?
- How best to define the relative importance and role of civil society within CIDA's Ethiopia Program, the purpose and

expected results of CIDA support across areas of intervention, along with the strategies and resources needed to achieve expected results?

Program Level Recommendations

Recommendation #1: In the interests of continuity, coherence and adherence to Paris Declaration Principles, the Ethiopia Program should maintain its program focus in the existing CDPF areas of Food security and Governance/Capacity building as well as the Protection of Basic Services. The significant knowledge and credibility that CIDA has garnered, along with the significant development results achievement it has contributed to in Ethiopia, should be maintained, built on and further fostered.

Recommendation #2: The Ethiopia Program should develop a realistic and measurable performance framework, accompanied by a multi-year program management plan, to guide the delivery and ensure the evaluability of its next CDPF. The management plan should address all aspects of CIDA's work in achieving development results in Ethiopia, including program delivery, joint donor coordination and policy dialogue as indicated in the Management's response to the Office of the Auditor General's report.

Recommendation #3: The Ethiopia Program should improve the comprehensiveness of approaches for the mainstreaming of cross-cutting issues, including the identification of expected results, financial and human resource needs. In addition, the Ethiopia Program should consider limiting cross-cutting issues to equality between women and men and environmental sustainability.

Recommendation #4: The Ethiopia Program should continue to work closely with other donors to support civil society initiatives and promote knowledge sharing and other learning opportunities. These initiatives should be carried out in consultation with the Canadian Partnership Branches.

Recommendation #5: The Ethiopia Program should maintain the relative balance it has achieved in the management of different delivery mechanisms, with a particular emphasis on continued access to flexible, including local

funds, used to support knowledge building, innovation, the identification of new program opportunities and the filling of strategic program gaps as they emerge.

Recommendation #6: The Ethiopia Program has already achieved greater influence within the Development Assistance Group (DAG) structure than CIDA's financial contribution would suggest. CIDA's efforts to date through strategic intellectual and technical contribution to the DAG and encouragement of a more effective division of labour among donor partners should be actively pursued under the next CDPF.

Recommendation #7: The Ethiopia Program should continue its effective support to monitoring/evaluation/RBM, both in the context of joint donor assessment processes as well as in the context of technical assistance to the Government of Ethiopia.

Recommendation #8: Being decentralized, the Ethiopia program should consider formalizing annual meetings between CIDA HQ, Embassy and ECCO as a way to sustain sound program management practices in terms of planning, monitoring, reporting and accountability.

Corporate Level Considerations

Consideration #1: CIDA needs to review its CDPF planning, management and monitoring procedures and requirements, to ensure improved standardization and accountability, as well as alignment with CIDA's engagement in new aid modalities.

Consideration #2: CIDA needs to reduce the complexity, length of time required and unpredictability of its program approval processes, all of which contribute to limit adherence to Paris Declaration Principles, increase the transaction costs associated with country program delivery, and undermine its credibility with development partners.

Consideration #3: For purposes of increasing efficiency and effectiveness, CIDA should consider more effective ways of developing better synergies between the Ethiopia Program, Embassy's staff and the ECCO-based specialist support and advisory team.

INTRODUCTION

This Ethiopia Country Program Evaluation (ECPE), the first undertaken by CIDA in that country, was realized from October 2008 to November 2009. The purpose of this evaluation exercise was to assess the performance, relevance, effectiveness and results of CIDA's Development Aid to Ethiopia. In particular, it evaluated the Agency's achievements from 2004 to 2008; i.e. during the implementation of CIDA's Country Development Program Framework (CDPF) for 2004-2009. More specifically, the objectives were:

- To analyze the overall performance of CIDA's interventions in Ethiopia, in terms of relevance, effectiveness, sustainability and risk, coherence, efficiency, management principles, attention to cross-cutting issues, and monitoring/evaluation;
- To assess the performance and results of the various delivery mechanisms (program-based approaches, directive programs, responsive programs, multilateral programs, partnership interventions, etc.);
- To document lessons learned from the experiences of the Government of Ethiopia, CIDA and other international stakeholders; and
- To formulate recommendations to improve the performance of current or future strategies for CIDA's program in Ethiopia, including the next CDPF.

The evaluation assessed the main areas of intervention included in the CDPF: Governance/Capacity Building; Food Security/Agriculture; and General Budget Support/Protecting Basic Services. It also addressed the cross cutting issues of Equality between women and men, HIV/AIDS and Environmental sustainability, as well as performance across CIDA's various delivery mechanisms and channels.

In order to undertake the evaluation, CIDA engaged a team of five consultants (four Canadians and one Ethiopian). The team's efforts were guided and supported by the Agency's Evaluation Directorate, which provided background analysis and guidance, and facilitated access to CIDA staff at Headquarters and in the field.

This Evaluation Synthesis Report on CIDA's Ethiopia Program is structured as follows:

- Chapter 1 – provides background on the Ethiopia development context;
- Chapter 2 – provides an overview of CIDA's programming in Ethiopia over time;
- Chapter 3 – presents the evaluation scope, methodology and limitations;
- Chapter 4 – outlines major results achieved in each CDPF priority area;
- Chapter 5 – assesses Ethiopia Program performance against key evaluation criteria and issues;
- Chapter 6 – analyzes performance across CIDA delivery mechanisms and channels; and
- Chapter 7 – summarises evaluation conclusions, lessons and recommendations.

1. ETHIOPIA DEVELOPMENT CONTEXT: BACKGROUND

1.1 Social, Environmental and Political challenges

Ethiopia is the second most populous country in Africa. Its population is 79. million and growing at an annual rate of 2.6%. Life expectancy at birth is 52 years, infant mortality rate (per 1000 live births) is 79.7 and female youth literacy rate (15 – 24 years) is 38.5%. Gross National Income per capita is US \$220, and the prevalence of HIV in the 15-49 cohort of population is 2.1%.² The country's economy is reliant on a few sectors and remains highly vulnerable to external shocks. Agriculture, which accounts for almost 46% of the Gross Domestic Product, is mostly rain-fed and very vulnerable to changing weather patterns. According to World Bank estimates, 81% of the population lives on less than \$2 a day. There are fairly even levels of poverty throughout the country, including both rural and urban areas.

Over the years, Ethiopia has suffered the long-term and complex development challenges of drought, soil erosion and demographic pressure, all contributing to severe and chronic food security problems. For example, chronic food insecurity currently affects roughly 10% (over 8 million people) of the population. When affected by extreme events, such as the 2003 drought, millions more need emergency assistance. This situation itself has exacerbated a wide range of health problems, including communicable and vector-borne diseases such as malaria.

Politically, the Ethiopian People's Revolutionary Democratic Front (EPRDF) has dominated the country's landscape since taking power in 1991. In 2000, the first multi-party election was organized. Five years later, the EPRDF was re-elected. Opposition supporters, alleging fraud, protested the results. The protests turned violent and were met with a harsh response. Nearly 200 protesters were killed and many more were arrested. The international community responded by suspending General Budget Support (GBS). Despite the suspension of GBS and ensuing diplomatic pressure the Government continues to limit democratic space. This situation is expected to continue with the approach of the 2010 elections.

1.2 Government of Ethiopia Poverty Reduction Strategies and Priorities

In 2002, the Government of Ethiopia adopted a five-year poverty-reduction strategy, entitled the "Sustainable Development Poverty Reduction Program (SDPRP)". This strategic paper spelled out the Government's commitment to the international community in the following areas: Democracy, Poverty Reduction and the Millennium Development Goals. More specifically, that plan was founded on four pillars: 1) Agricultural Development Led Industrialization, 2) Governance, Empowerment, and Decentralization to the regions, 3) Justice System and Civil Service Reform, and, 4) Capacity Building for both Private and Public Sectors. In 2006, a second five-year plan entitled "A Plan for Accelerated and Sustained Development to End Poverty (2005-06 to 2009-10)" (PASDEP) was adopted. It reinforced the Government commitment to put economic growth at the centre of its development strategies, with agricultural development led industrialization at the centre.

² World Bank 2006

1.3 Development Assistance in Ethiopia: contextual changes and challenges

Although one of the world's poorest countries (171 out of 182 on the UN Human Development Index), Ethiopia has evolved as a highly independent-minded state with strong, central leadership and a well-honed and protective view of its national identity and sovereignty. This independence elicits both admiration and frustration among the donor community.

On the one hand, there is a sense that Ethiopia has made progress towards democracy over the last 14 years. Coupled with its successful economic record, commitment to poverty alleviation and impressive progress towards the MDGs, there is a feeling that this is a country of considerable potential and contributes to stability in a region plagued by conflict and deepening poverty. As such, the country has become one of the largest recipients of international assistance from the donor community. From \$338 million in 1997, assistance peaked at \$1,150 million in 2007.

On the other hand, the 2005 political crisis and its aftermath have presented the donor community with significant challenges in terms of respecting their commitments to Paris Declaration Principles and coordinating a common response to political governance concerns. All major donors to Ethiopia, including CIDA, withdrew General Budget Support in response to the post-election crisis, but have continued to support anti-poverty programs, including targeted support for basic service delivery, using other aid delivery mechanisms.

Since 2005, there has been a concerted and coordinated attempt by the international donor community in Ethiopia to engage the Government through policy dialogue on issues of democracy and political governance. Despite these efforts, the democratic space in this country is seen to have been reduced since 2005. Political parties have been constrained through both legal and extra-legal means; restrictive electoral, broadcast and mass media legislation has been enacted; and the Government recently passed the Charities and Societies Proclamation, imposing significant restrictions on local and international NGOs working in the fields of governance and human rights.

While Ethiopia continues to represent a country in significant need of development assistance, with considerable potential for poverty reduction, economic growth and improved public sector management, the donor community is challenged in coordinating a common response to the fragility of Ethiopia's progress on democratic governance.

Table-1 below illustrates the Overall Development Assistance (ODA) by country to Ethiopia from 1997 to 2007. The US provided the largest amount of development assistance, during 1997-2007, while Canada ranked the seventh donor in size of investment in Ethiopia.

#	Donors	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
1	United States	\$60	\$53	\$77	\$130	\$94	\$156	\$568	\$402	\$609	\$316	\$372	\$2,837
2	United Kingdom	\$22	\$13	\$12	\$11	\$28	\$44	\$63	\$147	\$75	\$165	\$292	\$871
3	Germany	\$58	\$63	\$37	\$39	\$26	\$41	\$48	\$126	\$50	\$57	\$96	\$641
4	Italy	\$32	\$46	\$19	\$26	\$14	\$49	\$48	\$11	\$87	\$105	\$75	\$512
5	Netherlands	\$35	\$37	\$31	\$26	\$44	\$35	\$57	\$58	\$59	\$50	\$51	\$482
6	Japan	\$37	\$26	\$40	\$34	\$52	\$51	\$57	\$33	\$34	\$58	\$36	\$459
7	Canada	\$13	\$11	\$15	\$11	\$12	\$7	\$38	\$59	\$65	\$62	\$91	\$385
8	Sweden	\$36	\$31	\$19	\$21	\$21	\$21	\$29	\$51	\$68	\$42	\$45	\$382
9	Ireland	\$16	\$17	\$17	\$22	\$21	\$25	\$33	\$42	\$44	\$51	\$59	\$347
10	Norway	\$28	\$27	\$24	\$24	\$16	\$28	\$37	\$34	\$38	\$42	\$34	\$333
	Total	\$338	\$324	\$292	\$342	\$328	\$457	\$977	\$964	\$1,129	\$947	\$1,150	\$7,249

Source: [OECD Stats website](#) in millions of US\$

2. CIDA'S PROGRAMMING IN ETHIOPIA

Since the approval of CIDA's current Country Development Program Framework (CDPF) for Ethiopia in 2004, there have been a number of important factors, both external and internal to CIDA, which have affected its delivery. Notably, the post-election crisis of 2005 was a pivotal moment, significantly shifting the external development context as well as influencing internal decision-making at CIDA. The performance of CIDA's Ethiopia Program must be understood within this context of considerable internal change and external volatility.

2.1 External factors influencing the delivery of CIDA's Ethiopia Program

- Up to 2005, there was a trend towards much greater harmonization among donors on both policy dialogue and program implementation, including considerable development and increasing sophistication of joint donor architecture and harmonization efforts.
- The CDPF period witnessed much increased investment by most of the larger donors in pooled funding and/or government-driven, program-based approaches.
- As previously indicated, the donor community faced considerable challenges in coordinating their response to the 2005 post-election crisis. While all major donors acted in concert to withdraw General Budget Support (GBS), there was less consensus around proposals to limit and/or even eliminate other forms of support to the Ethiopian Government. This period culminated in a donor conference in Paris in early 2006 during which donors confirmed the suspension of GBS. Three donors (CIDA, DfID and the World Bank) also agreed to go forward with planning a new program – Protecting Basic Services (PBS) – to reduce the risk of negative impact on the poor. Five other donors joined the PBS group later.
- After the post-election crisis and ensuing donor response in 2005, there was considerable reticence by the Government of Ethiopia to engage with the donor community on issues of democratic governance, while increasing limits were put on freedom of expression, political freedom and democratic dialogue.

2.2 Internal factors influencing the delivery of CIDA's Ethiopia Program

- Ethiopia's designation as a country of focus for CIDA in 2002 resulted in a rapid increase in the total volume of assistance, from \$37 million (200x) to \$118 million (200x) over the period under review.
- With the 2004 CDPF, CIDA made the decision to significantly increase its investment in new aid modalities through bilateral channels. The focus shifted from development of new projects to concentrated efforts to increase CIDA's participation in PBAs.
- The management of CIDA's Ethiopia Country Program was decentralized, with the Country Program Director based in Addis Ababa supported by an increased field staff complement, including an expanded program support unit (the Ethiopia-Canada Cooperation Office, ECCO).
- CIDA engaged in a reprogramming phase in 2005-2006. As seen above, CIDA and other donors suspended General Budget Support to the government as a response to the post-election crisis. At the same time, and as part of Canada's response to post-election events, it was decided to suspend all direct financial transfers to Government of

Ethiopia. All planned investments in government-led, multi-donor programs were re-designed for delivery through multilateral partnerships.

2.3 CIDA's Investment Profile in Ethiopia³

CIDA's programming focus and investment profile have evolved significantly over the last decade. From 1998 to 2003, (Table 2) CIDA's investment by sector in Ethiopia amounted to \$187,465,944 with over 40% of the Agency's total disbursements targeted in Improving Health , including Food security (\$77.7 million), followed by Emergency Assistance with 29% (\$54 million), Private Sector Development (\$18.7 million, mainly support to agriculture) and Democratic Governance (\$18 million).

Table 2: Ethiopia Disbursements by Sector 1998-2003 and 2004-2008⁴

Sectors of Focus	Disbursement by sector					
	1998-2003		2004-2008		Total	
	\$	%	\$	%	\$	%
Democratic Governance	\$18,143,680	10%	\$65,851,752	12%	\$83,995,432	12%
Emergency Assistance	\$54,009,103	29%	\$87,008,789	16%	\$141,017,892	20%
Environment	\$1,642,108	1%	\$6,722,495	1%	\$8,364,603	1%
Improving Health	\$77,657,475	41%	\$239,918,249	45%	\$317,575,724	44%
Other	\$13,275,812	7%	\$20,883,332	4%	\$34,159,144	5%
Peace and Security	\$1,150,312	1%	\$412,805	0%	\$1,563,117	0%
Private Sector Development	\$18,784,437	10%	\$91,959,795	17%	\$110,744,232	15%
Strengthening Basic Education	\$2,983,018	2%	\$22,371,961	4%	\$25,354,979	4%
Total	\$187,645,945	100%	\$535,129,178	100%	\$722,775,123	100%

An important shift in Canada's overseas aid programming occurred in 2002 when CIDA identified Ethiopia as a "country of focus". With the subsequent approval of CIDA's CDPF for Ethiopia in 2004, Canadian ODA rose significantly to an annual average of approximately \$120.0 million, including all delivery channels. The largest value occurred during FY 2005-2006 for a total of \$124 million. As seen in Tables 2 and 3, CIDA's total disbursements in Ethiopia from 2004-2008 amounted to an investment of \$535,129,178. Compared to the \$187,465,994 disbursed over the previous five-year period, this represents an almost three-fold increase in disbursements from one period to the other.

³ Please note that all the expenditure values reflected here are from IMTB generated reports, dated September and October 2008. Due to frequent CIDA database updates, the information provided here may need to be revisited from time to time in order to verify the accuracy of the data. However, irrespective of the slight difference in values, the expenditure trend analysis in this study still applies.

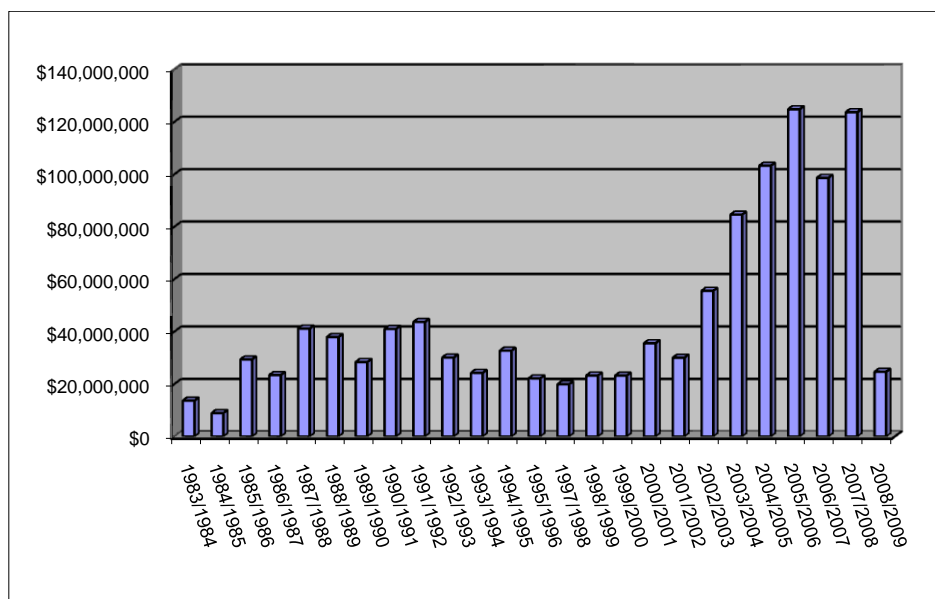
⁴ Based on CIDA's grouping of DAC sectors under "Sectors of Focus", current at the time of writing.

Table 3: Total Disbursements by Branch 2004-2008

Branch	Projects ⁵	% of Projects	Disbursement	% of Disbursement	Average Disbursement per Investment
Africa	58	18%	\$239,017,390	45%	\$4,120,989
Canadian Partnership	110	33%	\$24,234,756	4.6%	\$220,316
Multilateral	116	35%	\$268,864,608	50%	\$2,317,798
OD Governance	3	1%	546,199	0.1%	\$182,066
Communications	42	13%	\$293,109	0.05%	\$6,979
Total	329	100%	\$532,956,062	100%	\$1,611,835

During the pre-CDPF period, 70% of all disbursements was channelled through the Multilateral Program. Africa Branch provided 23% of the total disbursements, while Canadian Partnership Branch was responsible for 7% of the total disbursements. In comparison, as seen in the table above, the 2004-2008 period witnessed a relative decrease in reliance on Multilateral Branch for program delivery (a reduction from 70% to 50% of program investments) with a corresponding increase in program delivery through Africa Branch (from roughly 23% to 45%). Partnership Branch's proportion of program investments shrank slightly, from 7% to 4%.

