

**Federal Democratic Republic of Ethiopia
Country Programme Evaluation
Approach Paper**

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Currency equivalent, weights and measures

Currency equivalent

Monetary Unit = Ethiopian Birr (ETB)

1 US\$= 20.09 ETB (November 2014)

Financial year: 8th July to 7th July (Gregorian calendar)

Ethiopian new year: 11th September (Gregorian calendar)

Abbreviations and acronyms

AEMFI	Association of Ethiopian Micro-finance Institutions
AMIP	Agricultural Marketing Improvement Programme
ATA	Agriculture Transformation Agency
CBINReMP	Community-Based Integrated Natural Resources Management Project
CDD	community-driven development
COSOP	country strategic opportunities programme
CPE	country programme evaluation
DAG	Development Assistance Group
EIB	Ethiopian Institute of Biodiversity
FCA	Federal Cooperative Association
GTP	Growth and Transformation Plan (GoE) 2010-2015
IOE	Independent Office of Evaluation of IFAD
IFAD	International Fund for Agricultural Development
MFI	Micro-finance Institution
MoARD	Ministry of Agriculture and Rural Development
MoFA	Ministry of Federal Affairs
MoFED	Ministry of Finance and Economic Development
MoTI	Ministry of Trade and Investment
OECD	Organisation for Economic Co-operation and Development
PASDEP	Plan for Accelerated and Sustained Development to End Poverty (GoE) 2005-2010
PASIDP	Participatory Small-scale Irrigation Development Programme
PCDP	Pastoral Community Development Project
RUFIP	Rural Financial Intermediation Programme
RuSACCO	Rural Saving and Credit Cooperative
SLM	Sustainable Land Management
WUA	Water User Association

Map of IFAD-supported operations

Federal Democratic Republic of Ethiopia

IFAD-funded operations 2014

Country programme evaluation



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 05-12-2014

Federal Democratic Republic of Ethiopia

Country Programme Evaluation

Approach paper

I. Introduction

1. As decided by the Executive Board in its 113th session (December 2014), the Independent Office of Evaluation of IFAD (IOE) will conduct in 2015 a country programme evaluation (CPE) of the IFAD-Government of Ethiopia cooperation. This is the second CPE undertaken by IOE in Ethiopia: the previous one was carried out in 2007-2008.¹ This CPE will cover the period 2008-2014. Recommendations from this CPE will guide the preparation of the third results-based country strategic opportunities programme (COSOP) for Ethiopia, to be finalized by the Government and IFAD following the completion of the CPE.
2. The Ethiopia CPE will be conducted within the overall provisions contained in the IFAD Evaluation Policy² and follows IOE's methodology and processes for CPEs, as stipulated in the IOE Evaluation Manual.³
3. Prior to this CPE, since 2009 IOE has conducted one project evaluation in Ethiopia and one Project Completion Report Validation and also covered Ethiopia through country case studies in the context of four evaluation syntheses (see table 1 below).

Table 1

Past IOE evaluations in Ethiopia (2009 onwards)

<i>Evaluation Type</i>	<i>Name of the evaluation</i>
Project Completion Report Validations	Pastoral Community Development Project (2011)
Project Evaluation	Rural Financial Intermediation Programme I – interim evaluation (2011)
Evaluation syntheses	Rural differentiation and smallholder development (2013)
	Result-based Country Strategic Opportunities Programmes (2013)
	IFAD's Engagement with Cooperatives (2013)
	Water conservation and management (2014)

Source: IFAD Website, Independent Office of Evaluation sub-site.

4. A Project Performance Assessment (PPA) of the Pastoral Community Development Project – II will be carried alongside the CPE mission and the findings of the PPA will feed into the portfolio performance review of the CPE. In addition, a Project Completion Report Validation (PCRV) of the Agricultural Marketing Improvement Programme will also be undertaken in January 2015 as an input to the CPE. The PPA and PCRV will provide more analytical depth to the CPE's assessment of portfolio performance.

¹ The CPE report was published in May 2009.

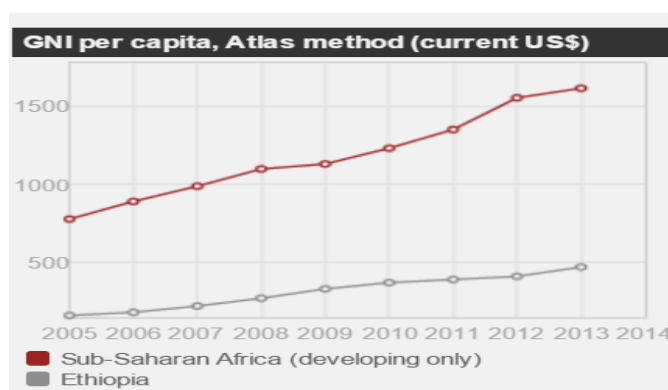
² Evaluation Policy, Independent Office of Evaluation of IFAD: <http://www.ifad.org/gbdocs/eb/102/e/EB-2011-102-R-7-Rev-1.pdf>

³ Evaluation Manual, Independent Office of Evaluation of IFAD: http://www.ifad.org/evaluation/process_methodology/doc/manual.pdf

II. Country context

5. **Overview.** The Federal Democratic Republic of Ethiopia is the largest country in the Horn of Africa. A landlocked country, it is bordered by Eritrea in the north, Djibouti and Somalia in the east, Somalia and Kenya in the south, and Sudan and South-Sudan in the west. Ethiopia is the second most populous country in Sub-Saharan Africa, with an estimated population of 96.5 million in 2014 and an annual population growth rate of 2.6 per cent.⁴ The rural population is estimated at 78 million (2014), accounting for 81% of the total population.⁵
6. For much of the 20th century, Ethiopia was ruled by highly centralized governments. The current ruling party (the Ethiopian People's Revolutionary Democratic Front – EPRDF) has governed Ethiopia since 1991, promoting an ambitious reform program with significant decentralization/devolution at its core.
7. Ethiopia has experienced double digit economic growth in the past decade averaging 10.3% per year, which is one of the highest in the world. Yet, it is still one of the poorest countries, with a per capita income in 2013 of US\$470 (Atlas Method), or a mere 40.3% of the Sub-Saharan African average of US\$1,165.⁶

Figure 1
GNI per capita in Sub-Saharan Africa and Ethiopia



Source: World Bank

8. Ethiopia's most recent poverty analysis report indicates that the national incidence of poverty declined markedly between 2004/05 and 2010/11. The headcount poverty rate fell from 45.5% in 1995/96, to 38.7% in 2004/05, and to 29.6% in 2010/11.⁷ Ethiopia's Human Development Index (HDI) value for 2013 is 0.435 (low human development category), positioning the country at 173 out of 187 countries and territories.⁸
9. Since the early 1990s, Ethiopia has pursued a "developmental state" model with a strong role for the Government in many aspects of the economy. Although initially led by agriculture, growth is now more broad-based, with rising contribution to GDP from services and construction.⁹ Overseas Development Assistance decreased from 12% of Gross National Income in 2010 to 7.6% in 2012.¹⁰

⁴ World Bank Databank, <http://data.worldbank.org/indicator/SP.POP.TOTL>

⁵ World Bank, Databank: <http://data.worldbank.org/indicator/SP.RUR.TOTL>

⁶ World Bank, <http://data.worldbank.org/region/SSA>

⁷ MoFED, Development and poverty in Ethiopia, June 2013.

[http://www.mofed.gov.et/English/Resources/Documents/Development%20and%20Poverty%20in%20Ethiopia\(1995-96\)\(2010-11\).pdf](http://www.mofed.gov.et/English/Resources/Documents/Development%20and%20Poverty%20in%20Ethiopia(1995-96)(2010-11).pdf)

⁸ Between 2000 and 2013, Ethiopia's HDI value increased from 0.284 to 0.435, a rise of 53.2 percent. Source: UNDP, Ethiopia Human Development Report 2013.

⁹ World Bank, Ethiopia Country Partnership Strategy 2013-16.

