ANNEX 1. TERMS OF REFERENCE

1. INTRODUCTION

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) conducts independent country programme evaluations (ICPEs), previously called "Assessment of Development Results) (ADRs) to capture and demonstrate evaluative evidence of UNDP's contributions to development results at the country level, as well as the effectiveness of UNDP's strategy in facilitating and leveraging national efforts for achieving development results. The purpose of an ICPE is to:

- Support the development of the next UNDP Country Programme Document
- Strengthen accountability of UNDP to national stakeholders
- Strengthen accountability of UNDP to the Executive Board

ICPEs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy. The IEO is independent of UNDP management and is headed by a Director who reports to the UNDP Executive Board. The responsibility of IEO is two-fold: (i) provide the Executive Board with valid and credible information from evaluations for corporate accountability, decision-making and improvement; and (ii) enhance the independence, credibility and utility of the evaluation function and its coherence, harmonization and alignment in support of United Nations reform and national ownership. Based on the principle of national ownership, IEO seeks to conduct ICPEs in collaboration with the national authorities where the country programme is implemented.

This is the third ICPE for Ethiopia and will be conducted in 2019 towards the end of the current UNDP programme cycle of 2016-2020, with a view to contributing to the preparation of UNDP's new programme starting from mid-2020. The ICPE will be conducted in close collaboration with the Government of Ethiopia, UNDP Ethiopia country office, and UNDP Regional Bureau for Africa.

2. NATIONAL CONTEXT

The Federal Democratic Republic of Ethiopia is a landlocked least developed country of the horn of Africa, the ninth largest country in size (1.1 million square km) and the second most populated country on the continent with a population estimated at 102 million in 2016², of which 80% are located in rural areas. The country is composed of nine regional states representing substantial ethnic and religious diversity. More than 85 ethnic groups and most major world religions are represented, and more than 80 languages are spoken in the country. Ethiopia has a bicameral parliamentary system and a constitutionally independent judiciary.

In the last 15 years, Ethiopia has achieved remarkable economic growth making it Africa's fastest growing economy with a GDP growth averaging 11% between 2004 and 2014. Its GDP per capita almost tripled between 2000-2017, from US\$ 618.2 in 2000 to US\$ 1,729.9³. Driven by public investment and domestic consumption, the country pursued the expansion of its agricultural and service sectors, construction and

¹ http://web.undp.org/evaluation/documents/evaluation-policy.pdf.

² Word Bank estimates

³ PPP (constant 2011 international \$), World Bank Development Indicators

the emergence of its industrial sector. The level of economic growth achieved under the successive national development plans have permitted to improve human development indicators, with an increase in Human Development Index (HDI) of 63.5% and an overall reduction of the headcount poverty rate of 93%⁴ since 2000. Under successive national development plans which have favored pro-poor policies, the Government of Ethiopia has strived to improve agricultural productivity, improve social protection, preparedness for disaster prevention and management, urban employment generation and food security programme to eliminate hunger, improve nutrition and promote sustainable agriculture.

Under the current second phase of the country's Growth and Transformation Plan, the government of Ethiopia aims to eradicate poverty and achieve a carbon neutral middle-income country status by 2025. This vision is built around agriculture led transformation, and regional leadership in light manufacturing, targeting an increase from 4% to 18% of the sector's share in the economy by 2025.

Despite important progress, significant development challenges remain in achieving the country's vision. Ethiopia remains within the category of country with a low human development and below the average HDI of Sub-Saharan African Countries (0.504) with an HDI at 0.463 in 2017⁵. Over 22 million people are estimated to be living below the national poverty line, particularly in rural areas where headcount poverty has not declined as rapidly as in urban areas. The country's economic performance is challenged by limited sectoral and private sector competitiveness, large external imbalances, foreign exchange shortages, and rising external debt. Development gains, notably in food security and agricultural productivity on which the economy depends, are challenged by periodic droughts and flood events, exacerbated by climate change as evidenced by recent natural hazards associated with El Nino, in 2016/2017. In addition, Ethiopia remains highly dependent on international aid assistance to which it is the 5th largest recipient country⁶. OECD/DAC data indicates that the five largest providers of development assistance to Ethiopia in 2015 were the World Bank, the United States, the United Kingdom, European Union and the African Development Bank. Net ODA received by the country totaled around \$3.2 billion in 2015.

In terms of gender equality and women empowerment, Ethiopia ranks 121 out of 160 countries on UNDP Gender Equality index⁸. Following the recent reshuffle in October 2018, 50 percent of cabinet positions are now held by women. While important progress has been achieved particularly in improving gaps in access to education and health, gaps in reproductive health and gender-based violence remain. In addition, gender gaps exist in economic participation and opportunity, reflected in workforce participation, wage equality, and access to senior/managerial positions⁹. 37.3 percent of parliamentarians¹⁰ are women.