Table 4: Disbursements Trends FY 1983 to Present



5 Concerning the term “Project” used in the disbursement tables: in these tables this term is used by CIDA as an all-encompassing term covering projects, programs and PBAs, and so it has been used in the same way here.

2.4 CIDA's Country Development Program Framework

The overall goal of CIDA's Ethiopia CDPF for 2004-2009 was to contribute to poverty reduction and sustainable development, in line with the implementation of the Government of Ethiopia's Poverty Reduction Strategy Program, in the following areas:

- *Food Security/Agriculture*: to contribute to achieving significant improvements in food security over the next five years.
- *Governance/Capacity Building*: to assist Ethiopia in strengthening its governance structures and processes.
- A third major programming area was General Budget Support (GBS). –CIDA's GBS program, known as the *Direct Poverty Reduction Operation (DPRO)*, was planned as a series of direct transfers to the Government of Ethiopia treasury in support of the government's overall poverty reduction strategy. DPRO was later suspended and replaced by more targeted support through the multi-donor Protecting Basic Services (PBS) Program.

Cross-cutting issues of Equality between women and men, environmental sustainability and HIV/AIDS were to be mainstreamed throughout CIDA's programming. See Appendix-A for an outline of the various sectors of intervention in the CDPF.

3. EVALUATION METHODOLOGY AND APPROACH

3.1 Evaluation Questions and Issues

The methodology and approach adopted for this evaluation comply fully with key standards in program evaluation, as recommended by international institutions such as the Development Cooperation Directorate (DCD) of the OECD-DAC. They also comply with the requirements of the Treasury Board Evaluation Policy and the generic Terms of Reference (TORs) used for this and other CIDA country program evaluations currently underway.

As per the evaluation Terms of Reference, the evaluation assessed the Ethiopia Program performance in terms of the following eight key criteria/issues: i) relevance, ii) effectiveness, iii) sustainability and risk management, iv) coherence, v) efficiency, vi) management principles/ Paris Declaration, vii) cross-cutting issues, and viii) monitoring and evaluation systems (See Key Questions in Appendix B). By applying this same evaluative framework across several different country program evaluations, the exercise is intended to provide CIDA management with an assessment it can compare and combine, to present an overall picture of current performance of the Agency's decentralized programs in its countries of focus.

The Ethiopia Country Program Evaluation was conducted in several stages: i) Firstly, an Evaluation Background Profile of CIDA's Program in Ethiopia was produced by CIDA's Evaluation Directorate to provide the evaluation team with a preliminary overview of the country program as well as background information on the evaluation scope and focus. ii) This was followed by a one-week scoping mission to Ethiopia in December 2008, carried out by CIDA's Evaluation Directorate; this mission helped to plan the evaluation and to further deepen discussion around key evaluation issues and questions. iii) The external evaluation team was then contracted in late February 2009. iv) The evaluation team undertook initial document review and data collection with respondents in Canada during March 2009. v) The evaluation team conducted a three-week mission to Ethiopia in April-May 2009. Data collection in Ethiopia consisted of key stakeholders interviews, focus groups, further document review as well as project site visits across the country. vi) On the basis of this data collection, subsequent data analysis, as well as debriefing/validation meetings with Canadian and Ethiopia Program staff in Ethiopia and at CIDA headquarters, a draft evaluation report (including a main technical report and three priority areas reports) was produced. vii) This draft was commented on extensively by CIDA and finalized in November 2009.

3.2 Evaluation Sampling

Because of the large numbers of projects implemented during the Ethiopia Program's current CDPF, CIDA's Evaluation Directorate selected a representative sample of initiatives from each of the three main program areas – FSARD, Governance and PBS - for the purposes of this evaluation exercise. Sample selection was based on criteria developed by the evaluation team and included the following:

- The relative size of each initiative in the sample as well as the sample's overall percentage of program budget by program area and for the CDPF as a whole.
- Attention was given to selecting a representative sample by program area which covered each of CIDA's delivery channels and types of investment.

- Attention was also given to selecting initiatives which were 'evaluable' – i.e. where appropriate evaluative information was available and access to key stakeholders was possible.

In terms of sample selection, 27 initiatives were eventually selected out of a total of 81 eligible investments in the above \$500,000 category. Together, that sample represents \$274 million or 46% of CIDA's total investment in Ethiopia for the period 2004-2008. Of these 27 sample projects, the highest proportion (62%) was from Africa Branch, while 26% were from Multilateral Branch and 11% from Canadian Partnership Branch. Bilateral projects represented 58% of the total sample funding, Multilateral 35% and Canadian Partnership 7%. Projects were divided almost equally between Core Funding and Directive projects accounting for 37% each of the total, while Responsive projects accounted for 26%. Seven projects in the sample began before the CDPF 2004-09 took effect and 12 will continue beyond it.

While this breakdown in the sample was not strictly representative of CIDA's investment profile in Ethiopia (for example, multilateral investments represent a higher proportion of overall investments for CIDA in Ethiopia than do bilateral), this selection was based on two considerations: CIDA's interest in learning about its performance on the new aid modalities, as well as the availability of external evaluation information which proved more accessible for bilateral than multilateral investments. For a list of the sample initiatives selected please see Appendix-B.

3.3 Data Collection and Analysis

The evaluation team sought to present a reliable and valid picture of the Ethiopia Program during the period 2004-2008. Based on the Terms of Reference (see Appendix C) and initial discussions with key evaluation stakeholders, an evaluation framework matrix was developed and revised based on feedback from CIDA. On the basis of this matrix, data collection instruments were developed, sources of information were identified, sampling was undertaken, and data collection methods were chosen.

There were three primary sources of data – documents, people, and site visits. Appendices D and E present the list of documents consulted and respondents contacted for the purposes of this evaluation. In addition, the evaluation team visited four regions of Ethiopia to conduct site visits on eight CIDA initiatives.

Data collection largely relied on semi-structured interviews with key stakeholders, focus group discussions and round table discussions as well as debriefing/ validation meetings with Canadian and Ethiopia Program staff in Addis Ababa and Gatineau. The triangulation of data from multiple sources was used to increase data reliability and validity.

Data analysis techniques included descriptive analysis of evaluation sample initiatives (by scope, size, delivery channel, investment type, results achievement, lessons learned); the rating of sample initiatives' performance according to key evaluation criteria; content analysis of documents and interview notes to draw out major themes and issues; and comparative analysis where feasible, comparing elements of the CIDA Ethiopia Program with those of other country programs at CIDA and/or with those of other bilateral donors in Ethiopia. Based on this analysis, the evaluation team identified findings, conclusions, recommendations and lessons learned linked to the key review questions outlined in the evaluation matrix. Debriefing meetings in Addis Ababa and Gatineau were used as an opportunity to involve key stakeholders in the final stages of data analysis while validating findings and conclusions.

3.4 Challenges and limitations of the Evaluation

As with all evaluations that are large in scope and scale, there were challenges that had to be addressed. The main challenges in conducting the Ethiopia Country Program Evaluation included:

- Undertaking a major program evaluation always presents constraints in terms of time and resources given the breadth of such evaluation.
- Inconsistencies and limitations with the quality and comparability of data available at CIDA with regard to coding and disbursements did not always permit a clear understanding of resource use. For example, the quantitative data provided by CIDA's Information Management and Technologies Branch (IMTB) to the evaluation, particularly those related to program investment, could not always be validated by the various Branches.
- Limited evaluative data was available for Multilateral and Canadian Partnership Branch initiatives. In addition, these Branches provided limited feedback on the technical report prepared by the consultants.
- Access to sample initiatives and key stakeholders in the field was significantly constrained due to a parallel exercise (Performance Audit) being conducted by Canada's Office of the Auditor General.
- The nature of donor-harmonized and government-led initiatives often complicated attribution of results to CIDA.

4. MAJOR RESULTS BY PROGRAM AREA

Overall, this evaluation has found that CIDA's Ethiopia Country Program, over the period 2004-2008, has been well formulated and delivered, and has made considerable progress towards achievement of its CDPF objectives. The following sections will summarize results for the three principal CDPF program areas, including General budget support/ Protecting basic services, Food security/Agriculture, and Governance/Capacity Building.

4.1 General Budget Support/ Protection of Basic Services

One CDPF objective was to support the Government of Ethiopia in the implementation of its poverty reduction strategy through General Budget Support (GBS) - a direct financial support that is unearmarked for a specific sector of government spending. Initially, a total budget of \$105 million, was to be disbursed in four tranches of \$25 million to the Government of Ethiopia through CIDA's Direct Poverty Reduction Operation (DPRO), leaving \$5 million for Technical Assistance and related expenses. A first tranche was released in January 2005. However, with events following the Ethiopian federal elections of 2005, all donors, including CIDA, suspended General Budget Support. Nevertheless, CIDA and other donors did not want to abandon the poverty reduction effort that was starting to demonstrate benefits for Ethiopia's most vulnerable people.

The Protection of Basic Services Program (PBS) was developed by CIDA and other donors to support the delivery of health, education, agriculture, and water services. PBS targeted support to sub-national levels to maintain and build on gains already made in scaling up basic services for the rural poor. The overall Protection of Basic Services program included four components:

- Component 1: Financing basic service delivery;
- Component 2: Improving access to basic health commodities;
- Component 3: Improved transparency and accountability in the use of public funds for basic services; and
- Component 4: Piloting social accountability approaches to build public demand for basic services.

CIDA supported the second and fourth components of the multi-donor PBS by contributing to Multi Donor Trust Funds administered by the World Bank, contributing to improvements in the health indicators as well as supporting innovative work in the area of social accountability. In addition, during the interim period between suspension of DPRO and mobilization of PBS, several grants were channelled through CIDA's Multilateral Branch for specific basic service oriented programs in Ethiopia. These included Rapid Scaling-Up of Malaria Control and Strengthening Routine Measles and Malaria Control.

Total disbursements in this program area during the review period were \$166,525,057, accounting for 33% of the Agency's total investments in Ethiopia for the period under review. Of this, \$25 million went to the first (and only) tranche to DPRO; \$26.5 million was reprogrammed through Multilateral Branch for health initiatives; and \$38.95 million went to improve access to basic health commodities (PBS Component 2) and increase public demand for basic services (PBS Component 4).

Together, GBS, transition, multilateral and PBS investments have contributed to improvements in health indicators in Ethiopia in the following areas:

- 26% fewer malaria cases in the past two years;

- 63% fully immunized children against 20% fully immunized two years ago;
- 81% partial vaccination coverage; and
- 90% coverage of vitamin A supplementation twice a year.

In a Program Based Approach (PBA) context, attribution of results directly to CIDA is challenging. However, CIDA's leadership role in the design, planning and negotiation of PBS at a time of considerable political volatility and uncertainty, cannot be underestimated.

While Canada's decision to maintain transactional distance from the Government of Ethiopia limited CIDA's participation in financing basic service delivery (PBS Component 1) and improving transparency (PBS Component 3), the Agency played an instrumental role in supporting the overall program design and bringing Component 4 on-stream. Initially, the Ethiopian Government was reluctant to accept Component 4 due to the central role of civil society. As a result of negotiation with donors such as CIDA, the Government not only accepted this component, but also requested that it be doubled in size. Two demonstration projects and twelve pilot projects have been implemented by 47 Ethiopian NGOs in the sectors of health, education, agriculture, and water and sanitation. These pilot projects spanned six regions and about 100 districts.

4.2 Food Security/ Agriculture

The CDPF states: *"CIDA's food security programme aims both at preventing famine for the most vulnerable and building the capacity of Ethiopian institutions to address food security in a sustainable and gender-sensitive manner"*

Overall, the Evaluation observed that CIDA has a strong and appropriate food security/agriculture program in Ethiopia. CIDA's investment portfolio for food security/agriculture appears quite relevant, coherent and consistent with the Government of Ethiopia priorities and Paris Declaration Principles. Projects included in this area fall primarily into the following CIDA sectors of focus: Improving Health (which includes support to developmental food security programs) and Private Sector Development (which includes support to agriculture). The vast majority of food security/agriculture investments have been projects (78%), although CIDA is involved in two major Program-Based Approaches: the Productive Safety Net Program (PSNP) and the Ethiopia Food Security Project (FSP), where CIDA has provided \$20 million and \$19.5 million during the review period respectively. In terms of results achieved during the review period, CIDA has contributed to the following:

4.2.1 The Productive Safety Net Program (PSNP) enabled 7.36 million chronically food insecure people to receive regular transfers of cash/food as a tangible means of reducing their poverty and addressing their food gaps. Predictable and timely transfers require further improvement, but safety net programs have enabled millions of people to protect their basic livelihoods. The percentage of chronically food insecure households which reported food shortages was reduced from 85.6% in 2006 to 55.4% in 2008 with 18,538 households graduating to a "food secure" status and many beneficiaries reporting fewer "food gap" months each year. In addition, soil rehabilitation and construction projects have resulted in improvements such as environmental protection, land productivity, and infrastructure development (including roads, schools, clinics, etc.).

4.2.2 The Ethiopia Food Security Project (FSP), supported by CIDA, the World Bank and Italy, provides revolving funds to enable the beneficiary communities and their members to invest in asset creation and income-generating activities. This program helps roughly 18% of the

chronically food insecure households in the country to engage in productive economic activities that increase their community and household assets. Over 236,200 beneficiary households have been involved in community and household “asset or income increasing” interventions. A participatory end-user evaluation of these interventions affirmed that the program is yielding positive results. Indicators of success include the percentage of households who reported sales of livestock for food needs which decreased from 29.4% in 2006 to 20.3% in 2008; and an increase in the average asset value of surveyed public works beneficiaries from Birr 846 in 2006 to Birr 2,317 in 2008 (174% increase in two years).

4.2.3 The School Feeding Programme is delivered by the World Food Programme with support from CIDA’s Multilateral Programs Branch. Over \$22 million was invested in this program between 2003 and 2005. Its aim was to improve children’s access to schools, stabilize attendance, reduce dropout rates and alleviate short-term hunger for better learning, especially among girls. Over 650,000 children in food insecure areas of Ethiopia benefited from the program. The program has demonstrated positive effects on school access (increase in enrolment and attendance, and decrease in drop outs), particularly for girls; in WFP assisted schools, the girl to boy ratios reached 0.77:1. Attendance was 89.97% overall, with girls’ attendance at 90.28%, and with dropouts reduced to 9% (much less than the national average of about 14%).

4.2.4 Water Harvesting and Institutional Strengthening in Tigray (WHIST): CIDA supports innovative projects which address specific needs in water management and agriculture. WHIST improved the capability and quality of field studies, as well as in-situ and laboratory analysis of soil and water and geotechnical testing. Surveys, drafting, GIS and environmental assessment have also shown major improvements in comparison with pre-project conditions. Farmer interviews undertaken in 2006-07 indicated that the irrigation schemes have resulted in increased yields, two crops rather than one crop per year, and greater availability of livestock fodder.

4.2.5 Partnership for Food Security Ethiopia III Project: managed by CHF, contributed to dramatic increases in farmers’ incomes from annual crops (up to 7 times) in targeted kebeles, while incomes from livestock, fruit and vegetables also doubled.

4.2.6 Others: Finally, CIDA also supported several projects to explore the potential of agricultural growth, the private sector and demand-driven extension methods which are more responsive to client needs. The GoE and other donors are watching these initiatives with interest. This is one area which could be strengthened by including NGOs / CSOs more consistently in delivery, in order to build on their grass roots experience and flexibility to develop new methodologies which address perceived gaps in the PBAs.

4.3 Governance

With regard to governance/capacity building, the CDPF states that,
“To help build the key institutions of the democratic process, CIDA is supporting both national-level capacity development and strengthening of regional government and civil society institutions and organizations.”

CIDA’s programming in governance was found to be very closely aligned to both CIDA’s CDPF and the Government’s poverty reduction strategy (PASDEP), with long-term support to the capacity building of key democratic institutions of accountability and oversight, including the Ethiopian parliament, the court system, the Office of the Auditor General, the Human Rights

Commission and the Office of the Ombudsman. All CIDA directive projects are now complete and each have been built upon and their results scaled up within the context of government-driven, multi-donor supported program-based approaches.

CIDA was heavily involved in the design of, and is a prominent donor within all government-driven governance PBAs, including the Public Sector Capacity Building Program (PSCAP), the Democratic Institutions Program (DIP) and to some extent Component 4 of the Protecting Basic Services Program (PBS). CIDA was also actively involved in governance policy dialogue and has chaired high-level joint donor fora on governance, with particular leadership exhibited in the post-election period, as well as chairing the Governance Technical Working Group and its sub-groups on justice, civil society and decentralization.

CIDA's investment in governance programming in Ethiopia is seen to have been effective. Generally, one can see significant alignment between positive trends in performance on global governance indicators for Ethiopia and the documented results achieved through CIDA governance investments. Through CIDA's project and PBA investments, and in keeping with trends in the global indicators, support to Government of Ethiopia institutions has resulted in improved understanding of oversight and accountability roles and processes; revised structures, procedures, methodologies and tools, to ensure acceptable standards in financial oversight and transparency; increased efficiency in service provision through modernized equipment and improved administration; as well as enhanced understanding and application of gender and environmental analysis. Highlights in results achievement for some specific initiatives include:

4.3.1 The Court Administration Reform Projects I & II (CAR) have contributed to a more, efficient, accessible and transparent court administration system in the targeted regions where results include a significant decrease and/or elimination in case backlogs across all targeted courts; a reduction of 50% in the time required to execute judgements; and significant attitudinal change among judiciary and court personnel towards client –oriented service delivery documented through user surveys. CIDA's long-term support to justice sector reform in Ethiopia since 1997 deserves particular note given that the Administrative reform Project results and learning were taken up by the Government and rolled out across the country using its own resources under the National Expansion Program and subsequently under the Public Sector Reform.

4.3.2 The Public Sector Capacity Building Program is a government-driven PBA, with a budget of nearly \$400 Million, comprising eight major sub-programs, 35 components and over 60 agencies at federal and regional levels. CIDA is the third largest donor with an investment of \$19.2 Million. At the mid-term of the implementation cycle, results focused on: enhanced predictability of financial resource flows in federal to region and region to woreda (administrative district) levels of administration, resulting in a reduction of 30% in fiscal gaps; enhanced revenue performance and fiscal autonomy through tax and customs reform with an increase in tax revenue of 19% over the last three years; strengthened expenditure management systems – all regions have now closed their 2006 accounts and most have closed their 2007 accounts so backlogs have been almost eliminated; and minimum service standards developed and approved in priority sectors for progressive application in all regions.

4.3.3 The Ethiopia Parliament Capacity Building Project - CIDA was among the first donors to support the House of Peoples' Representatives when the Parliament was just establishing itself. While this directive project faced significant challenges due to the federal elections of 2005, results were achieved in the following areas:

- increased understanding by 148 MPs of their role in oversight, accountability, transparency and budget processes;
- increased capacity of whips and committee chairs in consensus-building to improve legislative initiatives; and
- modification of the structures and procedures for parliamentary standing committees with regard to accountability, consensus building, record keeping, outreach to civil society and gender analysis.