¹⁰ World Bank, <http://data.worldbank.org/indicator/DT.ODA.ODAT.GN.ZS>

10. **Agriculture.** According to the "Ethiopia's Agriculture Sector Policy and Investment Framework (PIF) 2010-2020",¹¹ the agricultural sector greatly influences economic performance in the country. The World Bank reports that the agricultural sector accounted for 45% of the GDP in 2013. This compares to the 43% share by the services sector and the 12% contribution by the industrial sector. In 2010 about 11.7 million smallholder households accounted for approximately 95% of agricultural GDP and 85% of employment.¹² Ethiopia is one of the few African countries to have met the target set in Maputo Declaration of spending at least 10% of government budget on agriculture under NEPAD.
11. Ethiopia's **crop agriculture** is complex, involving substantial variation in crops grown across the country's different regions and agro-ecologies.¹³ Most smallholder farmers reside in the moisture reliable cereal-based highlands (i.e. 59 percent of total cultivated area), while farm area in the drought-prone highlands accounts for 26 percent of total area cultivated.
12. Ethiopia has **one of the largest livestock inventory in Africa**, including more than 49 million cattle, 47 million small ruminants, nearly 1 million camels, 4.5 million equines and 45 million chickens, with livestock ownership currently contributing to the livelihoods of an estimated 80 percent of the rural population. In 2010, livestock production accounted for about 32% of agricultural GDP.¹⁴
13. **Natural resources, environment and climate change.** Ethiopia is **highly vulnerable to climate change** and rainfall variability. It is estimated that unless steps to build climate resilience are effective, climate change will reduce Ethiopia's GDP growth by between 0.5 and 2.5 percent each year.¹⁵
14. The Climate Resilience Green Economy (CRGE)¹⁶ Strategy is based on four pillars including (i) improved crop and livestock practices; (ii) forestry; (iii) renewable energy; and (iv) "leapfrogging to modern and energy-efficient technologies in transport, industrial sectors, and buildings."
15. **Gender equality.** The Government key development and sector policies support the promotion of gender equality. Legislation has been enacted against violence targeted at women and in favour of their rights to land inheritance. In spite of this law, women still face hindrances in access to land, the exception being woman-headed households. Nonetheless, **significant gender inequality continues to exist**, The World Forum Global Gender Report (2009) ranked Ethiopia 122 out of 134 countries surveyed, which attests to the generally slow progress towards gender equality.¹⁷
16. **Administrative and policy framework.** Administratively, Ethiopia is constituted as a federal republic divided into nine National Regional states¹⁸ and two Administrative states (Addis Ababa City administration and Dire Dawa city council). These eleven regions are further divided in 800 *woredas* and around 15,000 *kebeles* (5,000 Urban and 10,000 Rural).¹⁹ Under the Government's decentralization program, regions and woredas have been assigned most

¹¹ The Ethiopia's Agricultural Sector Policy and Investment Framework 2010-2020 is a 10-year road map for development that identifies priority areas for investment and estimates the financing needs to be provided by Government and its development partners. <http://www.caadp.net/pdf/Ethiopia%20Post-Compact%20Investment%20Plan.pdf>

¹² Ibidem.

¹³ In particular, marked differences exist in terms of rainfall and elevation. Agricultural researchers distinguish five agroecological regions in Ethiopia: moisture reliable cereal-based highlands, moisture reliable onset-based highlands, humid lowlands, drought prone highlands, and pastoralist area. IFPRI, Crop production in Ethiopia: regional patterns and trends, <http://www.ifpri.org/sites/default/files/publications/essprn11.pdf>

¹⁴ Ethiopia's Agricultural Sector Policy and Investment Framework 2010-2020.

¹⁵ World Bank, Economics of Climate Change in Ethiopia, 2008.

¹⁶ http://www.uncsd2012.org/content/documents/287CRGE%20Ethiopia%20Green%20Economy_Brochure.pdf

¹⁷ AfDB Country Strategy Paper for Ethiopia 2011-15.

¹⁸ Tigray, Afar, Amhara, Oromia, Somali, Benishangul-Gumuz, Southern Nations Nationalities and People Region (SNNPR), Gambella and Harari.

¹⁹ <http://www.ethiopia.gov.et/regional-states>

developmental functions, including agriculture and rural development. Agricultural Development Led Industrialization (ADLI), as a concept, has been a central pillar of Ethiopia's development vision since 1990s. This is reflected in medium term plans such as Plan for Accelerated and Sustained Development to end Poverty (PASDEP) (2005/06-2009/10) and the currently ongoing Growth and Transformation Plan (2010/11-2014/15) that have place emphasis on agriculture as one of the main drivers of development. The Growth and Transformation Plan (GTP) 2010/11-2014/15 aims at eradicating poverty in Ethiopia, with the target of becoming a middle-income economy as of 2020-23. Within agriculture the GTP places emphasis on intensifying productivity of smallholders and strongly supporting the intensification of market-oriented agriculture and promotion private investments.²⁰ Government priorities in the field of agriculture are guided by Ethiopia's Agriculture Sector Policy and Investment Framework (2010-20), wherein smallholders and pastoral households remain one of the cornerstones of government and donor interventions in agriculture.

17. **Official development assistance.** There are over 30 active development partners in Ethiopia operating in more than 13 sectors. These include bilateral and multilateral partners as well as providers of South-south and Triangular cooperation.. Despite receiving one of the largest volumes of development assistance in all of sub-Saharan Africa (US\$3.37 billion), Ethiopia's country programmable aid per capita (US\$32) is still lower than the sub-Saharan African average (US\$40).

Table 2

Total development assistance to Ethiopia

<i>Constant Prices (2011 USD millions)</i>	2008	2009	2010	2011	2012
Grants	3,127	3,084	3,045	2,924	2,593
Gross Loans	329	1,021	700	665	781
Total Net ODA	3,428	4,077	3,723	3,539	3,311
Total Gross ODA	3,456	4,105	3,745	3,589	3,375

Source: DAG aggregates

18. The United States and the World Bank are Ethiopia's largest donors, having contributed with US\$719.3 million and US\$767.3 million, respectively, in 2012. They are followed by the United Kingdom (US\$ 417.8 million), the European Union (US\$255.5 million), Germany (US\$124 million) and Canada (US\$123.5 million).²¹
19. The health sector (including population policies) received the largest share of ODA at 23%, followed by 15% in humanitarian aid. This is closely followed by economic infrastructure (13%), multi-sector programs (11%), education (8%), developmental food aid (8%), other social infrastructure (5%), agriculture (5%), water and sanitation (5%), government and civil society (3%), General Budget Support (2%), and other (1%). DAC Development assistance to Ethiopia is composed of 81% grants and 19% concessional loans.²²

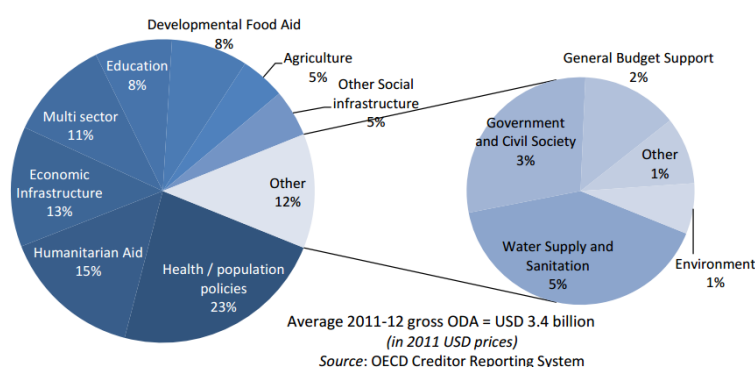
²⁰ Growth and Transformation Plan 2010/11-2014/15:

<http://www.mofed.gov.et/English/Resources/Documents/GTP%20Policy%20Matrix%20%28English%292.pdf>

²¹ DAG Annual Report 2012-2013, http://www.dagethiopia.org/index.php?option=com_content&view=article&id=178

²² Ibidem.

Figure 2
Sectoral allocation to Ethiopia, 2011-12 average (constant 2011 prices)



20. The **Development Assistance Group (DAG)** has existed since 2001 and seeks to promote a more effective delivery of ODA and foster cooperation and coordination among all development partners and the Government of Ethiopia. In the past years, the number of development partners has increased and now includes non-traditional donors such as China and India. Although their development aid to Ethiopia is not reported to the OECD-DAC, the importance of China and India as donors to Ethiopia has increased substantially during the last ten years. It is estimated that China and India have extended financing in excess of US\$ 3.3 billion and US\$700 million respectively since 2006.
21. The 2013 DAG Report mentions that 25 out of the 30 donors to Ethiopia are DAG members. IFAD is part of these, rotating within the United Nations Country Team Ethiopia (UNCTE).

III. Overview of IFAD-supported operations and evolution of the country strategy

22. **IFAD-supported programme in Ethiopia.** Since 1980, IFAD has invested a total of US\$473 million in 17 programmes and projects in Ethiopia that have an overall cost of more than US\$1.2 billion. IFAD has also provided US\$28 million in debt relief to the country under the Heavily Indebted Poor Countries Debt Initiative.²³
23. In the framework of the Field Presence Pilot Programme, an IFAD Country Office was established in Addis Ababa in 2005, the host country agreement for posting the country programme manager in Ethiopia was signed in 2010.
24. **Evolving strategy in COSOPs.** The first IFAD country strategic opportunities paper for Ethiopia was formulated in November 1999. It was jointly reviewed and agreed with the Government in October 2000. This COSOP stipulated the following areas of priorities for IFAD's lending i.) Development of Rural Financial Services ii.) Small Scale Irrigation iii.) Support to Agricultural Diversification and Marketing through support to post harvest processing and storage. The Participatory Small-scale Irrigation Development Programme (PASIDP), approved by the Executive Board in 2007, was the last project to be supported by IFAD under the COSOP of 1999.
25. The second COSOP was released in 2008 following a Country Programme Evaluation in 2007 (Recommendations of the CPE are contained in Annexe IV). The CPE provided some important recommendations with respect to the direction of the future country programme and included in particular recommendations to (i). Target food deficit areas (ii). Concentrate on IFAD's comparative strengths of small scale irrigation and rural finance (iii). Anchor policy dialogue in IFAD's operations.