Finally, sharing its border with fragile and conflict affected countries, the country is host to the second largest refugee population in Africa, sheltering over 905,831 registered refugees and asylum seekers¹¹. At

https://public.tableau.com/views/AidAtAGlance/DACmembers?:embed=y&:display_count=no?&:showVizHome=no#1

⁴ UNDP Ethiopia, "Ethiopia's Progress Towards Eradicating Poverty", Paper to be presented to the Inter-Agency Group Meeting On the "Implementation of the Third United Nations Decade for the Eradication of Poverty (2018 – 2027)" April 18 -20, 2018, Addis Ababa Ethiopia

⁵ UNDP, « Human Development Report 2018 », 2018

⁶ Source: OECD-DAC. See :

⁷ http://www.oecd.org/countries/ethiopia/

⁸ Ibid

⁹ World economic Forum, « Global Gender Gap Report 2017", 2018

¹⁰ UNDP, « Human Development Report 2018 », 2018

¹¹ Source – UNHCR, August 2018. see: https://data2.unhcr.org/en/country/eth/160

the same time, drought and events of intercommunal violence have also driven internal displacements and migration to neighboring countries. According to the International displacement monitoring center, the incidence of recent intercommunal tensions and climate related event have led to the displacements of more than a million people in the southern regions of Ethiopia in the first half of 2018¹².

In 2016, the country experienced unprecedented waves of social revolts in several regions of the country in demands for more equitable share of social and economic development gains, as well as more political rights and freedom. The deadlocked situation, resulting from the 10 month long nationwide state of emergency, led to a peaceful transition at the executive level of the government, with the resignation and appointment of a new Prime Minister in April 2018. Since, the country has embarked in a reconciliation effort which saw the release of hundreds of political prisoners and exiles, and the signing of peace agreement with its neighbor Eritrea in September 2018 ending their 20 years old conflict. Other areas of reforms announced include addressing corruption and enhancing public accountability, marginalization and social exclusion, and broadening political participation, and freedom of the press in view of free election in 2020.

3. UNDP Programme in Ethiopia

The UNDP country programme in Ethiopia for the period 2016-2020 is aligned with the United Nations Development Assistance Framework (UNDAF) for the same period. The UNDAF 2016-2020 includes a total of 15 outcomes, with indicative resources amounted to around 3,038 billion USD. UNDP is involved in 4 out of these 15 outcomes. UNDP programme is structured around the following interlined components: (i) Accelerating economic growth and poverty reduction; (ii) Climate change and resilience-building; and (iii) Strengthening democratic governance and capacity development, with a total of 17 outputs. UNDAF outcomes, UNDP programme outputs and indicative resources are summarized in the following table:

Table 1: UNDAF outcomes, UNDP programme outputs and indicative resources (2016-2020)			
UNDAF outcomes and UNDP country programme outputs		Indicative resources (US\$ millions)	
		Regular resources	Other resources
Outcome 1: By 2020 Ethiopia has achieved robust and inclusive growth in agricultural production, productivity and commercialization of the agricultural sector	Output 1: Farmers have strengthened technical capacities and skills to adopt inclusive value chain approaches in the commercialization of cereals, pulses and oil seeds Output 2: Strengthened capacities of Ministry of Agriculture at national and subnational levels to plan, deliver and monitor agricultural services	13,669	17,107
Total outcome 1		30,	776

¹² See: http://www.internal-displacement.org/mid-year-figures

Outcome 2: By 2020 private sector-driven industrial and service sector growth is inclusive, sustainable, competitive and jobrich	Output 1: Priority manufacturing sectors (textile, leather, metal and agro-industry) identified in the Growth and Transformation Plan are more inclusive, productive and competitive in regional and international markets Output 2: Access to innovative financial products and services by micro, small and medium enterprises strengthened Output 3: Private sector enterprises have improved skills to be productive and competitive Output 4: Improved trade facilitation and logistical services for enhanced trade competitiveness Output 5: Improved and enabling environment for an expanded and sustainable tourism sector	13,670	36,580
Total outcome 2		50,2	250
Outcome 3: By 2020, key government institutions at federal level and in all regions and cities are able to plan, implement and monitor priority climate change mitigation and adaptation actions and sustainable natural resource management	Output 1: Enhanced financial, technical and institutional capacities of climate- resilient green economy sectors, line ministries to develop, implement and monitor strategies and plans that promote climate-resilient green economy and society Output 2: Regional administrations enabled to ensure the conservation, sustainable use and access of natural resources, biodiversity and ecosystems Output 3: Enhanced institutional capacity at all levels to effectively manage, coordinate and mainstream DRM policy, plan, strategies and programmes and to utilize climate information and early warning systems Output 4: Enhanced resilience of households and communities in disaster-prone areas, including livelihood recovery support provided to refugees, host communities and internally displaced persons	13,680	69,370
Total outcome 3		83,0	050
Outcome 4: Key government institutions and other stakeholders utilize enhanced capacities to ensure equitable, efficient, accountable, participatory and gender-responsive development	Output 1: Enhanced institutional and technical capacity of the justice system to deliver accessible, efficient and accountable justice to all, especially women and vulnerable groups Output 2: Enhanced capacity of human rights institutions and other stakeholders to implement/enforce the international/regional human rights obligations and standards Output 3: Capacity of the Federal Ethics and Anti-Corruption Commission, Ethiopian Institution of the Ombudsman and Ministry of Mines enabled to address awareness, prevention and enforcement of	13,680	47,120