Despite these results, there are significant challenges to progress in the governance arena in Ethiopia. Global governance indicators on voice, accountability and political stability have gone down significantly in Ethiopia since 2005. In the face of diminishing democratic space and a precarious role for civil society, the donor community, including CIDA, is faced with real challenges in how to balance the Paris Declaration Principles of local ownership, alignment and harmonization, with the promotion of internationally agreed commitments to human rights. Within this context, CIDA is seen to have provided leadership which is measured, consistent and knowledge-based.

There are, however, two major areas where CIDA performance in governance requires additional attention. The CDPF identifies civil society as an important component of governance programming, yet CIDA's support to CSO strengthening has been limited, diffuse in nature and lacking in strategic direction since 2004. Opportunities to strengthen civil society at a crucial time in the political history of Ethiopia may have been missed by CIDA and evaluative information is limited on the effectiveness of the support CIDA has provided. Secondly, approval requirements and delays at CIDA, along with CIDA's post-2005 decision to maintain transactional distance from the Government, are seen to have strained relations with the Government and other donors in the negotiation of Public Sector Reform, as well as limiting CIDA's adherence to Paris Declaration Principles of ownership, alignment and harmonization.

5. MAJOR FINDINGS PER KEY EVALUATION QUESTIONS

As previously indicated, a sample of 27 initiatives was selected and reviewed, on a scale of one to five, against the eight evaluation issues and questions. Table 5 below summarizes average rating results by program area and key question for the evaluation sample. The rating scale is based on the evaluator's review of documentation, interviews, site visits and expert judgement.

Table 5: Ratings for Three Main Program Areas

Aggregate Average by Key Questions and Program Areas					
#	Key Questions	Governance	FSARD	GBS / PBS	Overall Average
1	Relevance	4.9	4.9	4.8	4.9
2	Effectiveness	2.9	4.1	3.7	3.5
3	Sustainability	3.1	3.0	1.0	2.4
4	Coherence	4.0	4.6	4.0	4.2
5	Efficiency	3.4	4.3	3.0	3.6
6	Management Principles	3.3	4.6	4.3	4.1
7	Cross-Cutting Themes	3.1	3.9	1.3	2.8
8	Performance Management	3.9	4.1	5.0	4.3
	Overall Average	3.6	4.2	3.4	3.7

Rating Scale: 4.1-5: Highly satisfactory; 3.1-4: Satisfactory; 2.1-3: Moderately satisfactory; 1.1-2: Unsatisfactory

The rating system permits some standardization and roll-up of performance criteria across key evaluation issues and questions at the sectoral and country program level. General observations include:

- All three program areas were rated at satisfactory or better with FSARD and Governance receiving higher overall ratings than GBS/PBS;
- Relevance, Coherence, Paris Declaration Principles and Performance Management are rated very positively across all three program areas, underscoring CIDA's perceived performance in 'managing for results' in a challenging development context;
- Effectiveness is rated as generally satisfactory although effectiveness ratings are lower than the criteria related to CIDA management above – results achievement being an area where CIDA has less direct control, particularly in the context of PBAs; and
- Sustainability and cross-cutting issues have been given the lowest ratings overall, with GBS/PBS receiving the lowest scores. These are particularly challenging issues in the Ethiopian context, with a complex mix of factors limiting their performance. PBS ratings in these two criteria are the only scores in the unsatisfactory category across all sectors. In the case of sustainability, Provision of Basic Services low ratings are based upon the health commodities it provided being largely consumables.

5.1 Relevance

Overall, the evaluation team found that the interventions of the Ethiopia Program were very relevant. The issue of relevance received the highest ranking across all three program areas, indicating that CIDA is involved in the right initiatives and has been able to maintain the relevance of its program since 2004, within a challenging development context. Four parameters were used to assess relevance:

- Relevance to the Millennium Development Goals and poverty reduction;
- Relevance to the Ethiopian Poverty Reduction Strategy goals and objectives;
- Relevance to CIDA's policy context; and
- Relevance to CIDA's CDPF objectives and results for 2004-2008.

The ultimate goal of both Ethiopia's poverty reduction strategies and CIDA's policies of Strengthened Aid Effectiveness (2002) and its Sustainable Development Strategy (2002-2009) is to contribute to poverty reduction and sustainable development. CIDA's Ethiopia CDPF provided a platform for linking CIDA's poverty-reduction and sustainability policies with the Government of Ethiopia's two multi-year plans of 2001-2005 and the from 2006-2010.

The Government's poverty reduction plan supported the following four pillars: Agricultural Development Led Industrialization; Justice System reform and Public service reform; Decentralization and empowerment; and Capacity building in public and private sector. The second plan carries forward important strategic directions pursued under the SDPRP, especially those related to infrastructure, human development, rural development, food security, and institutional capacity building. It also includes some bold new directions. Foremost among these is a major focus on economic growth, with a particular emphasis on greater commercialization of agriculture, private-sector development, industry, urban development and a scaling-up of efforts to achieve the MDGs. It also continues to pursue the Agricultural Development Led Industrialization strategy, but with important enhancements to capture the private initiative of farmers and support the shift towards diversification and commercialization of agriculture.

The three program areas in CIDA's CDPF for Ethiopia effectively support the Millennium Development Goals and Ethiopia's poverty reduction strategies. In fact, CIDA's shift towards PBAs under the current CDPF, particularly with reprogramming in favour of PBS, has resulted in a heightened investment in the delivery of basic services to the rural poor in favour of poverty reduction and attainment of the MDGs. DPRO/PBS targets improvement in health and nutrition indicators through improved GoE efficiency, quality and coverage of basic services. FSARD targets improvements in food security to reduce hunger and improve livelihoods while increasing enrollments in basic education, particularly for girls. While democratic governance is not formally articulated in the MDGs, it is universally recognized as an essential foundation for the sustained reduction of poverty. The Millennium Declaration calls on the UN and its constituent countries 'to further the consolidation of democracy in Africa by giving full support to the political and institutional structures of emerging democracies.' In addition, the CDPF identifies Equality between women and men, HIV/AIDS and Environmental Sustainability as cross-cutting issues for CIDA's programming in Ethiopia and all three themes have been addressed in varying degrees (see section 5.6 below) across all priority areas.

Generally, CIDA appears to have been able to strategically manage its Ethiopia Program since 2004 to ensure that it remains relevant in a volatile and changing context in Ethiopia. Under the current CDPF, CIDA has maintained continuity in the general focus of its investments in GoE capacity building although the emphasis has shifted from directive project investments in favour

of investment in government-driven, multi-donor funded PBAs. With this improved alignment and harmonization, program relevance was inevitably seen to improve. CIDA is also seen to have taken a prominent role in joint donor-Government of Ethiopia negotiations to facilitate risk management and policy dialogue, in order to ensure ongoing program relevance. Notable examples of this strategic management include CIDA's leadership role in the donors' rapid shift from Poverty reduction operation to provision of basic services and the Agency's prominent position in bringing isolated donor efforts to support key democratic institutions together under the Democratic Institutions Program. More recently, CIDA's directive project investments appear to have been used strategically to test new approaches and fill programming gaps which PBAs are proving unable to address, thereby enhancing program relevance (examples include initiatives to enhance development and governance in Ethiopia, project's initiatives to support emerging needs in governance and agriculture as well as agricultural projects promoting more market-driven agricultural growth).

Despite these achievements, relevance could have been improved in two important ways. First of all, when the Plan for poverty reduction was completed and the accelerated plan was mobilized, the CDPF should have been updated to complement and acknowledge the new poverty reduction strategy. This became especially important because of the stress on CIDA's programming in response to post-election crisis of 2005. Secondly, in CIDA's move towards increased support to PBAs since 2004, support to the strengthening of civil society was correspondingly reduced, diminishing program relevance across all three program areas but particularly in the governance arena.

5.2 Effectiveness

Questions concerning the effectiveness of CIDA's CDPF overall program contributions to poverty reduction in Ethiopia are perhaps the most significant yet also the most challenging to address for a number of reasons:

- CIDA is one of the few bilateral donors to have adopted an evaluation methodology comparable to the World Bank's. In line with CIDA's Aid Effectiveness commitments, the Ethiopia Country Program in Ethiopia is now heavily weighted towards investment in PBAs. Still, attribution of results can be challenging. For instance, CIDA is one of several donors and its financial contributions can be proportionally modest. In particular, it is difficult to evaluate CIDA's specific contribution to the results achieved by a \$200 M PBA investment also funded by many other donors. It is however important to recognize that sometimes results could be attributed to CIDA from more than a monetary contribution perspective. For example, in the case of Ethiopia, CIDA's technical and intellectual contribution has been praised by all partners: Government, other donors, NGOs and beneficiaries.
- PBA results' achievement is inherently long-term and relatively slow-moving given the scale and the weight of decision-making among donors and Government of Ethiopia. Because attribution is also challenging, the focus of assessment is more usefully placed on CIDA's performance in 'managing for results' within a PBA context – that is, the Agency's support of joint planning, capacity building, policy dialogue, monitoring and redesign processes.
- While this evaluation focuses on the CDPF of 2004-2009, the evaluation sample of initiatives includes those which began prior to 2004 and those continuing beyond 2009.

- Rolling up results at the sectoral or program level is extremely difficult because of limited, cumulative data as well as the vastly differing nature, scope and size of the sample initiatives.
- CIDA has been challenged throughout the CDPF to develop and adapt a meaningful, program performance assessment framework with measurable indicators, rendering the assessment of program effectiveness difficult. In this regard, there has been no stable set of benchmark results and indicators for the current CDPF.

While Chapter 4 above presented examples of results at the level of individual initiatives within each program area, this section will attempt to look at development results at a more cumulative level in terms of poverty reduction and sectoral performance. Although attribution of results remains a challenge for the reasons cited above, the evaluation team asserts that CIDA can take at least proportional credit for the development results outlined below, due to the leadership role it has taken in joint-donor- Government of Ethiopia fora in Ethiopia and the strategic management of CDPF resources CIDA is seen to have demonstrated since 2004. The following are some noticeable development results (for further analysis of CIDA's 'managing for results' – see sections 5.5 - 5.8 below).

5.2.1 Results in Poverty Reduction: In general, Ethiopia has made progress on MDG indicators which have now been mainstreamed throughout the government's poverty reduction strategy; although the country is unlikely to meet its MDG targets by 2015. According to World Bank data⁶, main indicators of progress towards the Millennium Development Goals and poverty reduction have generally been positive for the period under review in Ethiopia. The Government claims an impressive annual economic growth rate of about 11 percent per annum for the past four years ending in 2006-2007. Progress has also been achieved from 2000 to 2007 on the eradication of extreme poverty and hunger, achieving universal primary education, promoting equality between women and men and empowering women, reducing child mortality and ensuring environmental sustainability. HIV/AIDS prevalence rate has dropped from 7,3% to 3,5% and health indicators in general have improved.

Still, in other areas such as reducing income poverty, progress remains insufficient. Statistics on safe water supply also show that in some regions the rate has dropped to 20%-24%. Table 6 below outlines some MDG progress.

⁶ World Bank Data and Statistics for Ethiopia, http://ddp-ext.worldbank.org/ext/ddpreports/ViewSharedReport?&CF=&REPORT_ID=1305&REQUEST_TYPE=VIEWADVANCED

Table 6: Indicators for Ethiopia towards MDG Achievement (2000–2007)

Millennium Development Goals	Indicators for Ethiopia (2006)
1. Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> - Annual percent growth in GDP per person employed from 2% to 7% - Decrease in malnutrition prevalence for children under 5 from 42% to 35% - Reduction in vulnerable employment from 91% to 52% - Decreased percentage of people living on less than \$1.25 a day from 56% to 39%
2. Achieve universal primary education	<ul style="list-style-type: none"> - Increase in completion of primary school education from 22% to 46% - Increase in total enrolment in primary school from 38% to 72%
3. Promote gender equality and empower women	<ul style="list-style-type: none"> - Increase in the proportion of seats held by women in national parliaments from 2% to 22%
4. Reduce child mortality	<ul style="list-style-type: none"> - Decrease in infant mortality from 92 to 75 per 1,000 live births - Decrease of under 5 mortality from 151 to 119 per 1,000 children
7. Ensure environmental sustainability	<ul style="list-style-type: none"> - Increase from 29% to 42% in the percentage of the population with access to an improved water source

5.2.2 Cumulative Results by Program Area – Protecting Basic Services: Prior to PBS, the Government spent only about five to seven per cent of its budget on health, while health indicators were exceedingly low. As a result of PBS, general government health expenditures increased by 75% in 2006/07 to around CDN \$313.3 million (ETB 2.35 billion). This was largely due to a dramatic increase in donor assistance for the health sector, which enjoyed a 746% increase over the previous fiscal year. The impact of CIDA’s investment in the Protecting Basic Services Program was amplified through the utilization of both bilateral and multilateral channels to fund programs that worked towards achieving the health-related Millennium Development Goals. CIDA’s collective investments through bilateral and multilateral channels (i.e. those pooled with other donors in global-fund agencies like Global Alliance for vaccine and immunization contributed to the following results, which met or exceeded initial targets)

Table 7: Progress in Basic Services⁷

Indicators	2005/06	2006/07	2007/08
DPT 3 vaccination coverage (%)	79	73	81%
Contraceptive Prevalence Rate (%)	36	33	51%
Fully Immunized Children	20%		63%
Vitamin A supplementation twice yearly			90%
Households in malaria-prone areas with two LLINs	43%	91%	102%
Health Extension Workers ⁸ (C1)	2,787		24,571
Health Post Kits Provided			7,000

Progress in Malaria and Measles Control: In terms of multilateral support, CIDA funding directly or indirectly contributed to increases in resources that enabled an unprecedented scale-up of malaria control interventions. As a result, in 2008 there were 26% fewer malaria cases than two years previously. The malaria under-five mortality rate was reduced by 65% in 2007 and in-patient malaria cases and deaths fell by 62% between 2006-08⁹. In 2005, Ethiopia also started implementing follow-up measles supplemental immunization program, to which CIDA contributed, resulting in vaccination coverage of 90% in 2005-06 and contributing significantly to a reduction in measles-related morbidity and mortality by 75% (Table-8).

5.2.3 Cumulative Results by Program Area - Agriculture/Food Security: World Bank indicators (as seen in Table 7) confirm Ethiopia's overall progress in this area. Agriculture, accounting for 46% of GDP and 85% of employment, has grown at an average rate of 13% per annum since 2004.¹⁰ Progress on the MDGs is also inextricably linked with efforts to improve food security, rural development and agricultural productivity. Decreases in child malnutrition and mortality, employment vulnerability and the percentage of people living on less than \$1.25 per day, are positive indicators for Food security. Having said that, cumulative sectoral results directly linked to Food security investments are more challenging to roll up, given the range and scope of CIDA interventions in the sector.

The evaluation sample, however, demonstrates that CIDA's support of Food security programs has largely been effective in enhancing the food security of millions of people; enabling the Government to gain skills in administering related programs; increasing agricultural productivity; enhancing technical capacity at various levels of Government; enabling improved technologies and methodologies to be developed, tested and promoted; and exploring avenues through which food security programs can be complemented by agricultural growth and rural development, in the hope of enabling long-term sustainable development to occur, even in the

⁷ Protection of Basic Services (PBS) Program Aide Memoir. Joint Review And Implementation Support Mission, Nov. 2008 pg. 25. Note that while the Aide Memoir is concerned only with Bilateral programming results, the statistics come from Ethiopia's national MIS system and include contributions of all donors, including through multilateral channels.

⁸ The goal of the HEW program, piloted in 2003 under HSDP II, is to train 30,000 HEWs to staff 15,000 health posts. Training of HEWs is supported by C1 through special grants to MoFED/MoH.

⁹ Non-malaria cases and deaths generally remained stable or increased over the same time period.

¹⁰ Olver, C. & Soni, R. (September 2008) PSCAP Support Programme - Strategic Analysis: Achievements, Weaknesses and Implications, Annexe 2.

most vulnerable regions of the country. Results highlights from CIDA's contributions to Food security programming include:

- 7.36 million chronically food insecure people have received regular transfers of cash/food;
- The percentage of households which reported food shortages has been reduced from 85.6% in 2006 to 55.4% in 2008;
- 18,538 households have graduated to a "food secure" status;
- Increased crop diversification, higher value crops that generate cash, increased use of yield-enhancing technologies, result in increased yields: 98 proven agricultural technologies were released for popularization;
- 236,200 beneficiary households were involved in community and household "asset or income increasing" interventions, representing around 18% of the chronically food insecure households in the country; and
- 653,036 children in 1,030 schools in food-insecure areas of the regions benefited from a school feeding initiative, with a particular focus on girls - 70,000 girls received take-home rations resulting in increases in enrolment and an 80 percent attendance rate.

5.2.4 Cumulative Results by Program Area – Governance/Capacity Building

In its 2008 report on the Worldwide Governance Indicators¹¹, the World Bank Institute cites dramatic improvement in Ethiopia's percentile ranking for government effectiveness from 13 in 2000 to 40 in 2008. Under the rule of law attribute, impressive gains are also reflected in the percentile ranking which increased from 17.1 in 1996 to 33 in 2008.

These are areas where CIDA's contribution and leadership in the governance arena has been significant and strategic over the last decade. CIDA's direct support to the justice sector, to parliamentary capacity building and to institutions and processes of public financial management, accountability and oversight, deserve recognition (see Chapter 4 above for results on specific project/program initiatives). Of particular note:

- CIDA's Court Administration Reform Project was deemed so successful by the Government of Ethiopia that it spent \$20M of its own funds to expand and scale-up the results achieved to courts throughout the country;
- The National Justice Sector Reform Program built on the approach and results of Phase II of the Court Reform and has been effectively integrated into the Government's National Capacity-Building Program (PSCAP). Both the Auditor General Capacity Enhancement and Parliament Capacity-Building projects have received significant recognition from both the Government and the donor community, and their results and learning have been integrated into the Democratic Institutions Program (DIP), a multi-donor initiative managed by UNDP;
- Furthermore, CIDA contributed significantly to policy dialogue on governance generally; witness its crucial support to the establishment of the Ethiopian Institute of the Ombudsman

¹¹ World Bank Data and Statistics for Ethiopia, http://info.worldbank.org/governance/wgi/sc_chart.asp

and the Human Rights Commission or its recent support to a study and the Government's action plan on judicial independence; and

- Post 2005, CIDA encouraged Canadian NGOs active in Ethiopia to come together for the purpose of policy dialogue on governance and the development of joint programming. The Canadian NGO Network (CANGO) emerged from this process. CIDA has also taken an active role in the joint donor sub-group on civil society; it had been leading on the development of a multi-donor Civil Society Support Program and monitoring the effects of and supporting CSO adaptation to the new CSO law passed by the Government.

Nonetheless, programming and policy dialogue in democratic governance are challenging in a nascent and fragile democracy such as Ethiopia. Global rankings in the areas of voice and accountability for Ethiopia have declined from a percentile ranking of 24 in 1996 to 13 in 2008. In political stability, the percentile ranking shrank from 13.9 in 1996 to 6 in 2008. This is not to say that progress is not being made. While progress with regard to political and democratic reform in Ethiopia is clearly complex and slow-moving, CIDA, in collaboration with the donor community, has been able to influence and enhance effectiveness in certain crucial areas of governance (see section 4.3 above) while continuing active policy dialogue on the more sensitive issues.