²³ IFAD Operations in Ethiopia, Accessed on 5th December 2014:
<http://operations.ifad.org/web/ifad/operations/country/home/tags/ethiopia>

Since 2009, Ethiopia country programme has been included in several IOE evaluations including a dedicated project evaluation as elaborated in table 1 of this document.

26. The COSOP of 2008 sets out three strategic objectives. Enhancing access by poor rural households to: (a) natural resources (land and water); (b) improved agricultural production technologies and support services; and (c) a broad range of financial services. The lending interventions under the previous COSOP also support the strategic objectives of the current COSOP. Of the four lending interventions formulated under the auspices current COSOP three are follow-up phases of previous lending interventions (read PCDP-II, PCDP-III and RUFIP-II) while only one, the Community-Based Integrated Natural Resources Management Project (CBINReMP), is a new intervention.
27. Both the COSOPs place emphasis on the importance of community based approaches in design and implementation of development interventions and the same is reflected in the lending portfolio. The importance of supporting decentralization and institutional capacity at the regional and local level in pursuit of fulfilling IFAD's own poverty reduction objectives also finds mention in both the COSOPs.
28. The current COSOP extends over three PBAS cycles of 2007-09, 2010-12 and 2013-15. During the implementation of this COSOP, Ethiopia's debt sustainability status has improved. This is reflected in its upgrade from a yellow country to that of green country thus resulting in a change in the nature of IFAD's financing to the country.²⁴

²⁴ IFAD Governing Council at its twenty-ninth session, recommended that, commencing in 2007, IFAD should adopt the International Development Association (IDA) model of a debt sustainability framework (DSF) to govern the allocation of assistance to countries eligible for highly concessional assistance and with high to moderate debt-distress risk. Under the Debt Sustainability Framework Policy of 2007, yellow countries receive 50% of their financing on loan and 50% on grant (non-reimbursable) basis while green countries receive all their financing in form of loans. The grant financing under DSF is subjected to a discount rate of 5%, resulting in reduced funding to the client country. Such discounting is on the lines of the modified volume approach (MVA) applied by the International Development Association (IDA).

Table 5: Main Elements of 1999 & 2008 COSOPs

	<i>COSOP 1999</i>	<i>COSOP 2008</i>
<i>Strategic Objectives</i>	- Enhancing access by poor rural households to: (a) natural resources (land and water); (b) improved agricultural production technologies and support services; and (c) a broad range of financial services.	
<i>Geographic Priority</i>	No Specific Geographic Priority	No Specific Geographic Priority
<i>Sub sector focus</i>	Rural Finance, Small Scale Irrigation, Agricultural Marketing and Value Addition,	Rural, Finance, Small Scale Irrigation and Pastoral Community Development
<i>Targeting Approach</i>	COSOP implies that interventions will not bear any geographic or social-economic focus on account of the low differentiation of rural poor in Ethiopia.	Target population is smallholders, agro-pastoralists, pastoralists and landless rural people. COSOP implies that interventions will not bear any geographic focus on account of the low differentiation among rural poor in Ethiopia. Specific targeting undertaken in the formulation of individual interventions.
<i>Gender Dimension</i>	Undertaking to enhance participation of women in development process, especially in the context of decentralized environments.	Special emphasis on youth and women is professed. To the extent possible, 25% of the targeted households to be women headed. Undertaking to increase the community mobilization among women in formation of RUSACCOs, marketing groups, research and extension groups etc. Facilitating their increased participation of women in decentralized environments.
<i>Country programme management</i>	Projects managed and supervised through UNOPS and other co-financiers for most part of the COSOP period. Country office established in 2005.	IFAD's shift to direct supervision. Enhanced involvement of IFAD through out-posting of CPM. IFAD's participation in all supervision missions jointly with co-financiers or individually.

IV. Evaluation process, methodology and objectives

29. **Objectives.** The main objectives of the CPE are to: (i) assess the performance and impact of IFAD-supported operations in Ethiopia; (ii) generate a series of findings and recommendations to enhance the country programme's overall development effectiveness; and (iii) provide relevant information and insights to inform the formulation of the future Ethiopia Country Strategic Opportunities Programme (COSOP) by IFAD and the Government.
30. **Methodology.** The objectives of the CPE will be achieved by assessing the performance of three mutually reinforcing pillars in the IFAD-Government partnership:
 - (i) Project portfolio performance;
 - (ii) Non-lending activities (knowledge management, policy dialogue and partnership building); and
 - (iii) COSOP performance in terms of its relevance and effectiveness.
31. The performance in each of these areas will be rated on a scale of 1 to 6 (with 1 being the lowest score, and 6 the highest).²⁵ While these will be viewed individually, the synergies between the components will also be looked at, for example, to what extent IFAD's knowledge management activities supported its project activities and whether – taken together – they reflected the approach

²⁵The rating scale is: 1=highly unsatisfactory; 2=unsatisfactory; 3=moderately unsatisfactory; 4=moderately satisfactory; 5=satisfactory; 6=highly satisfactory.

outlined in the COSOP. Based on this assessment and the aforementioned three ratings, the CPE will generate an overall achievement rating for the IFAD-Government partnership.

32. The following **main evaluation questions** will guide the CPE.
- i. To what extent have the **three strategic objectives** of the COSOP been achieved? (formulated as outcomes in the Theory of change attached in Annexe II) ? Has the country programme supported IFAD objectives of **rural poverty alleviation and gender** equality and women's empowerment?
 - ii. To what extent has the application of **participatory approaches** in the country program been instrumental in achieving the targeted outcomes?
 - iii. Has **IFAD made the right** sub-sector, geographic, targeting and institutional **choices**, also in relation to the strategies and interventions of other development partners working in agriculture and rural sector in the country?
 - iv. To what extent has IFAD informed government **policies** based on the country programme experiences ?
 - v. To what extent have IFAD projects been **scaled up** or are likely to be scaled up in broader programmes?
 - vi. To what extent has the IFAD Country Office been able to make use of and **manage resources** (both financial and human) and instruments (grants and partnerships) at its disposal to maximise the benefits from the country programme? What was the role of IFAD's regional ESA office in supporting the Ethiopia country programme?
 - vii. Has IFAD established a robust self-evaluation system and **learning** loops in Ethiopia, to measure results and generate lessons and good practices for better development effectiveness? Has the quality and functioning of country and project level **M&E systems** been satisfactory?

A. Project Portfolio Performance

33. With regard to assessing the performance of the project portfolio, IOE will apply its standard evaluation methodology for the projects included as part of the CPE cohort (see coverage and scope below), using the internationally- recognized evaluation criteria of:
- **Relevance:** assessing what extent the project's objectives were consistent with the relevant COSOPs and the Government's main policies for agriculture and rural development, as well as the needs of the poor. In addition, under relevance, for each project the evaluation will assess whether an adequate approach was chosen to achieve project objectives (including good practices and lessons learned from the past).
 - **Effectiveness:** under this criterion the evaluation will assess whether projects have achieved their development objectives (or are likely to achieve them), as well as whether they have achieved other objectives that were not originally specified, and will attempt to explain which factors account for the results.
 - **Efficiency:** assessing how economically inputs were converted into outputs/results. If economic rate of returns cannot be computed (due to insufficient quality of data or to an early project implementation stage), the evaluation will resort to proxies (e.g. unit cost of realizations compared to national averages, management performance, implementation delays and cost overruns).
34. In addition, IFAD evaluations incorporate a number of criteria that relate more directly to the types of operations IFAD supports.

