

UNDP IN ETHIOPIA

Ethiopia's endemic poverty is linked to rapid rates of population growth, severe soil erosion, war, internal conflict, drought, famine and HIV/AIDS. Increasing numbers of people are dependent on food relief. A few positive signs suggest opportunities for progress, including a less centralized government that is more open to partnerships for development, higher rates of school enrolment, scattered improvements in public service delivery, and a stronger public workforce than elsewhere in the region. Ethiopia

now has a fairly 'pro-poor' national policy framework. One sign of resilience is the country's capacity in recent droughts to distribute food and supplies to the needy.

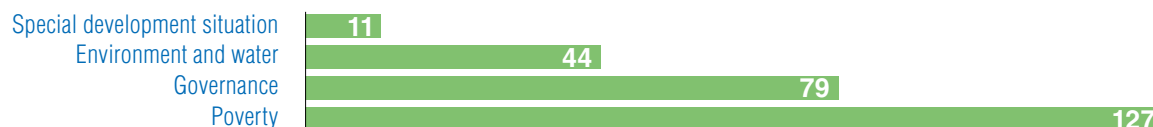
UNDP has been an active partner in different initiatives aimed at nation-building, democratic development and the shift from a command to a market economy. The Independent Evaluation Office of UNDP conducted an independent country programme evaluation that covered UNDP work from 1997 to 2006.

TOTAL PROGRAMME ALLOCATIONS, 1997-2006: \$261 MILLION

FUNDING SOURCES, 1997-2006



PROGRAMME ALLOCATIONS BY THEMATIC AREA, 1997-2006 (\$ MILLIONS)



FINDINGS AND CONCLUSIONS

UNDP holds a critical position in the overall architecture for coordination and liaison between the Government and external partners, by virtue of being a co-chair of the Development Assistance Group (DAG), by chairing the DAG core group tasked with consultations pertaining to the Sustainable Development and Poverty Reduction Programme (SDPRP) and Poverty Reduction Strategy Paper, and through its active involvement in a number of technical and sector working groups.

Widely recognized and appreciated by government and donor stakeholders alike, UNDP can claim some credit for an improved atmosphere and working arrangements in terms of strengthened external cooperation and increased official development assistance (ODA) flows. One factor that allowed UNDP a central place in coordination efforts was the perception that the organization had not 'abandoned' the country during the 1998-2000 conflict with Eritrea. At the same time, UNDP enabled the donor community to achieve a high degree of impact through joint action by providing secretariat services and facilities for pooling support.

Of particular importance was the SDPRP formulation. Local, regional and federal consultations organized by UNDP included a range of stakeholders, such as local representatives, non-governmental organizations, com-

munity-based organization, religious leaders, members of the private sector, high-level government officials and DAG observers. Donors facilitated communication and addressed issues such as lowering the administrative and transaction costs of ODA.

During the most recent drought, one positive aspect was that the Government and the donor community were able to signal the approaching humanitarian crisis as soon as its potential dimensions became evident. An early response concentrated on the provision of food, water, health and nutrition services, veterinary services and seeds to support second and third plantings of short-cycle crops. UNDP played a major part in establishing the New Coalition for Food Security to find a lasting solution to food insecurity, bridging the gap between emergency, recovery and longer-term development.

Another achievement entailed support for the Water Sector Development Plan, which contains a set of programmes for the sustainable use and management of water resources. UNDP also focused on institutional capacity building for participatory watershed planning and management.

Encouraged by UNDP advocacy, the Government established an Ombudsman Panel and a Human Rights Commission. Preparatory work for civil service reform

contributed to decentralization, capacity-building and budget reform.

UNDP has formed numerous partnerships with the World Bank and bilateral donors for building capacity at various levels of government and in a variety of sub-sectors. Many donors have expressed interest in these activities, and the Government has invited UNDP to take the lead in order to avoid piecemeal approaches that could introduce incompatible systems. The 'value added' UNDP gave donors through coordinating and in some cases executing projects comprised coherence, transparency and a common and politically neutral platform.

A weakness in UNDP's approach was poor 'micro-macro' linkages, where downstream operations were implemented in isolation from complementary reforms in the 'upstream' enabling policy environment. Some 'pilot' initiatives and 'innovative' schemes did not clearly dovetail with the national policy frameworks that UNDP itself helped establish. This concern did not apply to all programme areas. There were very encouraging examples of using UNDP's status at the macro-level to give strength to policy work at the sector or micro-level in governance, food security and HIV/AIDS.

It was not clear that UNDP's corporate results-based management tools have led to improved focus or cohesion,

or increased effectiveness. UNDP will need to find a way to focus its efforts on objectives that are operationally attainable, and further reduce the number of different project areas, which remains unwieldy in spite of commendable efforts to narrow programme focus.

An important lesson from the organization's coordination role was that the volume of funds was not the paramount determinant of success. Credibility, trust and leverage as a broker within a diverse constituency of interests can only be earned; they cannot be bought. Success is built on commitment and diplomatic skill. But perhaps above all, it requires substantive depth. Stakeholders with particular interests and technical expertise will only let themselves be coordinated by someone who is perceived to be on top of the substantive issues.

Ethiopia today enjoys good prospects. UNDP has played an important role in laying the foundation for the current optimism. The organization itself will now need to move on, both in terms of the substantive priorities of its work as well as in the way it conducts its operations. If fruitful policy dialogue with domestic and external stakeholders continues and solidifies, the Government will have an opportunity to enhance the credibility of its development agenda and add resources to its programming for development.

RECOMMENDATIONS

- In time, UNDP will need to leave an increasing share of its coordination role to the Government, and find another, equally fruitful, role for itself. Capacity development is a critical area for UNDP engagement.
- UNDP should not be enticed by opportunities that might exist for implementing 'bulk' skills and procurement projects, as they are based on parallel structures and may undermine capacities emerging from within national institutions. UNDP should bring a strategic focus that goes beyond the existence of policy dialogue towards the substantive content of policy.
- UNDP should critically examine the range of arenas to which it can bring the highest relative added value to Ethiopia's development. A national human development report could be a meaningful vehicle for advocacy pertaining to substantive areas of reform.
- As ODA flows increase, it is imperative that UNDP should maintain and further refine its strategic thrust rather than risk dissipation of its focus through convenient short-term opportunities for resource mobilization.
- In terms of operational management, UNDP is strongly advised to look for more flexible modes of delivery, even with regard to technical cooperation inputs.
- A number of donors are currently trying to elaborate forms of budget support that may be effective in some sectors in Ethiopia. As a technical cooperation agency, UNDP has some problems providing budget support that is financial rather than in the form of technical assistance. But it would be possible for UNDP to provide blanket support for local expenditure on programmes that national authorities have a demonstrated ability to manage. In a situation of acute capacity constraints on the use of official development assistance, such solutions are infinitely better than trying to speed-up disbursement under nationally executed projects by letting the country office take over their execution.

ABOUT THE ICPEs

Independent country programme evaluations (ICPEs) are the backbone of the work of the Independent Evaluation Office. They capture evidence of UNDP's contributions to development results and the effectiveness of strategies supporting national development. They enable continued improvement in UNDP programmes, contribute to strengthened national ownership and evaluation capacity, and underpin accountability to national stakeholders and UNDP's Executive Board. To date, over 100 ICPEs have been conducted worldwide.

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