5.3 Sustainability

Sustainability at the macro program level essentially refers to an “assessment of aid dependence”, coupled with consideration for the financial and institutional capacity to maintain results achieved through specific CIDA programming investments. The evaluators attempted to address these issues, drawing mainly on information from a limited sample in the CDPF's three main program areas, and relying on a single donor's experience in a PBA-dominated environment. Sustainability is directly linked to issues of risk management, and given the uncertainty and volatility of the democratic development context in Ethiopia, it has received the lowest rating by program area (with an overall average of 2.3) for the sample of initiatives assessed. The section below reflects on some of the evaluators' observations:

5.3.1 Aid Dependence: A large percentage of Ethiopia's yearly budget (as much as a third) continues to be derived from ODA. Despite recent and impressive increases in GDP, Ethiopia maintains a ranking of 169 out of 179 countries in the Human Development Index (2006 data), making it one of the poorest countries in the world.

Ethiopia became one of the largest recipients of international assistance since 1997, with total yearly ODA increasing steadily from \$318 million in 1997 and peaking at \$1,083 million in 2005.¹² Increases in development assistance to Ethiopia can be explained by positive factors which attracted donor (and CIDA) attention: Ethiopia claims the highest per capita pro-poor spending in Africa; corruption levels are seen to be relatively low; there has been progress in a number of human development indicators; while government financial oversight and administrative efficiency are improving. At the same time, there are more challenging factors which point to an ongoing need for assistance: Extreme volatility in neighbouring countries; periodic and severe humanitarian crises; as well as deep levels of poverty coupled with significant demographic growth.

¹² OECD – DAC Information System

Up to 2005, Ethiopia was seen to have made significant progress in democratic governance and decentralization. Since that time, democratic space has been significantly curtailed, challenging donors' continued commitment to maintain current levels of aid. Given the global financial crisis of 2009, coupled with the deepening effects of climate change, development progress in Ethiopia is likely to slow and the country is not expected to maintain current levels of economic growth. As such, there is no foreseeable decrease in aid dependency for Ethiopia in the short to medium term.

5.3.2 Institutional and Financial Capacity to Maintain Results: Relatively unique among African governments, Ethiopia places a high priority on improving its institutional capacity; it created a Ministry of Capacity Building and developed a national capacity building program. The Plan for Accelerated and Sustainable Development to end Poverty (PASDEP) treats capacity building as a major cross-cutting sector. Public sector reform (PSCAP), the largest government-led, multi-donor program in Ethiopia, is focused on public sector capacity building, with a budget of \$400 million, including US\$137 million of the Government's own resources.

CIDA is the third largest donor to the Government's Public Sector Reform program, building on a decade of public sector capacity building projects in justice sector reform, financial accountability and oversight, and decentralization. In the case of justice sector reform, the Government used its own resources to roll out reforms initiated and developed under CIDA's Court Administrative Reform Project, demonstrating the government's capacity for both institutional and financial sustainability.

Over reliance on support to public sector institutions, however, is viewed by several observers, as a serious impediment to sustaining development results. It is pointed out that Ethiopia's full potential cannot be achieved until the private sector and civil society are given appropriate levels of support in order to become significant partners in the country's development. There appears to be considerable scope for these sectors to compliment the government's delivery of service, with potentially more cost-efficient service delivery in remote and difficult areas of the country. There is a perception that, in significantly improving aid alignment with government priorities in Ethiopia, support to civil society and private sector actors has been neglected by donors like CIDA, thus reducing potential development sustainability.

Generally, and as demonstrated from the evaluation sample, positive indicators of progress toward developmental sustainability include:

- Sustained commitment of the Government to improved planning and delivery of basic services, as demonstrated in its Poverty Reduction , and especially with accelerating achievement of the MDGs;
- Devotion of a high and increasing proportion of national expenditure from Government resources to pro-poor development at local levels;
- A significant investment by donors in government-driven and harmonized PBAs in order to increase the capacity of the Government to design, coordinate and manage its own poverty reduction programs; and
- Government investment in the physical and technological infrastructure necessary to sustain developmental progress with other donor-partners. In CIDA's programming environment, indicators of this might be demonstrated by Food security program, with the construction of

rural water management systems, and in Governance, with the ICT component of the Public sector reform.

With regard to challenges affecting potential sustainability of development results, a number of factors can be identified:

- The lack of human resource capacity and lack of an adequate incentive environment in the civil service has resulted in poorly trained staff, high staff turnover and limited public sector capacity, particularly at the regional level and below. With increasing decentralization, this challenge is likely to grow;
- A rather limited view of capacity development approaches, and an over-reliance on training as the sole means of developing that capacity;
- Public infrastructure and equipment are often not optimized, adequately maintained or replaced; procurement capacity of government is weak while this equipment is crucial to maintaining gains in efficiency for public service delivery; and
- Decreasing democratic space and an increasingly constrained role for actors other than the public sector in the development of Ethiopia.

5.4 Coherence

Under coherence, the evaluation examined how well CIDA ensured the coherence of the Ethiopia Program with regard to: internal program coherence and synergy; program coherence within the context of overall Canadian cooperation and delivery channels; and coherence within the context of international donor efforts in Ethiopia. There is the potential here for overlap with findings on Program Relevance (section 5.1 above) as well as Paris Declaration Principles (section 5.6 below). The discussion on coherence is, however, more concerned with internal consistency, synergy and complementarity among CIDA program investments in Ethiopia.

5.4.1 Program Consistency: It has been noted that CIDA programming in Ethiopia has demonstrated coherence and consistency over time; the 2004-2009 CDPF built on, expanded and improved upon a decade of consistent, institutional support in the Food security and Governance areas. Since 1997, CIDA's support to these areas has been pursued through numerous project level initiatives. The results and learning from CIDA's successful project-level initiatives (notably Court Administration Reform, Enhancement of the Auditor General, Support to the House of Representatives) have been scaled up to the national level and integrated within government-driven, multi-donor funded programs. CIDA's efforts to maintain program coherence over time, while significantly scaling up its aid budget and modifying its strategy from project to PBA modalities between 2004-2009, has been observed as pertinent and effective.

5.4.2 Internal Program Coherence: Findings with regard to internal coherence and synergy, between CIDA's three program areas and among individual initiatives within these areas, are mixed and remain more challenging. To be sure, there are inextricable linkages among the three program areas, but these tend to be indirect and in the sphere of longer-term goals/results. Generally, one can see that improved agricultural productivity would contribute to health and nutrition of rural populations, and vice versa, while improved governance underpins the overall effectiveness, equality and responsiveness of public service delivery generally.

On internal coherence, one can underline for example the link between the food security effort to raise chronically food insecure families into a situation of food security and the work that PBS is doing to build a basic services platform at the local level that will provide a critical ring on this ladder.

Another positive example of cross-sectoral coherence is CIDA's support for improved Government financial management, oversight and accountability, provided by CIDA through various initiatives within the governance sector over time, which helped lay the foundation for increased confidence, for CIDA and among other donors, in General Budget Support under Direct Poverty Reduction Operation as well as the reprogramming towards the Provision of Basic Services and investment in Public sector reform.

Within program areas, CIDA investments tend to have become more targeted and focused over time. Governance is a good example of this effort, where CIDA has been supporting a small number of key democratic institutions since the late 1990s. While these initiatives have now been integrated into PBAS, CIDA's contribution in governance programming since 2004 has become increasingly targeted in areas seen as those where the Agency has comparative advantage (justice reform generally, equality between women and men, RBM and GoE capacity building for monitoring/evaluation). This has increased the coherence of CIDA's strategy in governance while increasing opportunities for synergy among initiatives within this program area.

More direct and synergistic connections among programming initiatives across program areas have been promoted but they tend to be more sporadic and illusive. The intent of CIDA's EDGE Project was to fill gaps and build bridges in programming between governance and FSARD. In practice, the fund has supported programming gaps in each program area, but limited attempt has been made to build complementarity between them. In 2007, EDGE was used to support a synergy workshop, bringing together all of CIDA's development partners in Ethiopia, to develop action plans for improved program synergy. It is unclear how CIDA and its partners have followed up on or tracked results from the workshop. CIDA is attempting to actively identify opportunities for greater synergy among PBAs, although synergy is challenging to promote in a PBA environment because of the scope of the programs and the complexity of joint decision-making. Examples where CIDA has successfully promoted synergy between PBAs include: the use of gender- mainstreaming material developed on PSCAP and applied to DIP; and the adaptation of the PSCAP Woreda Benchmarking Study (to assess the coverage and quality of public service delivery) for use on PBS.

5.4.3 Coherence Across Delivery Channels: Coherence between CIDA's branches and delivery channels remains a challenge, especially if the CDPF as a whole is to be coordinated and managed by a decentralized Country Program Director. The question that arises is whether the CDPF is intended to, can or should integrate all three delivery channels? In this regard, accomplishments are mixed because of the way branches at CIDA are structured and because formalized mechanisms to facilitate coordination and coherence across delivery channels at CIDA are limited.

In terms of multilateral/ bilateral coherence, the example of the 18 month period of reprogramming the Poverty reduction operation in 2005-06 represents a very successful instance of coordination between delivery channels. Over this period, the two branches worked closely together to assure the continued and effective flow of basic-service resources in support of poor, rural communities until PBS came on stream. Beyond the Poverty reduction operation/ Provision of Basic Services (DPRO/PBS) transition, bilateral-multilateral coherence and

coordination tends to be limited, informal and dependent on individual initiative at CIDA. It is also tends to be limited by the scanty results reporting which is forthcoming from multilateral agencies - with limited program information, building program coherence, particularly in the context of a CIDA decentralized program such as Ethiopia, remains challenging.

Between Bilateral and Canadian Partnership channels, coherence and synergy also remain a perennial challenge. This is often referred to as a structural problem; Africa Branch is structured on a country and sectoral basis, whereas Partnership Branch has traditionally been organized by delivery partner. There is a significant Canadian NGO presence in Ethiopia which has historical roots in successive humanitarian crises. Recent transitions by CIDA towards long-term development, coupled with a transition to new aid modalities, has presented increased challenges to the Agency in involving Canadian NGOs in the delivery of Canada's bilateral aid to Ethiopia, as well as in developing synergies between CPB funded NGO initiatives and bilateral programming. Informally, Canadian Partnership consults the Ethiopia Program (HQ and Post) when approving NGO project/program funding for Ethiopia. There have also been attempts by Canadian Partnership Branch staff and CIDA's Head of Aid in Ethiopia to exchange information during CPB monitoring missions, although these are informal efforts and dependent on the commitment of the individuals involved.

Generally, it can be said that CIDA's support to civil society in Ethiopia since 2004 has been limited in nature, relatively diffuse and lacking in strategic direction. With the transition to PBAs, CIDA is struggling to define a new place for civil society in its programming. A multi-donor pooled fund for civil society was supposed to come on stream but it has been delayed for a number of reasons and is currently being redesigned in light of the new CSO Law. There is a strong sense, within CIDA, and particularly within the Canadian NGO community, that opportunities to support the emergence of a more vibrant civil society have been missed by CIDA since 2004, and this at a crucial time in Ethiopia's transition to democracy, when strengthening civil society should have been given much greater importance. Since 2006, CIDA Post has encouraged the creation of a Canadian NGO Consortium in Ethiopia (CANGO) to facilitate coordination, communication and coherence in programming among the NGOs and with CIDA Bilateral. While this initiative is an innovative response to the challenges of CPB/Bilateral coherence and the lack of any explicit role for civil society in PBAs, it has only very recently resulted in any concrete programming initiatives.

The course to take in terms of support to CSOs is challenging and all donors are struggling with the implications of the new CSO Law. With the Accra Agenda for Action, CIDA has made a formal commitment to increased civil society participation within the context of strengthened aid effectiveness. CSO support needs to be given strategic priority within CIDA's new Country Development Program Framework, as part of its contribution to a robust and effective democratic process in Ethiopia. It does not appear that this can take place through enhanced CPB/Bilateral coordination on its own. Building more bridges between CSOs and the PBA environment appears as one promising avenue of exploration for CIDA in the new Program Framework. Continuing support to CANGO and its project proposals is another. Supporting a pooled fund for civil society strengthening in Ethiopia is a third. What is important for the new Program Framework is that CIDA define a significant role for civil society in future Program Framework, and that it clearly identifies expected results, corresponding modalities of support and resource needs.

5.4.4 Coherence with Other Donor Support: According to key informant interviews, CIDA has been amongst the most active of donors in coordination/harmonization activities within the DAG and other joint donor forums (this will be further dealt with under the Paris Declaration

Principles in the section below). CIDA has also consistently attempted to build synergy and complementarity between its non-PBA investments (project and NGO funding) and the programming of other donors in both governance and food security/agriculture. For example, CIDA's new governance project in justice sector reform was discussed extensively within the DAG and specifically designed to fill gaps in government-driven PBAs. There are also numerous instances where CIDA was seen to build bridges and join forces with other donors, particularly in providing support to basic services provision, and reactivating parliamentary support after the 2005 election crisis.

5.5 Efficiency

Under efficiency, the evaluation team was asked to examine CIDA's performance in the operation and management of the Country Development Program Framework for the period under review, including the appropriateness of delivery mechanisms chosen, the management of human and financial resources, and the degree of informed and timely decision-making.

As noted previously, the CIDA program and its management were undergoing major transformations during the period under review, including: Decentralization of program direction to the field; a large increase in budget; a large increase in the staff complement; reprogramming to mainly program-based approaches (PBAs); and the political and programming fall-out from the post-election period of 2005. Given this context, the evaluation team concludes that the three CDPF program areas reviewed are ranked as satisfactory for efficiency and that, overall, the Ethiopia Program has been efficiently managed. Of particular note are the following management achievements:

- The quality and dedication of human resources that CIDA and ECCO have mobilized: the PBA environment requires a new skill set for CIDA/ECCO staff emphasizing technical knowledge, analytical skills and experience in policy dialogue, which the Ethiopia Program was able to effectively deploy. Teams were built across CIDA/ECCO for each of the CDPF program areas and these were perceived to have worked well.
- The ways in which CIDA strategically managed its resources: CIDA made good use of the delivery mechanisms at its disposal (of particular note are its access to flexible and rapid funding mechanisms which proved crucial in complementing PBA delivery – see Chapter 6 below for greater detail), to build and maintain leadership within the joint donor community and to respond proactively to priority needs of its development partners as they arose.

As attested to by representatives of the donor community and the Government, these efforts won CIDA the respect of its development partners, enabling CIDA a priority seat at the joint-donor table along with continued space to engage in high-level policy dialogue with government. As a result, CIDA is seen to have participated in and influenced the quality of multi-donor ODA delivery, significantly in excess of the proportionate size of its ODA budget in Ethiopia.

There are, however, several areas where CIDA's efficiency could be improved. The first is that related to approval procedures and levels of approval authority. It has taken anywhere from two to four years for program initiatives to be approved at CIDA HQ for the Ethiopia Program. For larger programs, approval procedures appear excessively complex and time-consuming, draining staff time and limiting the predictability of aid flows in the field. This, coupled with the transactional distance maintained by Canada with the Government since the 2005 elections, has resulted in higher transaction costs for CIDA, as well tarnishing CIDA's otherwise excellent reputation in Ethiopia by straining relations with both government and donor partners. In the

context of a decentralized program, with a shift in programming focus towards investment in PBAs, it is crucial that approval complexities and delays be reduced. Increasing the level of approval authority in the field would go a long way in reducing approval delays, improving the predictability of resource flows, and generally strengthening CIDA's aid effectiveness.

The second area where efficiency could be improved is that of Country Development Program Framework planning. It was challenging for CIDA in Ethiopia to use the CDPF as a management tool; while the document guided program focus and directions, it did not include a measurable performance framework nor did it identify corresponding strategies, resource needs, roles or responsibilities to guide program implementation and facilitate monitoring. Significantly, the CDPF did not address policy dialogue and harmonization (despite CIDA's intense participation in the joint donor architecture since 2004), while the CDPF was never revisited after the 2005 election crisis, when the program strategy was significantly revised.

It must be recognized that the Ethiopia Program is not alone at CIDA in this regard. Working in an aligned and harmonized aid environment is relatively new management territory for CIDA and the Agency's management requirements have not yet evolved in keeping with this reality. Given the traditional program management tools at its disposal, the Ethiopia Program attempted to innovate new management structures, processes and tools, in keeping with the new development context with which it was faced. New planning and administrative procedures were instituted, including sectoral team and management meetings; new work planning formats and procedures, annual CDPF retreats and program-level reporting exercises, were adopted; and an internal, mid-term review of the CDPF was undertaken. While a CDPF performance framework was developed and refined, it was never fully used as a management tool.

While the Ethiopia Program attempted to better monitor document country program performance, this was done in the absence of an initial plan to guide country program implementation and accountability. Ideally, the CDPF should have been accompanied by a multi-year, management plan, to guide program direction, results, resource mobilization and performance assessment.

Given all of this analysis, it has been concluded that the changes in the Ethiopia program during the 2004-09 period were sufficiently substantive so as to constitute an evolution in "corporate culture", not only on the Ethiopia Program, but at CIDA more generally. The scale of these changes continues to challenge CIDA as a whole. In the evaluator's estimation, these changes warrant the re-engineering of many of CIDA's traditional program management instruments and procedures, which are proving less relevant to the new aid modalities. Individual country programs, such as that of Ethiopia, can and have innovated and adapted over time, providing a rich learning experience for CIDA. Agency learning, however, should be informed by and evolve based on an analysis of the results of this study along with those of other CIDA focus countries going through similar transformations and assessment processes.

5.6 Management Principles (Paris Declaration)

Under the Paris Declaration Principles, the evaluation team was asked to assess CIDA's performance on the principles of ownership, alignment and harmonization. The two additional principles of managing for results and mutual accountability are covered under section 5.8 below.

As seen above, CIDA's programming investments in Ethiopia demonstrate a significant degree of alignment with the Government of Ethiopia development plans and priorities. CIDA

participates, often as one of the lead donors, in all government-driven, multi-donor funded programs within its three sectors of focus. It is important to note that this support is always core-funding and never earmarked, in full support of government priorities. Up to 2005, and particularly in its support for Direct Poverty Reduction Operation, CIDA planned and initially transferred increasing levels of support through the Government financial management systems and delivery channels. CIDA has chaired the Development Assistance Group (DAG) technical working groups and technical sub-groups in keeping with its program investments. Within these forums, CIDA is viewed as a very committed, active, knowledgeable and credible by donors and the Government of Ethiopia.

In terms of harmonization, all of CIDA program investments have consistently incorporated capacity building, with the aim of enabling the Government to more effectively and efficiently manage its own development. As an example, CIDA has sought to consistently increase the capacity of the Government in financial management, oversight and accountability through a variety of different investments since 2000, paving the way for increased donor confidence in and support for government-driven PBAs. CIDA also appears to have been effective in rapidly and flexibly mobilizing resources - through directive projects, PBA technical assistance and pre-approval funds – which were effective in filling programming gaps that the Government Plan for Accelerated and Sustainable Development to End Poverty had raised and other donors could not fill. On Public sector reform, for example, CIDA was instrumental in setting up and funding the PSCAP Facility which provides support and technical assistance to the Government for addressing bottlenecks in program delivery. In addition, CIDA consistently participates in and supports joint supervision and mid-term review missions, by providing personnel or supporting complimentary studies. Finally, CIDA is seen to have played a leadership role in promoting Government capacity development for the promotion of equality between women and men, environmental sustainability and RBM/monitoring/evaluation within the context of joint donor-Government fora and programming. Recognizing that CIDA cannot do it all, the Agency is also actively promoting a more narrow focus for its efforts within the Development Assistance Group and a more effective division of labour among donor partners.