- **Rural poverty impact:** complementing the analysis of project effectiveness, the CPE will address five domains on which IFAD-funded projects are likely to have an impact: household income and assets, human and social capital and empowerment, food security and agricultural productivity, natural resources and the environment, including climate change, and institutions and policies. It will be important to take into account attribution issues (as discussed further below in this document).
 - **Sustainability:** assessing the likelihood that benefits of the project will continue after the closing date and completion of IFAD assistance. Among other issues, this requires a discussion of (i) support from national and local institutions and availability of budget for maintenance; (ii) complexity of technical solutions adopted by the project and need for prolonged training and support; (iii) profitability of economic schemes promoted by the project; (iv) support from the communities.
 - **Innovations and scaling up:** assessing whether the project contained innovative features that have the potential to cater for the need of the rural poor, whether and at what conditions they can be scaled up and what concrete efforts have been undertaken by IFAD and its partners.
 - **Gender equality and women empowerment:** assessing whether gender considerations were included in all project designs(if pertinent); the relevance of the approach taken in view of women needs and country context; and the specific results in terms of *inter alia* women's workload, skills, income, better access to resources, and income.
 - **Performance of partners:** will entail evaluating the performance of IFAD and the Government across a number of domains (project design, supervision, implementation support, management and fiduciary aspects).
35. **Approach.** The evaluation will combine desk review of existing documentation (IFAD project documents, data and information generated by the projects, Government documentation, review of self-assessments by the Government, IFAD and project managers) with interviews with relevant stakeholders in IFAD and in the country, and direct observation of activities in the field. For the field work, a combination of methods will be used: (i) focus group discussions (especially pastoralists, farmers, women associations, etc.) with a set of questions for project user groups and linkages with other projects in the area; (ii) Government stakeholders meetings – national, provincial, district -, including project staff; (iii) random sample household (also including non-project households for comparison purposes) visits using a pre-agreed set of questions to members of the household, to obtain indications of levels of project participation and impact; (iv) key non- government stakeholder meetings – civil society representatives, private sector/merchants/shop keepers, schools; (v) interviews with other agencies and development partners active in the same fields of intervention as IFAD. The findings of the evaluation will be the result of “triangulation” of evidence collected from different sources.
36. For the **field work** the evaluation team will be divided in two. One team will travel to Oromia, to the South of Addis Ababa, covering both highlands and lowlands and focussing on RUFIP, AMIP and PASIDP, but also visiting intervention areas of PCDP, in particular in relation to the Pastoral Savings Cooperatives in the Borana region. The second team will be heading North of Addis Ababa, to Amhara and Lake Tana where CBINReMP is operating. While travelling through the highlands, the team will be visiting sites where RUFIP, AMIP and PASIDP have interventions. This team will then travel to the Affar lowlands to carry out the PPA field work related to PCDP-2. This field visit design will enable the CPE team to cover a diversity of situations in terms of natural environment (highlands and lowlands), market access and connectivity, ethnicity and religion, rural livelihoods (farmers and pastoralists) and

cross-check the information collected by both teams on all projects (except for CBINReMP which is geographically concentrated in one area).

37. **Coverage and scope.** According to the Evaluation Manual, CPEs usually cover IFAD operations over a period of approximately ten years, taking also into account evolving objectives of the portfolio. In the present case, the CPE will cover IFAD's operations and strategy from 2008 to 2014, thus encompassing operations approved under the 1999 and 2008 COSOP. Hence, the Ethiopia CPE will cover a total of eight projects, of which four are closed and four are ongoing (PCDP-II is quasi closed, see Table 6). Of the eight projects in question, four have been covered by the previous CPE in 2008. However, given that these projects were at varying stages of implementation at that time, this CPE presents an opportunity to assess the fully realized benefits of these projects, given that they are now closed or well advanced in their implementation.
38. Since 2008, IFAD has approved four new loans which will be reviewed by the present CPE:
 - (i) Community-Based Integrated Natural Resources Management Project (CBINReMP) – IFAD US\$13m (US\$6.5m loan and US\$6.5m grant);
 - (ii) Pastoral Community Development Project II (PCDP-2) - IFAD US\$39m (US\$19.5m loan and US\$19.5m grant);
 - (iii) Rural Financial Intermediation Programme II (RUFIP-2) - IFAD US\$100m (US\$50m loan and US\$50m grant);
 - (iv) Pastoral Community Development Project III (PCDP-3) - IFAD US\$85m loan.
39. The **Evaluability** of IFAD interventions covered by the CPE – including the criteria on which they can be evaluated – will depend on the stage of implementation of the respective projects.

Table 6
List of programmes and projects covered by the Ethiopia CPE

Project ID	Project/Programme	Counterpart Agency/Ministry	Board approval	Effective	Status	Closing	% Disbursed ²⁶	Criteria covered by the CPE
1173	Rural Financial Intermediation Programme (RUFIP)	Development Bank of Ethiopia and Ministry of Financial and Economic Development	06-Dec-01	06-Jan-03	Closed	26-Jun-12	100%	All
1237	Pastoral Community Development Project (PCDP)	Ministry of Federal Affairs	11-Sep-03	05-Apr-04	Closed	25-Feb-10	100%	All
1292	Agricultural Marketing Improvement Programme (AMIP)	Ministry of Trade and Industry	02-Dec-04	20-Feb-06	Closed	30-Jun-14	94%	All
1458	Pastoral Community Development Project II (PCDP-2) ²⁷	Ministry of Federal Affairs	15-Sep-09	14-Jul-10	Ongoing (IFAD) Closed (World Bank)	31-Mar-16	99%	All
1370	Participatory Small-scale Irrigation Development Programme (PASIDP)	Ministry of Agriculture and Rural Development	18-Apr-07	10-Mar-08	Ongoing	30-Sep-15	72%	All
1424	Community-Based Integrated Natural Resources Management Project (CBINReMP)	Ministry of Agriculture and Rural Development	30-Apr-09	17-Mar-10	Ongoing	30-Sep-17	44%	All
1521	Rural Financial Intermediation Programme II (RUFIP-2)	Development Bank of Ethiopia	15-Sep-11	12-Jun-12	Ongoing	31-Dec-19	74%	Relevance Effectiveness (Partial) Efficiency (Partial)
1522	Pastoral Community Development Project III (PCDP-3)	Ministry of Federal Affairs	11-Dec-13	25-Apr-14	Ongoing	31-Dec-21	0%	Relevance

40. **Grants.** Previous country programme evaluations of IOE have assessed the grant performance by selecting a sample of individual grants from all grants operational in a country and undertaking deeper analysis to assess their performance. However, this CPE intends to take a different approach in assessing grant performance. The CPE will seek answers to certain key questions which will determine the overall role and fit of grants within the larger country programme. The key questions that will sought to be answered as a part of assessing the grants are as follows:
- What constraints and opportunities within the programme have the grants addressed?
 - How did the grants improve the current and performance of the country programme?

²⁶ As of 4th December 2014.

²⁷ This project was co-financed with the World Bank as the lead financier. The World Bank loan is already closed. IFAD loan is still effective and will be closed in 2015.

41. The new approach is being adopted because the recently concluded Corporate Level Evaluation of IFAD's Policy on grant financing has shed light on the use of grants within IFAD. The importance of strategic use of grants within country programmes has been emphasized in that evaluation. Extending such strategic paradigm to evaluation of grants is thus a logical continuation of IOE's own recommendations. This is supported by the fact that COSOP 2008 professes using grant funding to carry out activities such as capacity building of local governments and strengthening of M&E, activities which are seldom carried out using loan funds. Such activities may not be captured if only individual grants financed through IFAD's regular grant programme are assessed, as has been the case in past country programme evaluations.

B. Non-lending activities

42. The CPE will identify and assess IFAD's non-lending services provided during the review period, including the use of grants for this purpose. Analysis of non-lending activities will encompass initiatives such as partnership building, policy dialogue and knowledge management. Achievements and synergy with the lending portfolio will be assessed. The role of non-lending activities in maximizing the impact of IFAD operations in the country will be of special interest to the evaluation. Both the 1999 and the 2008 COSOP have elaborated on the scope for partnership building and policy dialogue and the 2008 COSOP foresaw knowledge management activities.
43. Progress made on non-lending activities will be assessed against the COSOP plans as well as the evolution of the country programme supported by IFAD and the national context. Concerning policy dialogue, the role of IFAD in informing the government's policies based on its own experiences in the field will be assessed. In terms of partnerships, of particular interest will be IFAD's substantive contributions to the donor consultations under the Development Assistance Group (DAG). Its partnerships with private sector and non-state agencies will also be of interest to the evaluation. As for knowledge management, it will be important to assess progress made in terms of monitoring and evaluation at the COSOP level. Ratings on non-lending activities will be provided in line with the Evaluation Manual.
44. **Programme Management.** IFAD's country office in Ethiopia was one of the first to be operational under the Field Presence Pilot Programme in 2005. This is the second CPE which would be conducted in the country after the establishment of the country office and the first since the out-posting of the country programme manager in the country. Given that the last CPE was conducted only two years after the commencement of the country office, this CPE presents an opportunity to assess the fully realized benefits of the country office to the country programme as a whole. The role of the Nairobi regional office in providing need based support to the country programme will also be of interest to this evaluation. The quality of financial and fiduciary management of the programme will be subject to review under the CPE. Such assessment of programme management will be against: (i) support to the portfolio of projects; (ii) support to non-lending activities. Other activities carried out by the country office that do not fall in the ambit of the above two functions will also be taken into account.