malp Outp (Hou Elect Audit for repre equa Outp stake prom Outp enab to p	corruption measures and practices across sectors and stake out 4: Democratic and oversities of Peoples' Representational Board of Ethiopia, Office tor General) enabled to perform improved accountability, essentation, democratic electionality out 5: National and local authoreholders capacitated to prevent peace and security out 6: Capacity of local government of the deliver improved basic surjointies voiced by the public untability and participation at local capacity and participation at local	eholders ght institutions tives, National of the Federal n core functions participation, ns and gender rities and other ent conflict and nent institutions ervices, respond c, and promote	60,8	200
Grand total			224,	

Source: UNDP Ethiopia Country Programme Document 2016-2020

4. Scope of the evaluation

ICPEs are conducted in the penultimate year of the ongoing UNDP country programme in order to feed into the process of developing the new country programme. The ICPE will focus on the present programme cycle (mid-2016 - mid-2020) while taking into account interventions which may have started in the previous programme cycle (2012 - mid-2016) but continued for a few more years into the current programme cycle.

As a country-level evaluation of UNDP, the ICPE will focus on the formal UNDP country programme approved by the Executive Board but will also consider any changes from the initial CPD during the period under review. The ICPE covers interventions funded by all sources of finance, core UNDP resources, donor funds, government funds, etc. It is important to note that a UNDP country office may be involved in a number of activities that may not be included in a specific project. Some of these "non-project" activities may be crucial for advancing the political and social agenda of a country.

Special efforts will be made to capture the role and contribution of UNV and UNCDF through undertaking joint work with UNDP. This information will be used for synthesis in order to provide corporate level evaluative evidence of performance of the associated fund and programme.

5. Methodology

The evaluation methodology will adhere to the United Nations Evaluation Group (UNEG) Norms & Standards. The ICPE will address the following three main evaluation questions. These questions will also guide the presentation of the evaluation findings in the report.

¹³ http://www.uneval.org/document/detail/1914

¹⁴ The ICPEs have adopted a streamlined methodology, which differs from the previous ADRs that were structured according to the four standard OECD DAC criteria. More detailed sub-questions will be developed during the desk review phase of the evaluation.

- 1. What did the UNDP country programme intend to achieve during the period under review?
- 2. To what extent has the programme achieved (or is likely to achieve) its intended objectives?
- 3. What factors contributed to or hindered UNDP's performance and eventually, to the sustainability of results?

To address question 1, a Theory of Change (ToC) approach will be used in consultation with stakeholders, as appropriate, to better understand how and under what conditions UNDP's interventions are expected to lead to good governance, poverty reduction and sustainable human development in the country. Discussions of the ToC will focus on mapping the assumptions behind the programme's desired change(s) and the causal linkages between the intervention(s) and the intended country programme outcomes.

As part of this analysis, the progression of the programme over the review period will also be examined. In assessing the CPD's progression, UNDP's capacity to adapt to the changing governance, economic and humanitarian context in Ethiopia (including the opening of the democratic space, the move towards more private sector, the case of internally displaced persons and unemployed youth, etc.) and respond to national development needs and priorities will also be looked at.

The effectiveness of UNDP's country programme will be analyzed in response to evaluation question 2. This will include an assessment of the achieved results and the extent to which these results have contributed to the intended CPD objectives. In this process, both positive and negative, direct and indirect as well as unintended results will be identified.

To better understand UNDP's performance, the specific factors that influenced - positively or negatively - UNDP's performance and eventually, the sustainability of results in the country will be examined in response to evaluation question 3. In addition to country-specific factors that may explain UNDP's performance, the utilization of resources to deliver results (including managerial practices), the extent to which the CO fostered partnerships and synergies with other actors (including through south-south and triangular cooperation), and the integration of gender equality and women's empowerment in design and implementation of the CPD are some of the aspects that will be assessed under this question.