Subsequent to the election crisis, however, CIDA support for the Paris Declaration Principles was circumscribed by a number of factors. In suspending DPRO and imposing transactional distance with the Government, CIDA limited its reliance on government delivery channels for aid delivery. While CIDA led in reprogramming DPRO into PBS, this affected its support for alignment and government ownership, particularly given the inclusion of Component 4 on civil society in PBS. Finally, and along with other donors, CIDA insisted on the inclusion of several important, donor-driven priorities in the PASDEP, particularly in the areas of democratic governance and civil society. An additional area of continuing challenge to alignment and harmonization for CIDA has been the predictability and timeliness of its funding, due to the very long and complex program approvals processes, as mentioned above.

In conclusion then, the evaluation team observes that the Ethiopia Program has successfully sought to implement the Paris Declaration Principles, within the constraints imposed by adherence to international human rights commitments, maintaining harmonization with other donors and adapting to changes in Canadian domestic policy. It has not been an easy tightrope to walk since 2004, but the Ethiopia Program is seen to have generally balanced these competing demands effectively and consistently over the three CDPF program areas integral to this evaluation. CIDA has accomplished this largely by investing in all the major government-driven PBAs in its targeted sectors, while playing a leadership role with other donors in high-level policy dialogue and oversight with GoE.

5.7 Cross-Cutting Issues

The evaluation team was asked to assess CIDA's performance in promoting three cross-cutting issues identified in the Ethiopia CDPF – equality between women and men, HIV/AIDS and environmental sustainability. It should be noted that the current CDPF for Ethiopia appears to put equality between women and men and HIV/AIDS virtually on par in terms of priorities for Agency programming. In reality, Equality between women and men is a policy at CIDA as well as a cross-cutting issue, while HIV/AIDS was the subject of a Social Development Priority and Action Plan which came to an end in 2005; this distinction should have been clarified by CIDA and reflected in the relative prioritization, time and resources allocated to the promotion of each in the CDPF. As for environmental sustainability, CIDA was to “*ensure that environmental sustainability considerations are integrated into food security programming, and that projects comply with the requirements and spirit of the environmental assessment law.*”

5.7.1 Equality between women and men: The gender strategy for Ethiopia's CDPF appears more implicit than explicit, with accountability focused on the gender advisors rather than more broadly based at the program level. Despite the lack of an explicit strategy and relatively few human resources dedicated to equality between women and men mainstreaming on the program, CIDA has managed to accomplish a considerable amount and has positioned itself, according to external observers, as the lead donor in gender equality in Ethiopia. CIDA's main accomplishments include:

- Leadership on, participation in and technical assistance to the DAG's Gender Working Group, with a particular focus on support for the development of the National Action Plan, as well as support for the newly established Ministry of Women's Affairs;
- Policy dialogue around and support to the GoE's promotion of equality between women and men in PASDEP, its results matrix and accountability framework;
- Support to gender mainstreaming and action planning in PBAs, where CIDA ensured considerable capacity building support to the Government.
- The development and implementation of gender strategies within CIDA bilateral, directive and responsive projects, with a focus on support to increased participation and influence of women in decision-making (support to capacity building for the Caucus of Women Parliamentarians and Women's Affairs Standing Committee, increase in the number of female judges and prosecutors, and affirmative action policies in civil service reform);
- The promotion of gender equality policy dialogue in DAG Working Group meetings, technical committees and planning exercises, particularly in areas where CIDA has taken a leadership role (justice and civil society for example);
- The promotion of complementarity between CIDA's PBA and project investments in such sectors as justice reform and parliamentary capacity building, through support provided to gender-oriented, Ethiopian CSOs, lobbying and advocacy networks.

It must be noted that it is more challenging to promote equality between women and men in joint donor-government settings where consensus must be reached on prioritization, expected results, approaches and resources. In this environment, CIDA technical and program management staff are called upon to play a heightened role of promotion, negotiation and policy dialogue for gender mainstreaming with donor and government colleagues, in a context where views are divergent and CIDA may be far from the largest donor. Despite these constraints, CIDA appears to have been effective in promoting the issue in Ethiopia because of the quality of

the individuals involved, their commitment to equality between women and men and the quality of their relationships with other donors and government.

At the same time, CIDA staff note that they are often a lone voice in promoting equality between women and men in PBAs. Until recently, CIDA's strategy has been to simply 'take the lead and get things done' – an efficient strategy in terms of deliverables but less effective in terms of fostering improved ownership and accountability for gender results among development partners. CIDA is now working more concertedly with like-minded donors towards a more balanced division of labour in gender equality, in order to make equality between women and men an issue of greater mutual accountability and consensus within donor-government forums. This represents a maturing of CIDA's program gender strategy in Ethiopia, as the Agency learns from experience in a new PBA environment. This evolving strategy needs to be made more explicit in the new CDPF so that it is adequately resourced (human and financial), program accountability mechanisms are solidified, internal capacity is assured, and there is a move away from depending on the personal commitment of individual CIDA/ECCO staff members.

5.7.2 Environmental Sustainability: It can be said, with regard to environmental sustainability, that CIDA has fulfilled its commitment as articulated in the CDPF. In relation to FSARD, most initiatives appear to have a direct and positive effect on environmental sustainability, including soil and water conservation, reforestation, water resource management and efforts to arrest the degradation of natural resources, particularly land, while restoring productivity for improved livelihood.

CIDA has provided support to institutional capacity building and the implementation of environmental policies, laws and strategies, by contributing its expertise through the different donor coordination forums and working groups. CIDA supported the preparation of the PSNP Environment and Social Management Framework. In addition, CIDA's full-time environmental expert at ECCO has proven to be a critical contribution to the Productive Safety Net Program (PSNP), as the Government and other donors have relied primarily on this individual for expertise.

In terms of the promotion of environmental sustainability in governance and PBS, CIDA has met compliance with the Canadian Environmental Assessment Act (CEAA) and Strategic Environmental Assessments. While there have been initiatives to address environmental considerations in governance programming, they have generally been quite ad hoc. Examples include efforts to develop the capacity and procedures of the Auditor General for environmental auditing; and targeted capacity building for the Ethiopian Environmental Protection Authority. Under PBS, it is really Component 2 that has environmental sustainability considerations largely related to the safe disposal of medical waste, as well as the procurement, use and storage of a limited quantity of the insecticide DDT for malaria vector control.

5.7.3 HIV/AIDS: Mainstreaming HIV/AIDS in the CDPF was an important objective, although it was perceived as "almost too big to handle", according to some respondents. CIDA engaged an HIV/AIDS expert over four years to provide a baseline assessment of the country situation, advice on implementation of mainstreaming, as well as support to program planning, monitoring and training. It proved easier to integrate HIV/AIDS into Food security, where concrete areas of risk and intervention are evident, than it did into governance programs, where possible points of intervention are more diffuse. Within Food security, programming guidelines, toolkits and studies were produced with CIDA's support, addressing the critical link between poverty, food insecurity, malnutrition, infection and HIV/AIDS. Within governance, efforts to mainstream HIV/AIDS were more isolated and ad hoc, including HIV/AIDS sensitization for civil servants on

PSCAP, development of programs promoting the rights of people living with HIV/AIDS by the Ethiopian Human Rights Commission under Democratic Institution Program (DIP), and the development of a governance HIV/AIDS mainstreaming toolkit for CIDA.

While CIDA has made gains in mainstreaming HIV/AIDS since 2004, its efforts appear rather piecemeal and lacking in strategic direction. CIDA's mainstreaming initiative would have benefited from a documented strategy with a clearly stated purpose and results, allocation of sufficient and dedicated resources, a faster launch of the HIV/AIDS Mainstreaming Fund, and stronger liaison with civil society. This well-intentioned initiative became too unwieldy to manage and tended to focus on targeted initiatives rather than HIV/AIDS as a cross-cutting issue.

5.8 RBM, Monitoring and Risk Management

Discussed below are three key aspects of quality and accountability management. The first two aspects address the Paris Principles of Managing for Results and Mutual Accountability, while the last discusses measures to manage risk:

- **Managing for Results** –covers development of the Program's results framework, and discusses the internal use of this framework as a management tools through its application to monitoring and evaluation processes.
- **Mutual Accountability** – covers CIDA's engagement in joint donor-GoE efforts to promote mutual accountability for results and transparency in the use of development resources.
- **Risk management** – assesses CIDA's performance in identifying risks initially identified in CDPF together with unexpected risks that arose during program implementation, and the mitigation strategies used to deal with these.

5.8.1 Managing for Results: Generally, the evaluation team concludes that CIDA's contribution, as seen in Chapters 4 and 5, has led to the achievement of important results across all three program areas of the CDPF. Where attribution of results becomes more challenging in a PBA context, the evaluation has concluded that CIDA's technical contribution and the leadership it has demonstrated in joint donor-Government forums, has exceeded the size of its financial contribution.

In managing for results, CIDA has made steady and productive progress at establishing a performance management framework at the country program level. To facilitate monitoring and assessment of its program, a full-time M&E advisor was engaged at ECCO. CIDA initially developed a Strategic Results Assessment Framework (SRAF) for the CDPF, and has increasingly refined it and attempted to align CIDA's intermediate and longer term program outcomes with Ethiopia's poverty alleviation strategy matrices, as well as CIDA's SAE and the MDGs. While the SRAF has never been fully applied by the program as a management or accountability tool, it has been used to guide annual progress reporting while one mid-term review of the CDPF was undertaken in 2006-07. These processes appear to have contributed to program strategy revisions and subsequent work planning. In addition, annual retreats are organized to review annual progress, prepare work planning and assess program strategy as required. As such, the Ethiopia Program is seen to have innovated processes and tools that facilitate accountability and decision-making.

At the level of individual initiatives, RBM performance management frameworks exist that are reported on and monitored as regularly as CIDA-ECCO resources permit. Some larger projects

have a dedicated monitor and are periodically evaluated by independent consultants. The evaluators conclude that CIDA has done a good job managing for results on the Ethiopia Program.

5.8.2 Mutual Accountability: Regarding mutual accountability, CIDA is perceived as taking leadership, in joint donor-Government fora, for the development of results-based accountability frameworks in all the major PBAs, and for supporting capacity development of the Government in monitoring and evaluation. CIDA served as Secretariat and Co-Chair for the DAG Monitoring and Evaluation Technical Working Group which was instrumental in assisting with the development of the PASDEP performance framework. CIDA also served as Secretariat for the joint-donors/government Food Security Monitoring and Evaluation Technical Task Force (METT). CIDA/ECCO staff are also reputed (by donor-partners) for their productive participation in joint supervision and mid-term review missions. On PSCAP, for example, CIDA was a member of the joint mid-term review mission as well as supporting a complementary gender assessment to the joint mid-term review.

5.8.3 Risk Management: The donor community, CIDA included, did not foresee the scale of risk related to the 2005 elections. However, CIDA played a major role in the development and implementation of post-election risk mitigation strategies, on its own behalf and that of its donor partners. These strategies were largely successful in protecting Canada's interests, yet preserving relations with the Government. Since then, CIDA has worked consistently to improve risk assessment in joint-donor forums. In 2006, Canada's former Head of Mission was co-Chair of both the Newai Group and the Ethiopia Partnership Group (EPG), spearheading donor consensus on a common position in policy dialogue on governance with government and including a governance section and indicators in PASDEP. In 2007-08, CIDA was chair of the Governance Technical Working Group, where a joint donor governance strategy for 2008-2010 was established, with risk analysis and recommendations on a common donor agenda. In 2008, CIDA included Ethiopia as a pilot country for the Agency's Governance Assessment Tool; the resulting report has been broadly distributed within the donor community and has informed both Governance technical working group (GTWG) and Development Assistance Group (DAG) risk analysis and policy dialogue. In 2008-09, CIDA, along with the World Bank, DfID and the Netherlands, spearheaded the Joint Governance Assessment and Measurement initiative (JGAM) aimed at improving measurement, harmonization and dialogue on democratic governance in Ethiopia.

Risk management around the recent CSO Law figures prominently within this context. Since 2005, CIDA has actively consulted its CSO partners on governance issues in Ethiopia. CIDA's encouragement of and support to CANGO was an important element of this consultation process, which has continued up until today. Through the donors' civil society sub-group (which CIDA chaired in 2007-08), the donor community has undertaken a survey of the effects of the new CSO Law on civil society and donor programming and has established both a monitoring mechanism and a CSO adaptation facility regarding the CSO Law, to support evidence-based policy dialogue. All of these initiatives demonstrate the diligence and effectiveness with which CIDA has participated in, and contributed to, risk analysis and management in Ethiopia during a crucial moment in the country's democratic development.

6. MAIN FINDINGS ACCORDING TO DELIVERY MECHANISMS AND CHANNELS

The evaluators were asked to look at performance comparisons across delivery mechanisms and delivery channels, according to the key evaluation criteria. The Table below presents ratings for the evaluation sample divided by both, delivery mechanisms (PBA/core funding, responsive and directive projects), as well as delivery channels (bilateral, multilateral and partnership).

	Key Questions	B1	B2	B4	M1	P1	Average
1	Relevance	4.9	4.5	4.8	5.0	5.0	4.8
2	Effectiveness	3.5	3.0	3.3	3.9	4.0	3.5
3	Sustainability	2.4	3.0	2.0	1.6	3.5	2.5
4	Coherence	4.2	4.5	4.3	4.4	3.8	4.2
5	Efficiency	3.6	4.0	3.3	3.8	4.5	3.8
6	Paris Declaration Principles	4.1	4.5	4.1	4.6	2.3	3.9
7	Cross-Cutting Themes	2.8	3.5	2.8	2.4	4.3	3.1
8	Performance Management	4.3	3.5	4.8	4.3	4.3	4.2
	Average	3.7	3.8	3.6	3.7	3.9	3.8

* B1: Bilateral-Directive, B2: Bilateral-Responsive, B4: PBA-Sector Budget Support, M1: Multilateral, P1: Partnership

6.1 Delivery mechanisms

It is difficult to compare performance across delivery mechanisms given the variety of initiatives CIDA funds in Ethiopia, which vary enormously in terms of size, scope, purpose, level of intervention, etc. When ranking delivery mechanisms, it is also challenging to distinguish between development results actually achieved and CIDA's performance in 'managing for results' – CIDA may have managed certain initiatives very effectively although results achievement is slow to materialize (the case of some PBAs) and, inversely, results can be very promising on initiatives where CIDA's contribution has been minimal (responsive NGO programming for example). The rating system does not provide context for or nuance CIDA's contribution and its relationship to performance.

Directive projects were ranked as more relevant and effective than responsive projects, given the level of control CIDA has in design, as well as the comparative the level and scope of intervention. Responsive initiatives, often smaller NGO projects, were ranked as more efficient and potentially sustainable, owing to their more manageable scale of programming and greater reliance on participatory, locally entrenched approaches.

6.1.1 Strengths and Challenges of Delivery Mechanisms: Table-9 outlines the major strengths and challenges for CIDA observed between PBAs and projects on the Ethiopia Program.

Table 9: Strengths and Challenges of Delivery Mechanisms

PBAs	
Strengths	Challenges
<ul style="list-style-type: none"> ▪ Strengthened aid effectiveness through improved ownership, alignment, harmonization ▪ Potential reduction in transaction costs through economies of scale and harmonized processes; ▪ Improved coordination and coherence of inputs – there is a potential for a more rational division of labour among donors based on their relative strengths; ▪ Longer-term predictability of inputs from donors; ▪ GoE capacity building is enhanced through government-driven planning, implementation and monitoring of PBAs which enhances ownership and sustainability; ▪ Smaller donors like CIDA have greater access to information, program planning and policy dialogue opportunities; ▪ The potential for a rational division of labour exists among donors according to their relative strengths. ▪ Use of PRE and TA funds within PBAs increases CIDA's ability to respond in a rapid, flexible manner to partner needs as they arise 	<ul style="list-style-type: none"> ▪ Large complex program structure and strategy places high demands on GoE capacity; ▪ Program performance may be slow due to weighty multi-donor/government decision-making processes, structures; ▪ Higher degree of risk for CIDA due to size of investment and arms-length management; ▪ Program size and degree of risk requires complex approval processes at CIDA; ▪ Higher than anticipated “transaction costs” for CIDA and partners if program approvals are delayed or diluted; ▪ Performance measurement and accountability are challenging to negotiate and are less attentive to CIDA's policy environment and priority issues; ▪ Attribution of results to CIDA is challenging; ▪ CIDA program management practices and staff skills need adaptation to PBA context ▪ Participation of civil society is dependent on government approval.
Projects	
Strengths	Challenges
<ul style="list-style-type: none"> ▪ More focused and manageable scope of initiative; ▪ More targeted objectives and results; ▪ More responsive to CIDA's policies, priorities and cross-cutting issues; ▪ Greater control over risk for CIDA; ▪ Greater financial control/oversight for CIDA; ▪ Capacity building can be specifically targeted, continuously supported and monitored; ▪ Reporting, accountability and attribution of results can be clearer; ▪ Potential exists to use projects in addressing specific gaps found in PBAs; ▪ Civil society participation can more readily be promoted. 	<ul style="list-style-type: none"> ▪ Local ownership harder to foster within a project that has transactional and management distance from GoE –potential for results sustainability influenced by degree of local ownership; ▪ Performance dependent on the expertise and experience of the CEA; ▪ “Transaction costs” can be high, if projects are not well managed, coordinated ▪ Alignment with GoE and coherence, harmonization with other donors might be limited, unless specifically factored into the planning process; ▪ Opportunity costs re loss of information access and policy dialogue influence for CIDA in putting time and energy into isolated projects vs. PBA ▪ No major advantages over PBAs for CIDA management, with regard to approval times or enhanced flexibility in meeting unforeseen needs

There are generally many perceived benefits to CIDA's investments in PBAs. Chief among these include greater alignment with government priorities and ownership by government for development results; greater coordination and harmonization of inputs and advice among donors; potential for an improved division of labour among donors and more efficient use of resources; potential for reduced transaction costs among donors and GoE; as well as greater access to information and opportunities to influence for smaller donors such as CIDA.

However, after several years of experience operating in a PBA environment in Ethiopia, the new aid modalities are seen to present challenges for CIDA as well. It is not clear that transaction costs have been reduced in any significant way through engagement in PBAs and achieving an efficient division of labour among donors is a work in progress. Development results appear slower to materialize on PBAs and decision-making is slow and onerous given the size and scope of programming as well as the number of actors involved. CIDA has been challenged in ensuring that its policy priorities (notably equality between women and men) are given adequate attention and CIDA staff has been pushed to build new technical knowledge and new skills (in policy dialogue, advocacy, negotiation) in order to play an effective role.