C. COSOP Performance: Strategic Level Analysis

45. The assessment of the performance of the COSOP in terms of its relevance and effectiveness is central to the CPE. While the portfolio assessment is project-based, in its last section the evaluation report will consider the overall programme from a strategic view point.
46. This will include assessing COSOP by looking at following: (i) Relevance of IFAD interventions in reaching the poor and impacting on poverty (ii) Contribution various interventions to COSOP objectives; (iii) Assessment of COSOP outcomes

against the proposed theory of change based on the results framework in the COSOP (refer to Annexe II); (iv) IFAD'S resource allocation focus for maximum poverty impact in the sector

47. In assessing the performance of the COSOP along the above-mentioned criteria, the CPE will analyse the priorities and experiences of other donors in Ethiopia and how IFAD is making a difference. An overall rating for the performance of the COSOP will be provided by the CPE, taking into account the assessments of relevance and effectiveness.

D. Key evaluation issues

48. Conclusions and recommendations. The report will provide conclusions and recommendations. Conclusions present a storyline of the report, logically correlated to findings but adding value to findings by highlighting consequences and implication of findings, further exploring proximate explanation of findings (the "why question") and highlighting a selected number of higher-level issues that reader should take away from the report.
49. Conclusions will lead the way to recommendations, which are forward-looking propositions aiming at building on existing programme strengths, filling strategic or operational gaps and improving the performance and development results of IFAD. The CPE will keep the recommendations to a manageable number, avoiding redundancy, prioritising them and devising them in an action oriented form, so as to facilitate their adoption by IFAD and its partners.
50. **The evaluation process.** The CPE entails five phases. These are: (i) desk work phase; (ii) preparatory phase; (iii) country work phase; (iv) report writing; and (v) communication activities.
51. The *desk work phase* includes the preparation of short desk review notes on the projects included in the CPE. Each desk review note will follow a standard format developed by IOE.
52. The *preparatory phase* includes the development of this Approach Paper, which will be commented on by ESA and the Government. IOE will undertake a ten day preparatory mission to Ethiopia, in order to complement the desk work and provide insights for the Approach Paper with the views of the Government and other partners. In this phase, IOE will search for national consultants, who will work in the CPE team under the overall responsibility of IOE to assess the Ethiopia country programme.
53. In addition, during the *Preparatory* phase, the East and Southern Africa (ESA) and the Government of Ethiopia will be asked to prepare their respective self-assessments using as overall reference the questions contained in the CPE framework shown in Annex I. IOE will provide more specific set of questions to both ESA and GOE for consideration for the preparation of their respective self-assessments. Among other issues, the preparatory mission (see next paragraph) will provide IOE with the opportunity to brief Government on the overall objectives and approach to the self-assessment.
54. The *country work phase* entails various activities including the main CPE mission which will be undertaken by a team of experts in all relevant disciplines for the Ethiopia programme to ensure an appropriate evaluation of the IFAD-Government cooperation. The main mission will spend around three weeks in the country. It will hold discussions in Addis Ababa, travel to several regions and districts in various parts of the country for consultation with key partners, and visit selected IFAD-supported projects and programmes to see activities on the ground and hold discussions with beneficiaries.
55. At the end of the main CPE mission, the IOE lead evaluator and the evaluation team will prepare an aide memoire and present it to the Government, ESA and other key

partners in Addis Ababa in a wrap up meeting, which will also be attended by the IFAD CPM for Ethiopia and the IOE lead evaluator for the Ethiopia CPE. The aide memoire will capture the main preliminary findings from the CPE's field work.

56. The *CPE report writing* phase will follow the country work phase. During this phase, the CPE team will prepare their independent evaluation report, based on the data collected throughout the evaluation process. The report will be exposed to a rigorous internal peer review within IOE. Thereafter, it will be shared with ESA and the Government of Ethiopia for comments. A dedicated mission will be organized by IOE to Ethiopia to discuss with the Government their comments.
57. The final phase of the evaluation, communication, will entail a range of activities to ensure timely and effectively outreach of the findings, lessons learned and recommendations from the CPE. This is discussed in further detail later in this document.
58. **Core Learning Partnership (CLP).** A standard feature in IFAD evaluations, the CLP will include the main users of the evaluation who will provide inputs, insights and comments at determined stage in the evaluation process. The CLP is important in ensuring ownership of the evaluation results by the main stakeholders and utilization of its recommendations. The CLP will be expected to (i) provide comments in the approach paper; (ii) reviewing and commenting on the draft CPE report; and (iii) participate in the final workshop.
59. On a tentative basis, the following persons will be members of the CLP. The list will be finalized after feedback from the Government of Ethiopia.

Government

H.E. Ato Sileshi Getahun, State Minister of Agriculture

H.E. Ahmed Shide, State Minister for Finance and Economic Development

H.E. Mulugeta Wuletaw, State Minister for Federal Affairs

H.E. Yaacob Yalla, State Minister for Trade and Industry

Project coordinators for IFAD projects

Mr Bahiru Haile, RUFIP-2 Project Coordinator, c/o Development Bank of Ethiopia

Mr Seid Omer, PCDP-2 and 3 Project Coordinator, c/o Ministry of Federal Affairs

Mr Habtamu Hailu, Sustainable Land Management Program Coordinator, c/o Ministry of Agriculture and Rural Development

Mr Jemal Aliye, PASIDP Project Coordinator, c/o Ministry of Agriculture and Rural Development

Mr Markos Wondie, CBINReMP Project Coordinator (based in Bahir Dar, Amhara Region)

Mr Woleleaw Sendeku, AMIP Project Coordinator, c/o Ministry of Trade and Industry

IFAD staff

Mr John McIntire, Associate Vice President (PMD)

Mr Oscar Garcia, Director, Independent Office of Evaluation of IFAD (IOE)
Director, East and Southern Africa Division (ESA)

Mr Ashwani Muthoo, Deputy Director, IOE

Mr Pradeep Itty, Senior Evaluation Officer, IOE

Mr Robson Mutandi, Country Director, ESA

Mr Legebo Tessema, Country Programme Officer, ESA

60. According to the IFAD Evaluation Policy, evaluations conclude with an Agreement at Completion Point (ACP), a document presenting the main findings and recommendations contained in the evaluation report that the Government and IFAD-PMD agree to adopt and implement within a specific timeline. The ACP will be prepared after the roundtable workshop so that it can benefit from the outcomes of the discussion. IOE does not sign the agreement and is only responsible for facilitating the process leading to preparation of the ACP. After the Government and IFAD-PMD have agreed on the main follow-up actions, the ACP will be shared with IOE for review and comments and thereafter signed by the Government of Ethiopia and the IFAD's Associate Vice President for Programmes. The responsibility for the timely completion of the ACP rests ultimately with the IFAD management and the concerned Government. In particular, ACPs should be signed within three months of the date of the round table learning workshop, will be included in the final published report and presented as an annex in the COSOP document when the same is discussed with the Executive Board of IFAD.
61. The Director of IOE will have the overall oversight of the CPE. The Lead Evaluator, Mr. Pradeep Itty, will be in charge of designing the methodology, recruiting specialists, exercising quality control and managing the overall exercise. The IOE will be ultimately responsible for the contents of the evaluation report and the overall evaluation process. Mr Itty will be supported by Ms. Laure Vidaud, Evaluation Assistant.

62. The main field mission will be conducted by a team of independent and external specialists under the responsibility and supervision of IOE. The team will include Mr. Inder Sud as the senior consultant and other consultants with necessary thematic expertise, as required. The new conflict of interest rules issued in 2013 for IOE consultants will be applied to the team.²⁸

Communication and dissemination events and products

63. A CPE roundtable learning workshop will be organised in the capital at the conclusion of the evaluation process. This learning event will allow a broader number of stakeholders, beyond the core learning partnership, to discuss the results and the recommendations of the evaluation and their implication for the future collaboration of IFAD in the country. This will be an important step before the Government of Ethiopia and IFAD can sign the Agreement at Completion Point.
64. The final report (about 60 pages main text in English), including the ACP, will be distributed in hard copies to partners in Ethiopia, posted on IFAD's public website as well as on other websites maintained by the UN Evaluation Group, the Evaluation Cooperation Group, the OECD-DAC Evaluation Networks, as well as other relevant websites. IOE will also elaborate shorter (2-page) documents that are more reader friendly and cater for a broader audience: (i) an evaluation profile (summarising key findings) and (ii) an evaluation insight (dedicated to a single theme).²⁹ Other ways to disseminate results may include: a 1-minute video interview of the lead evaluator and senior consultant to be posted as a blog in IOE's webpage, *ad hoc* seminars and publications in specialised journals, as required.

Activity	Date
Fax to Government of Ethiopia informing about the CPE	
Preparatory mission to Ethiopia	11-21 November 2014
CPE desk review phase: preparation of desk review notes,	October-January 2014
Self-assessment of COSOP by ESA and GoE sent to IOE	December 2014
Approach paper submitted by IOE to GOE and ESA for comments	December 2014
CPE main mission in Ethiopia	23 February-15 March 2015
CPE Wrap up meeting with Government of Ethiopia	11 March 2015
Report Writing	April-June 2015
IOE internal peer review	July 2015
PMD and Government comments on the draft report	September 2015
CPE Finalized; National Roundtable Workshop in Addis Ababa*	October-November 2015

*Dates for National Round Table Workshop will be decided with the government.

²⁸ Conflict of Interest Policy for Consultants in the Independent Office of Evaluation of IFAD: http://www.ifad.org/evaluation/whatwedo/conflict_consultants/policy_consultants.pdf

²⁹ The profile is a 800 -word brochure capturing the main findings and recommendations. The insight focuses on one key learning issue emerging from an evaluation, with the intention of raising further attention and debate around the topic among development practitioners.

Ethiopia Country Programme Evaluation Framework

Criterion	Guiding questions	Sources
	PORTFOLIO PERFORMANCE LEVEL	
Relevance	<p><u>(i) Relevance of “what”</u></p> <ul style="list-style-type: none"> Consistency of project design with Government policy, IFAD strategy (COSOP), national and local poverty context and needs of the poor. Adaptation to changing context (if applicable) <p><u>(ii) Relevance of “how”</u></p> <ul style="list-style-type: none"> Did IFAD study the project context adequately? Did it prepare the components situation sufficiently? Information gaps? Internal logic of design (look at project log frame): consistent? Gaps? Strong assumptions? Adopting recognised good practices? Using available knowledge (evaluations, studies)? Allocating realistic resources? 	<p><u>Documents</u> Gov official strategies (national, sectoral); IFAD COSOP, sectoral policies/strategies; IFAD project documentation (design, MTR, supervision, completion)</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, project staff, national sector experts</p> <p><u>Field visits</u>: may highlight local technical or agro-ecological constraints</p>
Effectiveness	<p>Consider key project objectives and verify data on their achievement comparing (when possible) actual figures against expected figures (with some caution if the project is not completed). <u>Refer to the detailed project objectives in the design document</u> (e.g. appraisal report).</p> <p>If other unanticipated achievements have been made, these should be considered as well.</p> <p>Take the example of a project whose objective is to provide financial services to people. Measures of achievement may be number of clients of micro finance institution, type of financial services used and degree of satisfaction (e.g. repeat loans) and repayment rates, portfolio quality.</p> <p>For a project disseminating new agricultural practices, measures of effectiveness may be adoption rates.</p> <p>Actual figures may be compared to expected figures (with some caution if the project is not completed)</p> <p>Important to highlight factors that explain achievement and under-achievement</p>	<p><u>Documents</u> IFAD MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: project staff, visit to project sites, interviews with beneficiaries, photographic documentation.</p>
Efficiency	<p>Economic use of resources to produce outputs or results</p> <p>Typical indicators:</p> <p>(i) % project management cost over total project costs (and compare with other projects and countries)</p> <p>(ii) project cost by beneficiary</p>	<p><u>Documents</u> IFAD project design documents, MTR, supervision, completion</p> <p>IFAD /Gov COSOP Self-assessment</p>

Criterion	Guiding questions	Sources
	(iii) unit cost of delivering services/product, compare to country or regional benchmark (taking care of special cost related to reaching secluded areas); (iv) critiquing EIRR calculation (v) project managerial efficiency: time between project approval and effectiveness; completion delays, cost over-runs	PPMS database for time between approval and effectiveness <u>Interviews:</u> CPM and project staff (clarify reasons for delays or managerial bottlenecks)
Rural Poverty Impact	<p><u>A few items to be considered across the board:</u></p> <ul style="list-style-type: none"> • Attribution/contribution issues: to what extent did the project play a role in the observed changes and <u>how</u> • Coverage: how many benefited • Magnitude: how large are benefits • Beneficiaries: what categories of people benefited and why <p><u>Household income and assets</u> Collect data, identify patterns for hh income diversification and range of changes Collect data on changes in housing quality, availability of livestock, appliances, durable goods, inventory for microenterprises Collect data on indebtedness if possible</p> <p><u>Human and social capital and empowerment</u> Observe patterns in changes in social cohesion, functioning of rural poor's organisations Changes in the way the poor interact with authorities Changes in the way certain categories (women, orphans, minorities) interact with others?</p> <p><u>Food security and agricultural productivity</u> Access to food Evidence on children's nutritional status Reduction in seasonal fluctuation in food availability</p> <p><u>Natural resources and the environment</u> Changes in the availability of natural resources (forest, water, topsoil, fish, vegetable cover) Changes in capacity to manage natural resources Changes in exposure to environmental risks (e.g. flooding, landslides)</p> <p><u>Institution and policies</u> Consider changes in issues such as land tenure and security, protection/regulation of savings for rural poor, access to market, price information</p>	<p><u>Documents</u> IFAD MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews:</u> CPM, project staff, (Surveys: if required)</p> <p><u>Field visits:</u> observation, individual interviews, focus groups, photographic documentation.</p>
Sustainability	Consider the main benefits generated by the project and consider a scenario where external resources are going to reduce and terminate.	<p><u>Documents</u> IFAD design, MTR, supervision, completion reports</p>

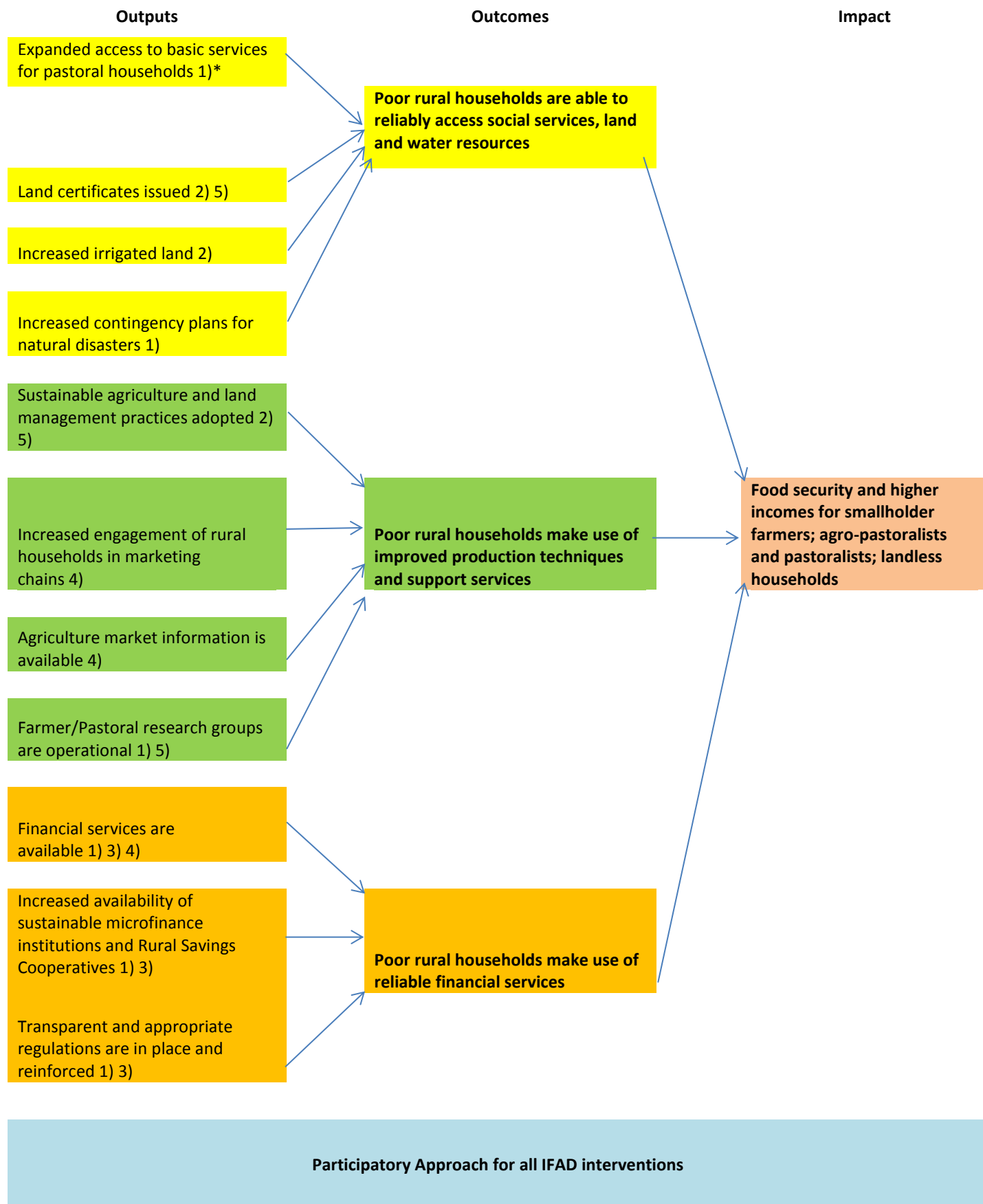
Criterion	Guiding questions		Sources
	Address questions such as the following: <ul style="list-style-type: none"> • What has been foreseen in the project design for this situation? • Is there political support at national /local level? • Will there be need for external technical assistance? • Are economic activities profitable? • Will there be resources for recurrent and maintenance costs? • Are there environmental threats? 		IFAD/Gov COSOP Self-assessment <u>Interviews:</u> CPM, project staff, <u>Field visits:</u> observation, individual interviews
Pro-poor innovation, replication and scaling up	Are there innovations in the programme (new techniques, practices, approaches)? Are innovations working as expected? Are they useful? Is the project helping expand the adoption of the innovation? How? Is there a plan to further expand the innovation? Are there any threats or limits to the uptake of the innovations?		<u>Documents</u> IFAD design, MTR, supervision, completion reports IFAD/Gov COSOP Self-assessment <u>Interviews:</u> CPM, project staff, <u>Field visits:</u> observation, individual interviews, focus groups, photographic documentation
Performance of partners	IFAD Government	Look at specific issues that pertain to the design of projects, management, fiduciary aspects, supervision and implementation technical support and (for Gov) enacting policies that can enhance project effectiveness	<u>Documents</u> IFAD design, MTR, supervision, completion reports IFAD/Gov COSOP Self-assessment <u>Interviews:</u> CPM, project staff, Senior Government officials
NON- LENDING			
Partnership building <i>Sub criteria: relevance and effectiveness</i>	IFAD partnerships with other donors, governments at federal and regional level, civil society and private sector. Were the partnerships in the country well aligned to fulfil the objectives set out in COSOP 2008? What outcomes have been achieved of partnerships pursued by IFAD in the country ? Has IFAD been able to use experiences from its operations to inform government and other donor policies? Role of IFAD in conducting policy dialogue as a part of Development Assistance Group and sector working groups headed by government such as Rural Economic Development & Food Security –RED&FS).		<u>Documents</u> IFAD design, MTR, supervision, completion reports IFAD/Gov COSOP Self-assessment <u>Interviews:</u> CPM, Senior Government officials, project staff
Policy Dialogue <i>Sub criteria: relevance and effectiveness</i>			<u>Documents</u> IFAD design, MTR, supervision, completion reports IFAD/Gov Self-assessment <u>Interviews:</u> CPM, Senior Government officials, project staff
Knowledge Management			<u>Documents</u> IFAD design, MTR, supervision, completion reports