Project modalities clearly demonstrate limits with regard to promoting ownership and ensuring harmonized and coordinated development approaches. After moving away from investment in projects from 2004-2007, CIDA is revisiting the role of projects in its new CDPF. While PBAs will continue to occupy a central focus of investment for CIDA in Ethiopia, project modalities are now being seen as an effective vehicle to fill gaps left by PBAs, promote new models that can then be scaled up in PBAs, as well as better promote CIDA's specific policy priorities. As will be seen in the section below, CIDA is examining the advantages and challenges of its different delivery mechanisms to increase its aid effectiveness.

6.1.2 Balance between Delivery Mechanisms: From 2004, CIDA made it a priority to significantly increase its funding to PBAs and significantly decrease its reliance on projects. In fact, CIDA eventually achieved just over 48% of its bilateral disbursements in PBAs, whereas project type funding remained at 52% for the period under review (largely due to many projects launched before 2004 whose implementation continued during the current CDPF).

This shift towards PBAs, particularly after the reprogramming from DPRO to PBS, has meant a heightened investment for CIDA in the delivery of basic services to the rural poor in favour of poverty reduction and attainment of the MDGs. PSCAP, the GoE's capacity building program, in which CIDA is the third largest donor, also targets institutional capacity building of GoE for improved public service delivery. Food security investments focus on improved food security and improved agricultural productivity for the poorest and most vulnerable categories of the population. The shift towards PBA investment has also corresponded to a shift in CIDA's programming strategy towards longer-term, sustainable development and away from emergency assistance. In a country like Ethiopia, CIDA's support of poverty reduction measures, primarily in health, agriculture, rural development and food security, coupled with capacity building of government for basic service delivery based on government-driven programming, makes considerable sense.

At the same time, the shift towards PBA investment has corresponded to a shift away from both directive and responsive programming. While the purpose and results of much of CIDA's past directive projects in capacity building for government institutions have been rolled up into PBAs, its former responsive projects, and support to civil society generally, have been neglected since 2004. Key observers feel that, in neglecting support to other development actors than government (civil society and the private sector); it will be more difficult to build cost-effective, basic service delivery, while democratic governance will suffer. In the current Ethiopian context, supporting the development of other actors than government will necessarily require a greater balance in investment on CIDA's part between project (responsive and directive) and PBA delivery mechanisms.

There are also concerns that results achievement on PBAs can be slower to emerge than in smaller, more tightly defined projects. This observation, however, must be balanced by the

greater potential ownership and capacity of government to drive its own development agenda through PBAs. Up until now, CIDA has compensated for the slow pace of decision-making and results achievement on PBAs through its access to flexible and rapidly accessible funds to meet joint-donor and the Government of Ethiopia needs as they emerge. CIDA ensured - through directive projects such as EDGE, decentralized funds such as the Tsion Dessie Gender Fund, or PBAs with their respective pre-approval and technical assistance funds – that it had, within its arsenal of delivery mechanisms, access to resources that could support priorities as they emerged and program needs as they evolved. This flexibility of funding is rare among donors in Ethiopia and has served CIDA exceedingly well in both developing and maintaining influence and leadership among donors, at the same time as cultivating relations with GoE by responding to strategic and timely needs as they arise.

For all of these reasons, the CIDA Ethiopia Program is currently revisiting its investment in project modalities as a means of balancing its current investment in PBAs. Directive projects are now increasingly being viewed by CIDA as a necessary and effective complement to the PBA environment. Projects can be a strategic means of filling gaps left behind by PBAs, testing new approaches for eventual scaling up within PBAs, as well as a means of ensuring that CIDA's priorities (gender equality or civil society strengthening for example) receive appropriate levels of support. As a case in point, CIDA's new directive project of \$20 million currently in the planning stage (JSEP), will complement the justice sector reform component of PSCAP by focusing its efforts on strengthening the police, prosecutors and prisons, to bring their capacity in line with other areas of justice reform achieved under PSCAP. The Justice Sector Enhancement Program (JSEP) concept paper has been carefully vetted by the Government and the justice sub-group of the Governance technical working group (GTWG), to ensure its alignment with other justice reform initiatives and to avoid any possibility of duplication.

Investing in government-driven PBAs, while complimenting these with targeted capacity building through bilateral projects, appears to be a promising and strategic means of supporting programming in Ethiopia, given the Government capacity challenges, the rigidity of PBA plans and the challenges of negotiating support for CIDA's policy priorities. During the CDPF, the combination of the three funding mechanisms - PBAs, projects and flexible funds - provided CIDA with a range of complementary short and long-term, large and small, funding tools which it could employ in the implementation and adaptation of the CDPF over time. Each of these tools was crucial in strategically managing program implementation and results achievement during a transitional and volatile period.

6.2 Delivery Channels

The evaluators were also asked to look at performance comparisons across delivery channels. Making comparisons across delivery channels is just as challenging as making comparisons across delivery mechanisms; the nature, purpose, scope and size of investments by delivery channel vary significantly. That being said, analysis of the table above on ranking of delivery channels offers the following observations:

- There is no significant difference in average rankings between bilateral, multilateral and bilateral channels. All delivery channels appear to play a distinct yet useful role in the context of the Ethiopia Program.
- Partnership initiatives tended to score lowest on the criteria of coherence and Paris Declaration Principles. This is unsurprising given that much of CPB investment in Ethiopia involves smaller, responsive project support to Canadian NGOs whose programming is

often, by definition and intent, considerably less aligned with that of host government priorities than is the programming of a bilateral or multilateral funding agency.

- Bilateral or multilateral channels scored lower than the partnership channel on efficiency. This is largely due to the nature of NGO programming – smaller investments, often with lower overhead and administrative costs, as well as more flexible and iterative project delivery models, are seen to be generally easier to manage in terms of the relationship between costs and results.
- Sustainability was also slightly higher for partnership initiatives than for the other two delivery channels, given more reliance on participatory and responsive development approaches which can produce greater local ownership. In the Ethiopia Program context, multilateral received a particularly low ranking for sustainability due to the nature of health commodity delivery on PBS which involved consumables only.
- Cross-cutting themes also received a higher ranking for partnership than bilateral and multilateral. This is, in part, due to the nature of the sample selected for this evaluation – several of the sample initiatives involved CPB programming focused exclusively on gender, HIV/AIDS, the environment or a combination of these. Multilateral received the lowest rating with regard to cross-cutting issues as this delivery channel is the one where CIDA has the least control over the design, implementation and monitoring of initiatives.

6.2.1 Balance across Delivery Channels: Until 2004, CIDA's programming was heavily weighted towards multilateral programming. Since 2004 that balance has shifted in favour of more bilateral investment focused on long-term, sustainable development, although multilateral funding continues to dominate. Increasing investment in bilateral programming, particularly through joint donor and government-driven PBAs, has afforded CIDA access to increased information, as well as increasing its opportunities for policy dialogue with the GoE. In collaboration with DFAIT, the bilateral channel has provided an effective means for both voicing Canada's views on political situations in the country, while backing these views with action in terms of its ODA programming.

CIDA gains management efficiency from supporting large programs through the multilateral channel, enabling the Agency to reach several countries simultaneously and to benefit from economies of scale in terms of inputs. Multi-bi investment proved a very effective solution for rapid reprogramming, when General Budget Support was suspended in 2005 and an alternative was sought to continue pro-poor basic services support. It allowed the Ethiopia Program to retain some control over how the funds would be used, while minimizing risk by avoiding direct transactions with federal-level GoE.

In terms of the partnership channel, its advantages include the ability to reach different categories of beneficiary, the ability to mobilize a wide array of Canadian skills and expertise, the potential to mobilize the Canadian public in support of development aid, and the leveraging of other sources of funding. While support to civil society has been neglected since 2004 by the Ethiopia Program, it is not likely to be partnership funding which can or will fill this gap in the future. CPB projects tend to be small, relatively diffuse and costly for the Ethiopia Program to monitor or easily integrate within its bilateral program management processes. In addition, CPB is not structured geographically, but rather according to partner organization, making coordination difficult with a bilateral country program organized by sector, particularly one that is decentralized. As such, CIDA's plans to increase support to civil society strengthening in Ethiopia in the future are far more likely to be delivered through pooled funds with other donors under the bilateral channel.

7. CONCLUSIONS, LESSONS, RECOMMENDATIONS

7.1 Conclusions

In summary, the Evaluation Team concluded that the Ethiopia Program can be given an overall satisfactory rating (3.8, which is very close to a highly satisfactory rating) in implementing the CDPF 2004-2009. Where the Program has varied from the letter and content of the original CDPF, program modifications have been made with considerable justification. Given the significant organizational and management transformations demanded during the review period, it has been concluded that most dimensions of the program have evolved very well. These transformations are not yet complete - they remain a work in progress, for the Ethiopia Program and for CIDA as a whole.

As attested by many donor partners, CIDA emerged as a leader in the new aligned and harmonized ODA environment, and was prominent in the post election activities, balancing sanctions in response to the GoE's actions, with continued and open policy dialogue. CIDA was a prominent player in the suspension of General Budget Support and the emergence of the Protecting Basic Services (PBS) Program that assured continued donor support for the delivery of basic services to poor communities. It is said that CIDA's technical and intellectual leadership are such that these contributions exceed the scale of its investments.

In all circumstances imposed by the transition to a new program and the political events that have attended the CDPF period, CIDA has judiciously acted to reduce any risk to Canada and to the effective delivery of development aid to Ethiopia. The joint work of DFAIT and CIDA must be given special recognition in this regard. These two agencies collaboratively provided leadership and resources during, and subsequent to, the election crisis. They kept Canada well informed, took effective steps to protect Canadian interests, and were key in the formulation of joint donor actions, as well as (in collaboration with other donors) rapprochement with the Government of Ethiopia.

Perhaps the overriding question that will continue to confront CIDA in the next iteration of the CDPF will be the balancing of its commitment to aid effectiveness (ownership, alignment and harmonization) with a strong and consistent message on respect for international human rights commitments. Differing donor perspectives on the form and substance of continued assistance, in response to Ethiopia's political volatility, undermine progress in donor harmonization and will continue to present challenges to CIDA in upholding the Paris Declaration Principles and the Accra Agenda for Action.

7.2 Management Conclusions

Under circumstances of considerable change, both the form and substance of organizational and management processes have had to be revisited to conform to very different delivery parameters. To reiterate, these transformations have evolved well during the review period, but further progress could be made, based on learning from the experience of the past five years. Organizational structure, planning, reporting and accountability are areas identified for further development.

Perhaps the most pervasive management reflection generated in consultation with senior government, donor partners and program interlocutors, is that the complexity, slowness and uncertainty of CIDA's program approval processes dilute its otherwise considerable leadership

role in the joint-donor community, just as they undermine CIDA's influence in policy dialogue with the Government of Ethiopia. Finally, it should be noted that some of the challenging issues raised in this evaluation are beyond the control of the Ethiopia Program and are not related solely to that program. Furthermore, the Agency is already doing well on aid effectiveness in some of its Country Programs and has acted on recommendations to provide more strategic direction to take the aid effectiveness agenda forward in a more coherent manner. However, as indicated in the OAG Report, in recent years, frequent changes in policy direction and substantial turnover have posed significant challenges to CIDA. The long term-nature of international development requires stability and predictability of programming.

7.3 Programming Conclusions

As evidenced by the sample of initiatives assessed during this evaluation, it has been concluded that CIDA Ethiopia has made impressive progress in 'managing for results' in each of the three program areas of the CDPF. Significant development results have been achieved across the program areas and CIDA is seen to have played a leadership role in contributing to this results achievement. There are three principal areas in need of further reflection for the next iteration of the CDPF.

While PBS proved a good substitute for DPRO, one of the basic questions that emerged from studying this investment is whether or not it is the most appropriate program umbrella under which CIDA might continue its support for community level basic service delivery in Ethiopia. PBS was an innovation that allowed the donors to quickly continue the flow of resources in support of the MDGs. However, the transactional distance requirement restricted CIDA's general support under PBS Component 2 to health related commodities when health was not identified in the CDPF as a priority sector for CIDA. C1 and C3 offer a much wider base of support for capacity building in service delivery but do not provide sufficient transactional distance from the Government of Ethiopia. CIDA needs to revisit these discrepancies with regard to renewed investment in PBS II.

While the CDPF identifies civil society as an important component of programming, support to CSO strengthening and integration of civil society into CDPF programming has been limited, diffuse in nature and lacking in strategic direction. This has been reinforced by CIDA's shift towards PBAs and the Government's limited vision of the role of civil-society organizations and the private sector in the development process. Engagement of civil society and the private sector are necessary for both poverty reduction efforts as well as the promotion of vibrant, democratic governance in Ethiopia. A more coherent and comprehensive strategy for support to civil society strengthening is needed, including definitions of the purpose, results, resource needs, strategies and performance framework.

In conformity with the CDPF, CIDA has attempted to build the cross cutting themes of Equality between women and men, Environmental Sustainability and HIV/AIDS into appropriate initiatives in all of the three program areas. CIDA has been able to provide significant leadership and some tangible results with regard to these issues within the joint donor-GoE programming context. However, strategies, program resources, accountability frameworks and mechanisms in support of the three cross cutting themes were not well developed or articulated in the CDPF, so that efforts sometimes appeared ad hoc and piece meal rather than effectively mainstreamed. More comprehensive strategies, particularly with regard equality between women and men and environmental sustainability, are needed within the new CDPF.

The Ethiopia Program's performance in terms of key evaluation questions is summarized below:

7.3.1 Relevance: The Ethiopia Program was found to be highly relevant to poverty reduction and the MDGs generally, to the Government of Ethiopia poverty reduction plans, as well as to CIDA policy and program priorities. Relevance received the highest performance rating across all CDPF program areas (4.8 as compared to the overall average of 3.8).

7.3.2 Effectiveness: The Ethiopia Program was found to be quite effective and the evaluation concluded that CIDA has made considerable contributions to results achievement in Ethiopia for the period under review. World Bank indicators for Ethiopia suggest that the poor have achieved increased access to resources and services, attained greater food security and improved health indicators. This has contributed to considerable progress in achieving several MDG indicators. Although specific global indicators for democratic governance have regressed during the period under review (voice, political stability and accountability), other indicators which correspond to areas of programming investment for CIDA in governance (fiscal accountability, financial management, administrative efficiency in service delivery, greater equality in resource distribution, justice sector reform) have improved since 2004. CIDA is also seen to have been strategic in the use of the different programming mechanisms at its disposal to ensure an ongoing contribution to the effectiveness of program design and delivery.

7.3.3 Sustainability: This criterion received the lowest performance rating across all three program areas (2.5 compared to an average of 3.8) and results tend to be mixed. On the positive side, GoE is committed to accelerating achievement of the MDGs and devotes an increasing proportion of its resources to pro-poor development. The Government also invests considerable resources to improve its institutional efficiency and technical capacity. On the other hand, human resource capacity is weak and the absence of civil service reform is limiting the sustainability of Government capacity building efforts. In addition the effects of the economic crisis, deepening climate change, levels of demographic growth, and frequent humanitarian emergencies, point to a continued dependence on international aid for Ethiopia in the foreseeable future.

7.3.4 Coherence: CIDA's program in Ethiopia has demonstrated considerable continuity over the last decade, contributing to program coherence and knowledge building. There appears to be internal coherence within each CDPF program area. CIDA has regularly reviewed progress in each program area and taken steps to improve program coherence, as well as to identify and fill gaps as they emerge. All three program areas were rated as satisfactory in terms of coherence. CIDA has also generally demonstrated leadership in coordinating/ harmonizing with and complementing the work of other donors. This is reflected in CIDA's role in designing PBS and reactivating parliamentary support after the 2005 post-election crisis. However, building coherence across the three program areas has had mixed results and remains a work in progress. Building coherence across delivery channels, under the umbrella of the CDPF and within the context of a decentralized program, has also proven very challenging. The Ethiopia Program did find informal means of exchanging information and building some productive collaboration between CIDA's three branches – Bilateral, Multilateral and Canadian Partnership. However, if CIDA is going to engage in implementing a truly integrated country program strategy, in accordance with aid effectiveness principles, it must identify formal means and coordinated structures through which this can take place.

CIDA has also acted in a coherent way with DFAIT to reduce risks while delivering effectively development aid to Ethiopia Government and the people in needs. The Ethiopia example

illustrate what can be accomplished in a very difficult situation when the Head of Aid and Canada's Ambassador mutually reinforce and support each other's work and responsibilities.

7.3.5 Efficiency: Despite considerable internal and external changes, the Ethiopia Program was seen to have been efficiently managed. Of particular note were the recruitment and deployment of skilled human resources, the strategic use of different delivery mechanisms to respond to changes in program context, and the innovation of new management tools and processes to meet the demands of new aid modalities. Areas where efficiency could be improved include reducing the time and complexity of program approval procedures at CIDA, and developing a management plan to guide the delivery and performance assessment of the CDPF. Also it has been recognized that limited progress has been made at CIDA Headquarters to provide the management and organizational instruments to facilitate the effective implementation of a bilateral country programme in accordance with aid effectiveness and the Paris Declaration. These are Agency-wide challenges and not particular to the Ethiopia Program.

7.3.6 Management Principles: In the context of performance management, monitoring and evaluation of activities, CIDA is seen to have effectively promoted the principles of ownership, alignment and to some extent harmonization, by thoughtfully and coherently balancing support to the Ethiopia Government in driving its own development agenda, while providing a consistent and coordinated message on human rights and improved democratic governance. Investment in the PBAs provides CIDA with access to information as well as a privileged and respected seat at the policy dialogue table with government. However, CIDA's lengthy approval processes, along with its policy of maintaining transactional distance from the Government of Ethiopia since the 2005 crisis, place some limits on CIDA's ability to align and harmonize its aid program.

7.3.7 Cross-Cutting Issues: CIDA is the leading donor in the promotion of equality between women and men in Ethiopia. While gender equality results are mixed on the Ethiopia Program due to external, contextual challenges, little investment would likely be made by the Government or other donors within the major PBAs without CIDA's continual efforts. The mainstreaming of HIV/AIDS in the CDPF has been ad hoc, with greater visibility in Food security than governance. Environmental sustainability is effectively promoted on Food security while Environmental Assessment requirements are fulfilled in governance. Generally, work on the three cross-cutting issues would have benefited from more explicit program strategies in the CDPF, including purpose, results, resource needs and accountability frameworks.

7.3.8 Performance Management: CIDA's performance in managing for results in Ethiopia is generally good. Innovative and progressive attempts have been made to assess performance at the country program level, with efforts increasing during the latter half of the CDPF period, after the contracting of an M&E advisor at ECCO. In terms of mutual accountability, CIDA has contributed significantly to capacity building of the Government of Ethiopia in RBM / monitoring / evaluation. Most importantly, CIDA has taken a leading role in efforts to develop a PASDEP performance matrix against which the Government of Ethiopia can assess performance, as well as contributing significantly to joint donor supervision missions and mid-term reviews on PBAs. While CIDA and other donors did not foresee the post-election crisis of 2005, CIDA has played a leadership role in joint-donor risk analysis, joint performance monitoring and analysis as well as evidence-based policy dialogue in the governance arena since that time.