Criterion	Guiding questions	Sources
<i>Sub criteria: relevance and effectiveness</i>	<p>Role of M&E in promoting knowledge management and dissemination.</p> <p>Capitalizing, documenting and dissemination of experiences from the field level operations.</p>	<p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, Senior Government officials, project staff</p>
Relevance	<p><i>1. Alignment of strategic objectives in the COSOPs</i></p> <ul style="list-style-type: none"> • Consistency of COSOP objectives to IFAD policies and strategic framework • Adaptation to context changes • Is there a real programme in Ethiopia: are projects and grants consistent with COSOP and working in synergy? • Are there strategic gaps? • Is COSOP formulation conducive to results-based management? <p><i>2. Coherence of the main element of the COSOP</i></p> <ul style="list-style-type: none"> • Issues in Targeting • Issues in geographic focus • Lending – non-lending synergies within IFAD programme • Relations with other development partners • Other issues regarding the COSOP ingredients <p><i>3. Management of the programme</i></p> <ul style="list-style-type: none"> • Did the supervision and implementation support arrangements perform well overall? • Is IFAD country presence providing the right type of support to the programme? • Did IFAD learn from past evaluations and from past experience? • What type of <u>technical assistance</u> and <u>capacity development</u> support was provided to the national counterpart and was it adequate? 	<p><u>Documents</u></p> <p>IFAD design, MTR, supervision, completion reports</p> <p>IFAD/Gov COSOP Self-assessment</p> <p><u>Interviews</u>: CPM, Senior Government officials, project staff, group discussion with national sector specialists</p>
Effectiveness	<ul style="list-style-type: none"> • To what extent were the main strategic objectives included in the COSOP achieved? • Is it likely that so far unattained objectives may be achieved in full or in part? • What changes in the context have influenced or are likely to influence the fulfillment of strategic objectives? Were the COSOPs properly adapted mid-course to reflect changes in the context? • Did the fund devote sufficient attention and resources to promoting effectiveness? 	

Provisional Issues at Project level

Project Level	Issues
Pastoral Community Development Project	<p>How does this multi-phase project contribute to the risk mitigation of pastoralists?</p> <p>To what extent does the project meet the varying needs of different types of pastoral communities?</p> <p>To what extent do pastoralist households have options to choose from for their future livelihoods?</p> <p>What is the experience with RUSACCOs and the comparison with similar components in RUFIP-I and II</p> <p>What has been the nature of collaboration and coordination with the ministry of federal affairs?</p>
Rural Financial Intermediation Programme	<p>Extent to which RUSACCOs are well functioning and their viability and sustainability;</p> <p>Progress in institutional strengthening of MFIs through AEMFI, and of NBE for supervision.</p> <p>Capacity of RCA to support RUSACCO's capacity building and oversight of RUSACCOs; effectiveness of Technical Assistance by the Irish</p> <p>Beneficiary profiles of MFIs and RUSACCOs, extent to which agricultural and rural finance needs served</p> <p>Progress in developing a national strategy for MFIs and RUSACCOS (e.g. potential role for APEX institutions)</p>
Participatory Small-Scale Irrigation Development Programme	<p>Effectiveness and Efficiency delivery of agricultural services and its impact,</p> <p>Experience with decentralized implementation;</p> <p>Experiences with Water User Associations;</p> <p>Water allocation and conflicts;</p> <p>Scaling up of project interventions;</p> <p>Future of the program in relationship to AGP that has a large small scale irrigation component</p>
Community-based Integrated Natural Resources Management Project	<p>Slow implementation of Project Activities,</p> <p>Appropriateness of project design (complexity?);</p> <p>Prospects for scaling up,</p> <p>Links and coordination with SLM</p> <p>What difference is IFAD making in Ethiopia by supporting CBNRM ?.</p>
Agricultural Marketing Improvement Programme	<p>Reasons for slow implementation, but rapid pick up of disbursement in the last 1-2 years (because funds largely disbursed to MFIs instead?),</p> <p>Effectiveness of market development efforts,</p> <p>Financial viability of projects supported by MFIs from the project,</p> <p>Profile and repayment experience of projects funded through MFIs attribution of reported project impact on exports and farmer incomes to project interventions;</p> <p>Future role of the project.</p>

Simplified Theory of Change based on COSOP Results Framework



*1) PCDP
 2) PASIDP
 3) RUFIP
 4) AMIP
 5) CBI-NRM

List of Grants with Planned Activities in Ethiopia

LGS ID	Title of Grant	Recipient ³⁰	Amount (in USD)
1035	FIDAFRIQUE-IFADAFRICA Network – Programme for Promoting Knowledge-sharing and Innovation for Rural Poverty Reduction in sub-Saharan Africa	West Africa Rural Foundation	2000000
1057	Support for the Formulation and Implementation of Pan-African Land Policy Guidelines	United Nations Economic Commission for Africa	750000
1080	Rural Finance Knowledge Management Partnership – Phase II	African Rural and Agricultural Credit Association	1300000
1132	Improved Management of Agricultural Water in Eastern and Southern Africa (IMAWESA)	International Crops Research Institute for Semi-arid Tropics	200000
1168	Programme for Improved Management of Agricultural Water in Eastern and Southern Africa, Phase II	International Water Management Institute	1500000
1170	Support to Farmers' Organizations in Africa Programme	Eastern Africa Farmers Federation	362000
1175	Programme for Enabling Sustainable Land Management, Resilient Pastoral Livelihoods and Poverty Reduction in Africa	International Union for Conservation of Nature	950000
1177	Programme for Mainstreaming Pro-Poor Livelihoods and Addressing Environmental Degradation with Bamboo in Eastern and Southern Africa	International Network for Bamboo and Rattan	1500000
1193	Development and Implementation of a Survey Instrument on Community Empowerment	International Bank for Reconstruction and Development	195000
1202	Programme for Improving the Livelihoods of Rural Communities in the Dry Areas – Sustainable Crop and Livestock Management	International Center for Agricultural Research in the Dry Areas	1000000
1205	Community-based Improved Food Security and Livelihoods through Farmers' Research and Learning, Ethiopia	Send a Cow Ethiopia	200000
1229	Scaling up of Bee-keeping and other Livelihood Options to Strengthen Farming Systems in the Near East and North Africa (NENA), and East Africa	International Center of Insect Physiology and Ecology	1200000
1230	Spate Irrigation for Rural Growth and Poverty Alleviation	Institute for Water Education	1200000
1242	Smart Information and Communications (ICT) for Weather and Water Information and Advice to Smallholders in Africa programme	International Water Management Institute	1800000
1248	Network for Enhanced Market Access by Smallholders (NEMAS)	PICO Knowledge Net Ltd.	1500000
1249	Learning Routes: A Knowledge Management and Capacity-building Tool for Rural Development in East and Southern Africa	Corporación Regional de Capacitación En Desarrollo Rural	1500000
1260	Regional Knowledge Management Learning Process in East and Southern Africa	African Rural and Agricultural Credit Association	452000