7.4 Program Lessons

What to do? The Ethiopia Program is seen to have struck a reasonable balance between investment in direct poverty alleviation for the rural poor and longer-term capacity building of GoE for policy, planning, financial oversight and improving the scale, quality and efficiency of basic service delivery. CIDA has invested in areas considered of primary importance to Ethiopia over the last decade and has remained responsive to Ethiopia emerging needs. Generally, the main thrust of the program appears relevant and its basic direction should be maintained in the new CDPF. CIDA's engagement in the new aid modalities in Ethiopia should be considered program-level and long-term. Countries adhering to Paris Declaration Principles are seen to take on a set of responsibilities to donor and recipient nation partners that need to be respected in formulating their planning; they must be willing to stay the course well beyond the five-year time horizons of a particular Poverty reduction Strategy Paper if positive developmental changes are to be brought about and sustained. This commitment must supersede the tendency of donor governments to shorter-term and politically- driven policy shifts.

Lesson: Paris Declaration commitments necessitate long-term, programmatic commitments which must supersede donors' domestic policy shifts, if positive developmental change is to be achieved and sustained.

Lesson: With regard to coherence, the Ethiopia experience illustrates what can be accomplished in a very difficult situation when the Head of Aid and Canada's Ambassador mutually reinforce and support each other's work and responsibilities.

How to do it?

Maintain consistency in current sectoral foci - The Ethiopia Program has been able to build credibility, knowledge and networks by maintaining relative consistency in programming areas, and institutional focus for capacity building within those program areas, over the last decade. This consistency has enabled CIDA to play a leadership role in both policy dialogue and poverty reduction efforts in Ethiopia, with a level of stature and influence that is seen to outweigh the size of its financial contributions. Where the Ethiopia Program has deviated from this consistency has been in the area of civil society support since 2004, owing to a transition to PBAs, Government resistance to the involvement of civil society in development, and internal, structural challenges at CIDA. A renewed strategy of civil society support is now needed, which will further challenge CIDA in balancing adherence to Paris Declaration Principles with the promotion of international standards for human rights and democratic freedoms.

Lesson: CIDA's intellectual and technical contribution to development in a PBA environment often outweighs its financial contribution. To make this contribution effectively, CIDA needs to maintain program consistency in order to build knowledge over time - by engaging and maintaining the right human resources, investing in knowledge generation within its sectors of focus (studies, research, evidence) and using this knowledge to support both ongoing policy dialogue and program improvements.

Lesson: Democratic governance and poverty reduction require the engagement of both government and civil society (including media, academia, professional associations, NGOs and the private sector). In emerging democracies, there is often a tension between upholding Paris Declaration Principles and investing in government-driven programming on the one hand, with upholding international human rights standards and supporting the emergence of a strong civil society on the other. Managing this tension requires constant knowledge generation, risk

analysis and policy dialogue at the field level, in collaboration with the broader donor community.

Target areas contributions and streamline CIDA's coordination efforts accordingly - CIDA's Ethiopia Program was expanded and transformed significantly from 2004 to 2009. Identifying CIDA's niche or area of focus is difficult in a country program the size and scope of Ethiopia. In this context, narrowing the number of sectors or program areas appears less important than narrowing the scope of CIDA's intervention within a given sector/program area. CIDA recognizes that it is currently spread quite thinly across a broad range of joint donor working groups and committees within each area, which consume more staff time and energy than anticipated. Within these fora, however, CIDA is recognized for its knowledgeable, measured, consistent and constructive participation. CIDA is currently revisiting its program to narrow its focus within program areas as well as to better target its interventions in joint donor efforts, based on areas of Canadian comparative advantage. It is also working with other donors to identify a more effective division of labour in the harmonization process. Cross-cutting issues of gender and the environment, RBM and monitoring/evaluation have notionally been identified by CIDA as areas of comparative advantage within each program area.

Lesson: Narrowing the number of program sectors in a given country program appears less pressing than narrowing the focus and number of initiatives within each sector. CIDA needs to determine its focus of intervention within each programming area or sector based on need, past experience, current gaps and areas of comparative advantage to Canada, as well as the availability of the right professionals.

Lesson: Assuming that transaction costs to CIDA (or host governments) will be reduced in a PBA environment may be erroneous. CIDA needs to strategically plan and manage its participation in joint donor architecture, in keeping with program focus and results, human resource constraints, and CIDA's intellectual and technical capacity.

Maintain diversity in delivery mechanisms – In a volatile country context and in the face of considerable approval delays at CIDA, the Ethiopia Program has managed the use of its diverse resources and delivery mechanisms strategically, including PBAs, projects and flexible funds. Of particular importance is the EDGE Project, as well as pre-approval and technical assistance funds associated with PBAs, which enabled CIDA to maintain an influential seat at the donor table while strategically responding to Government needs as they emerged. Without these funds and in the face of long approval delays at CIDA, the Ethiopia Program would not have had the same level of influence or leadership role among donors; gaps in PBAs design might not have been filled as effectively; while CIDA's relations with the Government would certainly have been more distant and strained. If CIDA is going to engage in implementing a truly integrated country program strategy, in accordance with aid effectiveness principles, it must identify formal means and improved coordinated structures through which coherence can be built across bilateral, multilateral and partnership delivery channels.

Lesson: In harmonized and aligned aid contexts, country programs need access to rapid, flexible funding mechanisms to support programming gaps and priority needs as they emerge, in order to compensate for the slow pace of decision-making on PBAs and CIDA's lengthy and complex approval processes.

Lesson: The question for CIDA should not be "which delivery mechanism is most effective" but rather, how best can CIDA balance investment across different delivery mechanisms to facilitate the efficient and effective delivery of CDPF results in a given country? All delivery mechanisms

are seen to have strengths and challenges so that decisions around balance require an analysis of the country context, gaps and opportunities in programming as they emerge.

Lesson: Formal structures and processes are necessary to ensure coherence and CDPF accountability across delivery channels.

How to Manage Performance?

Performance management of the CDPF – The Ethiopia Program developed a performance assessment framework for the CDPF and used it to monitor progress through annual retreats and a mid-term review. The performance assessment framework was linked, to the extent possible, to the Government's Plan for Accelerated and Sustainable Development to End Poverty performance matrix. While CIDA attempted to monitor the performance of its CDPF, there was no formal plan for the delivery of the country program against which to measure performance - linking results, strategies, resources, roles and responsibilities. This has limited CIDA's efficiency along with the evaluability of its efforts in Ethiopia.

Lesson: The overriding contextual environment that informs investments is now much broader than an exclusively CIDA-centred multi-year program. Therefore, the CIDA CDPF should be strategized, planned, and budgeted within the framework of the much broader, multi-donor harmonized and government aligned ODA environment.

Lesson: The efficiency, effectiveness and overall evaluability of CIDA's CDPF is limited in the absence of a comprehensive management plan for program delivery – including a performance assessment framework, sectoral strategies, human and financial resource allocations, roles and responsibilities.

Strategies for Cross-Cutting Issues – CIDA is perceived to have played a leadership role in the promotion of equality between women and men and environmental sustainability in Ethiopia. And this has been done despite an implicit gender strategy in the CDPF, few dedicated human resources to the cross-cutting issues, no formal budget allocations and no program level accountability mechanisms. CIDA largely depended on the personal commitment of individual staff involved and they delivered at the level of individual projects/initiatives. In the next CDPF, a comprehensive and explicit strategy is needed for each cross-cutting issue to ensure performance and accountability at the program level.

Lesson: In the absence of formal strategies, accountability mechanisms and resource allocations, CIDA implicitly leaves the promotion of cross-cutting issues up to the individual responsibility of its program staff. The risk is that opportunities can be lost and results achievement neglected.

Investment in knowledge building – Just as they require new management approaches, the new aid modalities require new skill sets and capacities on the part of CIDA program staff. Analytical, policy dialogue and negotiation skills, as well as sectoral technical knowledge, are required of CIDA/ECCO staff in the new aid environment. CIDA has been fortunate enough to find and recruit staff with the necessary skills at both HQ and in Ethiopia. For staff to be effective, there is a need for continuity in staffing over time – short-term contracts and postings detract from CIDA's ability to build and maintain program knowledge. Flexible funding mechanisms are crucial to enable CIDA to fund research, studies and analysis in a timely way in support of knowledge building, policy dialogue or (re)-programming.

Lesson: Building internal knowledge and contributing to knowledge building among donors and the Government are crucial for operating in the context of new aid modalities.

Lesson: Knowledge building requires effective human resource management to hire and retain staff with the right skill sets as well as flexible funds to invest in the generation of knowledge products.

7.5 Recommendations

7.5.1 Recommendations for the Ethiopia Country Program

Recommendation #1: In the interests of continuity, coherence and adherence to Paris Declaration Principles, the Ethiopia Program should maintain its focus in the existing CDPF areas of Food Security/Agriculture and Governance/Capacity Building, as well as the Protection of Basic Services. The significant knowledge and credibility that CIDA has garnered, along with the significant development results it has contributed to in Ethiopia, should be maintained, built on and further fostered.

Recommendation #2: The Ethiopia Program should develop a realistic and measurable performance framework, accompanied by a multi-year program management plan, to guide the delivery and ensure the evaluability of its next CDPF. The management plan should address all aspects of CIDA's work in achieving development results in Ethiopia, including program delivery, joint donor coordination and policy dialogue as indicated in the Management response to the OAG's report.

Recommendation #3: The Ethiopia Program should improve the comprehensiveness of approaches for the mainstreaming of cross-cutting issues, including the identification of expected results, financial and human resource needs. In addition, the Ethiopia Program should consider limiting cross-cutting issues to equality between women and men and environmental sustainability.

Recommendation #4: The Ethiopia Program should continue to work closely with other donors to support civil society initiatives and promote knowledge sharing and other mutual learning opportunities. These initiatives should be carried out in collaboration with Canadian Partnership Branch.

Recommendation #5: The Ethiopia Program should maintain the relative balance it has achieved in the management of different delivery mechanisms, with a particular emphasis on continued access to flexible funds, including local funds, used to support knowledge building, innovation, the identification of new program opportunities and the filling of strategic program gaps as they emerge.

Recommendation #6: The Ethiopia Program has already achieved greater influence within the Development Assistance Group (DAG) structure than CIDA's financial contribution to Ethiopia would suggest. CIDA's efforts to date, through strategic intellectual and technical contributions to the DAG and encouragement of a more effective division of labour among donor partners, should be actively pursued under the next CDPF.

Recommendation #7: The Ethiopia Program should continue its effective support to monitoring/evaluation/RBM, both in the context of joint donor assessment processes as well as in the context of technical assistance to the Government of Ethiopia.

Recommendation #8: Being decentralized, the Ethiopia program should consider formalizing annual meetings between CIDA HQ, Embassy and ECCO as a way to sustain sound program management practices in terms of planning, monitoring, reporting and accountability.

Corporate Level Considerations

Consideration #1: CIDA needs to review its CDPF planning, management and monitoring procedures and requirements, to ensure improved standardization and accountability, as well as alignment with CIDA's engagement in new aid modalities.

Consideration #2: CIDA needs to reduce the complexity, length of time required and unpredictability of its program approval processes, all of which seriously undermine its adherence to Paris Declaration Principles, increase the transaction costs associated with country program delivery, and undermine its credibility with development partners.

Consideration #3: For purposes of increasing efficiency and effectiveness, CIDA should consider more effective ways of creating better synergies between the Ethiopia Program, CIDA's embassy-based development assistance team and the ECCO-based specialist support and advisory team.

APPENDIX A: Outline of CIDA's areas of intervention under the 2004-2009 CDPF

Food Security/Agriculture - This program area was meant to contribute to the long-term transition away from food insecurity that is a pre-requisite for both sustainable development and poverty reduction. At the same time, the program was to sharpen its focus on growth in the small-farm sector, with increased support to market-oriented productivity growth, improved market access and entrepreneurship. Ethiopia's needs in this area are enormous and predictable external support was required for the foreseeable future (at least fifteen years).

Governance/Capacity Building – Under governance, CIDA seeks to build key institutions of democratic governance, accountability and oversight, including the justice sector, the Parliament, the Office of the Auditor General, the Human Rights Commission and the Office of the Ombudsman. Each of these institutions was identified as a priority for capacity building by the Government of Ethiopia in PASDEP. In addition, civil society strengthening is seen by CIDA as important to the creation of a strong and vibrant democracy in Ethiopia. Throughout this sector, the crosscutting issues of equality between women and men and HIV/AIDS are to be mainstreamed.

General Budget Support – direct transfers to the Government of Ethiopia treasury in support of the national Poverty Reduction Strategy. It was an important non-directive (core funding) ODA innovation, formulated in unequivocal response to the GoE's commitment to achievement of the Millennium Development Goals (MDGs). After the post-election crisis in 2005, GBS was suspended and replaced by Protecting Basic Services (PBS). CIDA contributed to PBS through World Bank administered Multi-Donor Trust Funds. CIDA's intervention was intended to ensure that Ethiopia's poorest citizens have sustained access to the services they need in four key areas: health, education, agriculture, water and sanitation. Specifically, CIDA contributed to the procurement of essential commodities for basic health services and to social accountability initiatives designed to increase the knowledge and engagement of citizens with local government processes.

APPENDIX B: Keys Questions at Program and Project Levels

Issues	Program Level Criteria	Project Level Keys questions
1. Relevance	Overall relevance of the program within the development context.	In relation to CIDA poverty reduction and sustainable development policies Within the country development plans (PRSPs) Within CIDA Strategic Development Framework
2. Effectiveness/ Results	Overall contribution of the program to poverty reduction	In relation to poverty reduction In relation to sector objectives In relation to gender equality Cost /effectiveness per result unit
3.Sustainability	Assessment of the aid dependence	Time needed to attain the results Institutional capacity to maintain the results Financial capacity to sustain the results
4. Coherence	Overall coherence of the program including policy dialogue and leadership played by Canada	Internal coherence of the program Within the context of Canadian cooperation Within the context of International efforts In relation to Canadian Objectives abroad
5. Efficiency	O&M/G&C compared to other program in the region. Benchmarking with other donors (Staff, O&M costs, decision making); Strengthened field presence (TBD) Knowledge related activities	Costs efficiency of projects and various delivery mechanisms: Efficiency in use of human resources Efficiency in use of financial resources Time needed to approve, manage & monitor various delivery mechanisms
6. Management principles	Overall use of management principles at the program level	Ownership Alignment Harmonization
7. Cross-cutting issues	Gender equality & environment as cross-cutting themes within the program	Gender equality Environment Other
8. Result management / Monitoring and Evaluation	CIDA monitoring and evaluation activities at the program level	Management for results Risk management CIDA-Program monitoring and evaluation activities Joint monitoring and evaluation activities

APPENDIX C: Sample Initiatives

Project	Project Name	Branch	Start Date	End Date	Delivery Model	Investment Type	Total
Democratic Governance							
A036005	Support Public Sector Capacity Building	Africa	07/08/2003	30/06/2009	Core Funding	PBA	\$14,055,457
A020222	Ethiopia Parliament Capacity Building	Africa	02/02/1999	30/06/2008	Directive	Project	\$1,375,992
A021591	Enhancing Dev. and Governance	Africa	02/02/1998	21/03/2011	Directive	Project	\$3,453,539
A020220	Court Administration Reform Phase 2	Africa	09/10/1998	30/06/2005	Directive	Project	\$2,423,463
S062998	Oxfam-Canada Program	CPB	01/12/2006	30/11/2008	Responsive	Program	\$679,600
S062409	CARE Canada Development Program	CPB	01/12/2003	30/11/2007	Responsive	Program	\$814,080
A031479	Ethiopia-Canada Coop.	Africa	03/07/2004	31/03/2010	Directive	Project	\$2,840,439
M011929	UNDP Core Funding/	Multi	2004-2005	2005-2006	Core Funding	Project	\$5,271,450
	Democratic Institutions Program	Bilateral	2008-2009	2011-1012	Core Funding		\$15,500,000 ***
Subtotal							\$30,914,020
Protecting Basic Services							
A036004*	Direct Poverty Reduction Operation-DPRO	Africa	07/08/2003	31/03/2009	Core Funding	PBA	\$25,289,597
A033526	Rural Medical Equipment & Contraceptives	Africa	01/11/2007	30/06/2009	Core Funding	PBA	\$20,000,000
A033373	Protecting Health & Accountability	Africa	25/05/2006	31/03/2009	Directive	PBA	\$18,852,932
M012328	Integrated Health Systems Strengthening (IHSS)/ Catalytic Initiative	Multilateral	29/08/2007	31/12/2012	Responsive	Program	\$12,349,114
S061849	UNICEF- Canada / 3 year Program	CPB	31/12/2001	28/04/2006	Responsive	Partnership Program	\$1,497,839
M012218*	Ethiopian Measles-Malaria Program UNICEF	Multilateral	27/03/2006	30/06/2010	Responsive	Project	\$17,500,000
M012245	Child Health Front-Line Services	Multilateral	31/03/2006	2007 07-31	Responsive	Project	\$2,310,000
M012160	Malaria control for improved Maternal and Child Survival	Multilateral	14/03/2006	31/12/2008	Responsive	Project	\$9,000,000
Subtotal							\$106,799,482
Food Security, Agriculture and Rural Development (FSARD)							
A033522	Safety Net Consolidation Project (SNCP)	Africa	2007-02-81	31/03/2009	Core Funding	PBA	\$20,000,000
A031591	Ethiopia Food Security Project	Africa	27/01/2004	30/06/2010	Core Funding	PBA	\$19,500,000
A021168	Tigray Water Harvesting Project II	Africa	01/05/1998	30/06/2009	Directive	Project	\$5,442,958
M012088	WFP Food Aid Ethiopia	Multilateral	01/04/2005	30/06/2006	Responsive	Project	\$19,600,000
A032142	Improving Productivity & Market Success	Africa	18/06/2003	30/09/2009	Responsive	Project	\$8,959,306
A031498	Disaster Mitigation Phase 3	Africa	02/03/2002	31/10/2007	Responsive	Project	\$4,113,868

Project	Project Name	Branch	Start Date	End Date	Delivery Model	Investment Type	Total
S062994	CHF Partner Food Security Ethiopia (05-08)	CPB/Africa	18/05/2004	30/09/2009	Responsive	Project	\$4,465,292
M011566	WFP School Feeding Initiative-Ethiopia	Multilateral	01/10/2003	30/12/2005	Responsive	Project	\$22,142,359
					Subtotal		\$104,223,783
Other							
A031007	Program Support Unit IV	Africa	28/06/2001	22/01/2007	Directive	Project	\$2,873,142
A030772	Ethiopia Gender Equality Fund	Africa	01/09/2006	30/06/2009	Directive	Project	\$2,591,730
					Subtotal		\$5,464,872
					Grand Total		\$247,402,157
Source: CIDA Ethiopia Program *DPRO suspended and replaced by PBS							
* DPRO suspended and replaced by PBS							
** Bilateral funding disbursed by Multilateral							

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APPENDIX E: Key Stakeholders

CIDA

Dr. Remy-Claude Beaulieu	CIDA	Senior Program Evaluation Manager
Frantz Pierre-Jérôme	CIDA	Ethiopia Country Program Evaluation Manager
Muhammad Akber Hussain	CIDA	Performance Review Officer, Evaluation Directorate
Eileen Stewart	CIDA	Analyst
Louise Laliberté	CIDA	Deputy Director Ethiopia Program
Phedra Moon-Morris	CIDA	MPB – Measles, Malaria
Judith Lajtonyi	CIDA	MPB – Catalytic Initiative/IHSS
Erin McLean	CIDA	MPB – Child Health Front Line Services
Marc-Andre Fredette	CIDA	Former Country Program Director
Xavier Furtado	CIDA	Former First Secretary (Development)
Stephen Sandiford	CIDA	Senior Development Officer, Ethiopia Program
Elise Rafuse	CIDA	Senior Development Officer, Ethiopia Program
Suzanne Stump	CIDA	Senior Development Officer, Ethiopia Program
Fiore Pace	CIDA	International Development Project Advisor, Canadian Partnership Branch
Frances Cosstick	CIDA	International Development Project Advisor, Canadian Partnership Branch

CIDA Ethiopia

Edmond Wega	Embassy of Canada, CIDA Ethiopia Program	Charge D'Affaires, Head of Aid, Director
John Jackson	Ex- Embassy of Canada, CIDA Ethiopia Program	Former, Acting -CIDA Ethiopia, Country Program Director
Andrew Spezowka	Embassy of Canada. CIDA Ethiopia Program	Senior Analyst, Team Leader, Food Security and Agricultural Growth
Isabelle Hentic	Embassy of Canada, CIDA Ethiopia Program	First Secretary (Development)
Stuart Lane	Embassy of Canada, CIDA Ethiopia Program	Senior Analyst,

ECCO

Pierre Fortin	ECCO	Director
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Berhanu Asefa	ECCO	Economic and Financial Advisor
Shimels Assefa	ECCO	Governance and Civil Society Advisor
Marta Gebre	ECCO	Director, Gender Equality Fund, HIV/AIDS Mainstreaming Fund
Muderis Abdulahi	ECCO	Senior Advisor, Food Security, Agriculture and Rural Development
Getahun Tafesse	ECCO	FSARD+PRSP Monitoring and Evaluation Advisor
Ahmed Mohammed	ECCO	Rural Livelihood Advisor
Asferachew Abate	ECCO	Environment Advisor
Jerusalem Berhanu	ECCO	Governance Advisor
Emebet Kebede	ECCO	Justice Advisor
Mandefro Bekele	ECCO	Public Sector Capacity Building Advisor
Seblewongel Deneke	ECCO	Gender Advisor
Government of Canada		
Jocelyn Kinnear	DFAIT	Political Officer
Janet Graham	Government of Canada	Canadian Ambassador, Ethiopia
Government of Ethiopia		
Ato Membere Tsehay	Federal Supreme Court	VP and Judge
Ato Berhanu	FSCD	Director
Michael Tsehaye	GoE, Bureau of Water Resources	Bureau Head
Dr. Kebede Worku	Government of Ethiopia - MoH	State Minister of Health
Getachew Moges	Federal Civil Service Agency	Head, Civil Service Reform Office
Ato Binegrew Wale	Amhara Bureau of Capacity Building	Deputy Head
Ato Mulugeta Bantie	Amhara Bureau of Capacity Building	Planning and Monitoring and Evaluation
Ato Mengeste Alemahu	Amhara Supreme Court	Head of Planning
Ato Tekeba Belayneh	Amhara Supreme Court	Vice President
Ato Mulegeta	Bahir Dar City Court	President
Commander Dejene	Bahir Dar Police	Depute Commissioner
Hebtu Lemma	Bureau of Agriculture & Food Security, Tigray	FSP Coordinator
	Bureau of Agriculture & Rural Development, Tigray	Deputy Chairman
Ato Haile Kinfu	MOFED	Director, Bilateral Cooperation
Ato Getachew	MOFED	Director, Welfare Monitoring Unit
Ato Ahmed Mohammed	MOCB	Director, PSCAP Planning and Programming Directorate
Ato Tesfaye Aberra	Parliament of the Federal Democratic Republic of Ethiopia	Head of Research and Documentation Centre
Dr. Chekol Kidane	PBS Secretariat	Acting Director

Wondwossen Ayele	Pharmaceutical Fund Supply Agency	Deputy Director General
Ato Sileshi Sinshaw	PPD	Head, Programme Unit
Ato Aynalem Tsegaye	Southern Nation and Nationalities People Region Capacity Building Bureau	Deputy Bureau Head
Tesfaye Aberra	The House of Peoples' Representatives and the House of Federation of FDRE	Head, Economic and Social Research
Shitaye Minale	House of People's Representatives	Speaker of the House, Chair of Womens' Caucus
Other Donors / Governments		
Howard Taylor	Embassy of United Kingdom	Head of AID, Ethiopia
Abdi Foum	Embassy of Sweden	Counsellor, Head Development Co-operation Section
Jose Louis Vinuesa SantaMaria	European Union	Economic Advisor
Dr. Theo Pas	Royal Netherlands Embassy	First Secretary Health and HIV/AIDS
Pim de Keizer	Royal Netherlands Embassy	First Secretary - Rural Economic Development
Hans Docter	Royal Netherlands Embassy	Head of Development Coordination, Deputy Head of Mission
Peter Mwanakatwe	African Development Bank	Country Director
Haimanot Mirtneh	Irish Aid	Former Chair. DAGTWG, Gender Equality
Bisuwork Keteei	Irish Aid	Governance Advisor
Oliver Blake	DAG	Chair, Governance TWG
Kunal Dhar	GAG GTWG	Governance Advisor: Donor Coordination
Pipa Bird	DFID	PSCAP, Governance Advisor
Ethiopian NGOs/Organizations		
Wzo Haregewoin Ashnafi	Ethiopian Arbitration and Conciliation Centre	Managing Directress
Wzo Mehadere Poulos	Ethiopian Women Lawyers Association	Directress
Eshetu Bekele	Poverty Action Network of civil society organizations in Ethiopia (PANE)	Executive Director
International NGOs in Ethiopia		
Sam Vander Ende	Canadian Foodgrains Bank	East Africa Representative
Abby Maxman	CARE Canada	Ethiopia Country Director
Dawn Wadlow	CARE Canada	Ethiopia Program Director
Leslie Gardner	CHF, Partners in Rural Development	Program Manager
David Rhody	CHF, Partners in Rural Development	Country Director
Wzo Haregewoin Ashenafi	EACC	Managing Director

Dirk Hoekstra	IPMS/ILRI	IPMS Project Manager, Ethiopian Farmers Project
Lemlem Aregu	IPMS/ILRI	Gender Specialist, IPMS Ethiopian Farmers Project
Kahsay Berhe	IPMS/ILRI	Research Officer, IPMS Ethiopian Farmers Project
Abraham Getachew	IPMS/ILRI	Monitoring and Evaluation Officer, IPMS Ethiopian Farmers Project
Gebremedhin Woldewahid	IPMS/ILRI	Research and Development Officer, IPMS Ethiopian Farmers Project
Ermias Sehai	IPMS/ILRI	Knowledge Management Expert, IPMS Ethiopian Farmers Project
Azage Tegegne	IPMS/ILRI	Scientist, IPMS Ethiopian Farmers Project
Pastor Daniel	Justice for All – Prison Fellowship Ethiopia	President
Doug Amstutz	Mennonite Centre Committee Ethiopia	Country Representative
Wanda Roth Amstutz	Mennonite Centre Committee Ethiopia	Country Representative
Ato Feleke Tadele	Oxfam Canada	Country Representative
Daba Gebissa	Save the Children Canada	Director
12 Canadian NGO Representatives	CANGO, Meeting	Executive Directors and Senior Officers

UN Agencies

Paul Ackroyd	UNDP	Former head of DFID, Senior policy and Strategy Advisor to the UN Resident Coordinator's Office
M. Elobaid	UNDP	Director, Democratic Institutions Program
Wizo Mintewab	UNDP	Officer, Democratic Institutions Program
Sonali Wickrema	UN WFP	Head, Programme Unit
Vivian van Steirteghem	UNICEF	Deputy Country Director
Jan Debyser	UNICEF	Logistics Specialist
Lou Wei Pearson	UNICEF	Chief of Health CI/IHSS
Sylvie Chamois	UNICEF	Nutrition Specialist - EOS
Rory Nefdt	UNICEF	Malaria Specialist
Yodit Sahlemariam	UNICEF	EPI Specialist
Peter Soutewelle	UN-WFP	Technical Advisor
M. Elobade	UNDP	Director Democratic Institutions Program

World Bank

Laketch Mikael	World Bank	Rural Development Specialist
Achim Fock	World Bank	Senior Advisor, Agriculture and Rural Development
Wout Soer	World Bank	PSNP Donor Coordinator
Ian Campbell	World Bank	Food Security Officer
Mel Blunt	World Bank	Task Team Leader, PSCAP
Wzo. Elsa Araya	World Bank	Programme Analyst

Ken Ohashi	World Bank	Country Director, Ethiopia and Sudan
Marilou Bradley	World Bank, Washington DC	Senior Operations Officer, AFTH3
Ato Mohammed Umer	World Bank	PSCAP Facility
World Food Program		
Mei Liu	WFP	Head of Sub-Office
Awash Mesfin	WFP	National Program Officer
Askale Tekiu	WFP	CHILD / FFE Team Leader
Dr. Gideon Cohen	WFP	HIV/AIDS Expert
Other		
Dr. Paul Sunga	Private Consultant	HIV/AIDS Expert
Wzo Firewoyne Assefa		Early Warning, Response and Food Security Sector

APPENDIX F: Management Response

Recommendations	Commitments and Action	Responsibility Centre	Planned Completion Date	Progress
<p><u>PROGRAM LEVEL RECOMMENDATIONS</u></p> <p>Recommendation #1: In the interests of continuity, coherence and adherence to Paris Declaration Principles, the Ethiopia Program should maintain its focus in the existing CDPF areas of Food Security/Agriculture and Governance/Capacity Building, as well as the Protection of Basic Services. The significant knowledge and credibility that CIDA has garnered, along with the significant development results it has contributed to in Ethiopia, should be maintained, built on and further fostered.</p>	<p>Agreed. The Ethiopia Program has developed a Country Strategy based on the existing areas of focus and aligned with CIDA's thematic priorities of Food Security and Children and Youth. Within this strategic framework, the Ethiopia Program will build on the results achieved and lessons learned during implementation of the 2004-2009 CDPF, making use of the knowledge and credibility gained through previous programming.</p>	<p>RDG. Southern and Eastern Africa Directorate</p>	<p>March 2010</p>	<p>Completed</p>
<p>Recommendation #2: The Ethiopia Program should develop a realistic and measurable performance framework, accompanied by a multi-year program management plan, to guide the delivery and ensure the evaluability of its next CDPF. The management plan should address all aspects of CIDA's work in achieving development results in Ethiopia, including program delivery, joint donor coordination and policy dialogue as indicated in the Management Response to the OAG's report.</p>	<p>Agreed. The Ethiopia Program has drafted a Country Development Programming Framework (CDPF), which lays out a multi-year plan for program delivery, including the aspects of donor coordination and policy dialogue. The CDPF includes a preliminary performance framework. This framework will be adjusted during 2010 to align with Ethiopia's new (2010-2015) Poverty Reduction Strategy. The Ethiopia Program will monitor performance against this framework on an ongoing basis to ensure that it remains realistic and measurable.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>2010</p>	<p>In progress, pending approval of CDPF.</p>

Recommendations	Commitments and Action	Responsibility Centre	Planned Completion Date	Progress
<p>Recommendation #3: The Ethiopia Program should improve the comprehensiveness of approaches for the mainstreaming of cross-cutting issues, including the identification of expected results, financial and human resource needs. In addition, the Ethiopia Program should consider limiting cross-cutting issues to equality between women and men and environmental sustainability.</p>	<p>Agreed. The Ethiopia Program will focus on the two crosscutting themes of gender equality and environmental sustainability. The Ethiopia Program will develop strategies to ensure that these themes are effectively mainstreamed. Agency specialists and local technical advisors will be involved in the development and monitoring of these strategies.</p> <p>The Ethiopia Program has drafted a Gender Equality Strategy, which has been submitted for corporate review. A Strategic Environmental Assessment, to be completed early in 2010, will serve as the basis for an action plan with regard to environmental sustainability.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>June 2010</p>	<p>Draft Gender Equality Strategy under review. Strategic Environmental Assessment in progress.</p>
<p>Recommendation #4: The Ethiopia Program should continue to work closely with other donors to support civil society initiatives and promote knowledge sharing and other mutual learning opportunities. These initiatives should be carried out in collaboration with Canadian Partnership Branch.</p>	<p>Agreed. The Ethiopia Program has undertaken significant analysis regarding the role and relative importance of civil society in CIDA's focus areas, with particular reference to the challenging context faced by civil society organizations in Ethiopia. Joint analysis has also been conducted in collaboration with other donors.</p> <p>Informed by this analysis, the Ethiopia Program has defined expected results and delivery strategies/ modalities for civil society strengthening in the context of the CDPF. This has been done in consultation with Canadian Partnership Branch and in line with the areas of focus in the Country Strategy and the CDPF.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>December 2010</p>	<p>In progress, pending approval of CDPF.</p>

Recommendations	Commitments and Action	Responsibility Centre	Planned Completion Date	Progress
<p>Recommendation #5: The Ethiopia Program should maintain the relative balance it has achieved in the management of different delivery mechanisms, with a particular emphasis on continued access to flexible funds, including local funds, used to support knowledge building, innovation, the identification of new program opportunities and the filling of strategic program gaps as they emerge.</p>	<p>Agreed. The Ethiopia Program will be delivered using a balanced approach to modalities and partnerships that ensures an appropriate measure of alignment, facilitates CIDA leadership where appropriate, offsets governance risks and enhances results.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>June 2010</p>	<p>In progress, pending approval of CDPF.</p>
<p>Recommendation #6: The Ethiopia Program has already achieved greater influence within the Development Assistance Group (DAG) structure than CIDA's financial contribution to Ethiopia would suggest. CIDA's efforts to date, through strategic intellectual and technical contributions to the DAG and encouragement of a more effective division of labour among donor partners, should be actively pursued under the next CDPF.</p>	<p>Agreed. The Ethiopia Program will review its participation in DAG technical working groups and sub-groups, as well as in joint (donor-government) fora, with a view to further concentrating its intellectual and technical contribution around program focus areas. The Ethiopia Program will continue to engage actively in efforts to improve Aid Effectiveness in Ethiopia, including participation in efforts to enhance the division of labour among donor partners.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>Ongoing</p>	<p>Joint analysis on various aspects of aid effectiveness, including division of labour, underway.</p>
<p>Recommendation #7: The Ethiopia Program should continue its effective support to monitoring/evaluation/RBM, both in the context of joint donor assessment processes as well as in the context of technical assistance to the Government of Ethiopia.</p>	<p>Agreed. The Ethiopia Program will continue its support to results-oriented monitoring and evaluation, both in the context of joint donor assessment processes as well as in the context of technical assistance to the Government of Ethiopia for monitoring of its Poverty Reduction Strategy.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>Ongoing</p>	<p>In progress, including support to development of a monitoring framework for Ethiopia's new Poverty Reduction Strategy.</p>

Recommendations	Commitments and Action	Responsibility Centre	Planned Completion Date	Progress
<p>Recommendation #8: Being decentralized, the Ethiopia program should consider formalizing annual meetings between CIDA HQ, Embassy and ECCO as a way to sustain sound program management practices in terms of planning, monitoring, reporting and accountability.</p>	<p>Agreed. The Ethiopia Program will continue to hold annual work planning sessions involving team members from CIDA headquarters, the Embassy in Addis Ababa and the Ethiopia-Canada Cooperation Office.</p>	<p>RDG, Southern and Eastern Africa Directorate</p>	<p>Ongoing</p>	<p>Planning underway for next work planning session.</p>

<u>CORPORATE LEVEL CONSIDERATIONS</u>	Commitments and Action	Responsibility Centre	Planned Completion Date	Progress
<p>Consideration #1: CIDA needs to review its CDPF planning, management and monitoring procedures and requirements, to ensure improved standardization and accountability, as well as alignment with CIDA's engagement in new aid modalities.</p>	<p>Agreed. The current C/RDPF Guidelines have been revised from their 2004 iteration to better reflect Agency requirements and process. The revised guidelines call for a more strategic and streamlined CDPF that provides a strategic plan for CIDA's engagement with a partner country and guides the Agency's programming choices in that country. C/RDPFs are an integral part of the country-level planning process that guides the implementation of Country Strategies. They move towards better alignment with other planning requirements and performance management tools as well as improved links between results, resources and accountabilities. They take into account recipient country needs and capacities and CIDA's priorities, while making links to the aid effectiveness agenda and whole-of-government priorities.</p> <p>An analysis of the country's local needs and priorities is required for each CDPF. This assessment of national priorities and sectors/themes help guide CIDA's programming choices.</p>	<p>SPPB-YDG in collaboration with GPB PSRD</p>	<p>31 March 2010</p>	<p>The C/RDPF Guidelines were approved by the President in October 2009.</p> <p>A "How To" Note is being developed which seeks to clarify and streamline program planning, management and monitoring processes in line with improved accountability and the new aid modalities.</p>
<p>Consideration #2: CIDA needs to reduce the complexity, length of time required and unpredictability of its program approval processes, all of which contribute to limit adherence to Paris Declaration Principles, increase the transaction costs associated with country program delivery, and undermine its credibility with development partners.</p>	<p>All bilateral programs received Ministerial approval of the 5 year Country Strategies (CS) in October 2009 and are on target to obtain Presidential approval of the 5-year Country Program Development Frameworks (CDPF) by March 2010. Each program can now plan initiatives supportive of Partner/CIDA strategic priorities consistent with Paris Declaration principles. CS's and CDPFs will be reviewed annually; if there has been a significant change in context requiring a major adjustment to the program, a new CS and CDPF will need to be produced.</p>	<p>GPB PSRD</p>	<p>31 March 2010</p>	<p>Lessons learned from the Country Strategy and Focus/Regional Program DPF are currently being analysed, with the intention to adjust the new Guidelines, tools and processes established this year to improve future program level planning processes.</p>

<u>CORPORATE LEVEL CONSIDERATIONS</u>	Commitments and Action	Responsibility Centre	Planned Completion Date	Progress
<p>Consideration #3: For purposes of increasing efficiency and effectiveness, CIDA should consider more effective ways of creating better synergies between the Ethiopia Program, CIDA's embassy-based development assistance team and the ECCO-based specialist support and advisory team.</p>	<p>Under the current Business Modernization Initiative efforts are being advanced to improve the effectiveness and efficiency of Agency systems, procedures and authorities. This includes (but is not limited to) increases in delegation of authority to field teams, stable programming and funding frameworks, and determining which roles and responsibilities should remain in HQ or placed in the field. Amalgamating CIDA program staff in the mission with PSU program staff is an option that is being analysed in detail. Preliminary findings indicate that the approach is possible but the impact on cost and service standards needs further analysis and negotiation with DFAIT. A detailed implementation plan, due to the Minister for approval by fiscal year end, will take these matters into consideration.</p>	<p>Pan Geographics PSRD Business Modernization Initiative</p>	<p>Detailed implementation plan—31 March 2010. Implementation of a consolidated CIDA Program Office (Mission and PSU co-located) will take at least 24 months to complete from the date of agreement with DFAIT (security is a significant time and cost factor)</p>	