³⁰ Names of recipients as given in the GRIPS System

1299	Documentation training for IFAD supported projects	Stichting INGKA Foundation	150000
1312	Disseminating CPWF Innovations and Adoption Processes for Water and Food, and Piloting their Mainstreaming in the IFAD Portfolio	International Water Management Institute	1000000
1330	Rural finance knowledge management partnership (KMP) - Phase III	African Rural and Agricultural Credit Association	1500000
1331	IFAD Africa Regional Knowledge Network - Phase II	PICO Knowledge Net Ltd.	1800000
1364	Programme for Technical and Capacity Strengthening for Country-level Strategic Analysis and Knowledge Support Systems (SAKSS) in Selected African Countries	International Food Policy Research Institute	1600000
1366	Promoting Indigenous Food Security and Agrobiodiversity	Bioversity International	50000
1375	An Innovative, Scalable and Pro-Poor Home Cooking-based Charcoal Production Value Chain for Women	International Network for Bamboo and Rattan	300000
1383	Responsible and Sustainable Growth for Rural Microfinance programme	Participatory Microfinance Group for Africa	1140000
1384	Programme on Rainwater Harvesting for Food Security: Setting an Enabling Institutional and Policy Environment for Rainwater Harvesting	Rainwater Harvesting Implementation Network	1500000
1439	Strengthening Partnership for Scaling up sustainable livelihood in small scale, family farming and indigenous communities	Food and Agriculture Organization of the United Nations	480250
2000000119	Programme for Water, Land and Ecosystems in Africa	International Water Management Institute	2000000

Recommendations of the 2009 Ethiopia CPE and actions taken in the COSOP 2008

Recommendations	Action taken in COSOP
Targeting and Synergies. There should be scope for focussing on food deficit woredas, Synergies should be identified between different interventions.	Targeting is taken up within individual projects and specific to each intervention.
Focus Areas. For the next some 10 years, IFAD should prioritise areas where it has developed a lead position, such as in <u>small-scale irrigation and rural finance</u> , where the achievements are satisfactory and promising	The COSOP identifies Pastoral Community Development, Rural Finance and Small-Scale Irrigation as focus areas in the COSOP where IFAD has comparative advantage. However, in terms of interventions, IFAD has financed Community-based Integrated Natural Resources Management Project also identified as the Sustainable Agriculture and Land Management Programme in the COSOP. Thus, it adds an additional focus area of sustainable land management to IFAD's operations in Ethiopia.
Tools to Promote Innovation. IFAD could innovatively use supplementary grant funds for preparatory studies, baseline surveys and impact studies, which could be contracted to independent third parties. Project design and implementation offers IFAD the best opportunities for influencing systems and approaches. However, project financing alone may not be sufficient for policy dialogue. Supplementary activities such as specific studies and symposia on thematic issues may be required and objectives, instruments and resources (staff time, particularly for the country office staff, and financial resources) have to be allocated. Finally, well targeted study tours to other countries that have passed through similar challenges as Ethiopia is facing, should be considered as an effective tool of policy dialogue.	COSOP recognizes that there is scope to use funds under the Debt Sustainability Framework (DSF) window to strengthen institutional capacity in programme planning, design and M&E and to conduct studies relevant to the country programme. Its implementation on the ground remains unclear. A seemingly ambitious policy dialogue agenda corresponding to each of the three strategic objectives has been identified in the results framework of the COSOP (both original and revised). However, it is not specified as to how these activities would be carried out or financed.
Partnerships. Partnership has involved many different public institutions in Ethiopia at the Federal level (at least four Ministries: Finance and Economic Development, Agriculture and Rural Development, Federal Affairs, and Water Management and, in addition, EARI Development Bank of Ethiopia) as well as at the regional and sub-regional (<i>woreda</i>) level. These partnerships should continue in the context of relevant future interventions. It is recommended to increase the focus on constructing partnerships between the public sector, civil society and the private sector at the regional and sub-regional level (as tested in pastoral community development). The recently-created IFAD country forum is a good starting point.	Facilitating local and international NGOs (SOS Sahel UK); and reputable civil society organizations (the Association of Ethiopian Microfinance Institutions (AEMFI) and the Pastoralist Forum Ethiopia), the <i>woreda</i> administrations, regional and federal governments, and the Ministry of Federal Affairs is foreseen in the context of PCDP-II.
Programme and Project Cycle Management. The ideal planning period for the new COSOP would appear to be three years, synchronized with the PBAS cycle and the Medium Term Expenditure Framework (MTEF). However, given IFAD's limited resources for strategy work and COSOP formulation, a 6-year planning period (covering two PBAS periods) is recommended, with a review at mid-term. As prescribed by the current COSOP guidelines, the COSOP should have a clearly specified implementation period and updated at mid-term review. Starting with AMIP and PASIDP, more projects will henceforth be supervised directly by IFAD which requires adequate budget and human resources, currently not at the disposal of the Field Presence Office. Therefore, IFAD needs to implement a proper assessment of financial and human resources requirements and training needs for managing direct supervision, beginning with its field presence office whose resources deserve to be increased.	No COSOP reviews have been carried out till date. The COSOP was revised, in terms of a revised results measurement framework, in 2012. No action specified

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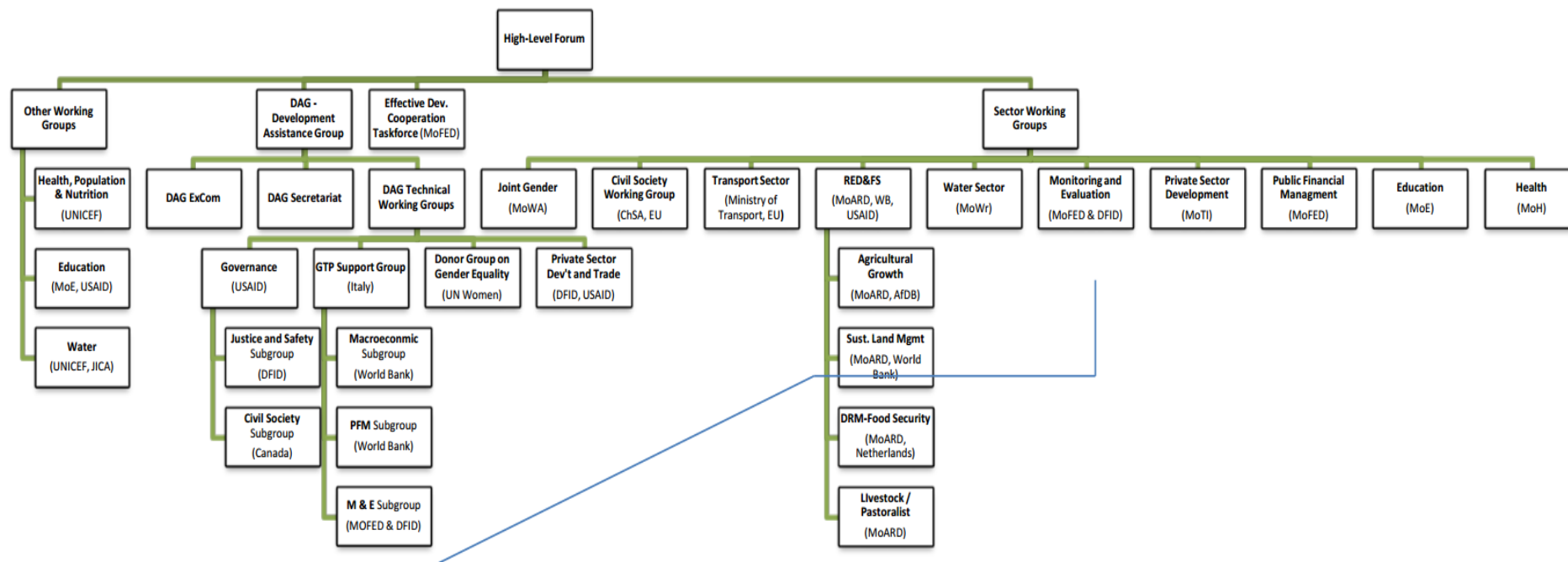
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*IFAD is a part of the Executive Committee in the RED&FS (Rural Economic Development and Food Security) Sector Working Group. Within the sub sector working group IFAD also participates in the Agricultural Growth, Sustainable Land Management and Disaster Risk Management-Food Security sub sector working group. However, it is not a part of the livestock/pastoralist sub sector working group.