In addition, efforts will be made to spot check the status of implementation of recommendations from the previous Assessment of Development Results in Ethiopia which was conducted in 2015 by the IEO.

6. Data collection

Assessment of existing data and data collection constraints. An assessment was carried out for each outcome area to ascertain the available information, identify data constraints, to determine the data collection needs and methods. The assessment outlined the level of evaluable data that is available. The assessment indicated that there were 9 decentralized evaluations undertaken during the period from 2016 to present, which were all project evaluations. Eight of the decentralized evaluations were quality-assessed by IEO: five reports were rated as moderately satisfactory (rating of 4) and three reports rated as satisfactory (rating of 5). All these evaluations will serve as important inputs into the ICPE. The majority of projects have project documents, and some annual progress reports are available. Overall, the programme has sufficient information to conduct the ICPE.

With respect to indicators, the CPD and CPAP list 12 indicators for the 4 outcome results, and 41 indicators to measure the 17 outputs, with baseline and targets. To the extent possible, the ICPE will seek to use

these indicators to better understand the intention of the UNDP programme and to measure or assess progress towards the outcomes. The indicators mostly indicated national statistics, and reports of various ministries as data sources, and the evaluation's ability to measure progress against these indicators will therefore depend on national statistical capacities, including the periodicity of the national data system and the availability of disaggregated data by age, sex, geographic area, etc.

It is also important to note that UNDP projects that contributed to different outcomes are at different stages of implementation, and therefore it may not always be possible to determine the projects' contribution to results. In cases where the projects/initiatives are still in their initial stages, the evaluation will document observable progress and seek to ascertain the possibility of achieving the outcome given the programme design and measures already put in place.

Regarding field work, due to the sporadic insecurity and ethnic violence in parts of the country (currently the most affected areas are Somali, Gambella and Gedeo/Guji), there might be some restrictions on the evaluation team's ability to travel to project sites in different parts of the country. The evaluation team will work closely with the CO and consult UNDSS in determining the sites for field visits.

Data collection methods: The evaluation will use data from primary and secondary sources, including desk review of documentation and information and interviews with key informants, including beneficiaries, partners and managers. An advance questionnaire will be administered to the country office before the data collection mission in the country. A multi-stakeholder approach will be followed and interviews will include government representatives, civil-society organizations, private-sector representatives, UN agencies, multilateral organizations, bilateral donors, and beneficiaries of the programme. Focus group discussions will be used to consult some groups of beneficiaries as appropriate.

The evaluation team will also undertake field visits to selected project sites to observe the projects first-hand. It is expected that regions where UNDP has a concentration of field projects (in more than one outcome area), as well as those where critical projects are being implemented will be considered. There should be a coverage of all outcome areas. The coverage should include a sample, as relevant, of both successful projects and projects reporting difficulties where lessons can be learned, both larger and smaller pilot projects, as well as both completed and active projects.

The IEO and the country office have identified an initial list of background and programme-related documents which is posted on an ICPE SharePoint website. The following secondary data will be reviewed, among others: background documents on the national context, documents prepared by international partners during the period under review and documents prepared by UN system agencies; programme plans and frameworks; progress reports; monitoring self-assessments such as the yearly UNDP Results Oriented Annual Reports; and evaluations conducted by the country office and partners.

In line with UNDP's gender mainstreaming strategy, the ICPE will examine the level of gender mainstreaming across all of UNDP Ethiopia programmes and operations. Gender disaggregated data will be collected, where available, and assessed against its programme outcomes.

Validation. The evaluation will use triangulation of information collected from different sources and/or by different methods to enhance the validity of findings.

Stakeholder involvement: A participatory and transparent process will be followed to engage with multiple stakeholders at all stages of the evaluation process. During the initial phase a stakeholder analysis

will be conducted to identify all relevant UNDP partners, including those that may have not worked with UNDP but play a key role in the outcomes to which UNDP contributes. This stakeholder analysis will serve to identify key informants for interviews during the main data collection phase of the evaluation, and to examine any potential partnerships that could further improve UNDP's contribution to the country.

7. Management arrangements

Independent Evaluation Office of UNDP: The UNDP IEO will conduct the ICPE in consultation with the UNDP Ethiopia Country Office, the Regional Bureau for Africa and the Government of Ethiopia. The IEO Lead Evaluator will lead the evaluation and coordinate the evaluation team. The IEO will meet all costs directly related to the conduct of the ICPE.

UNDP Country Office in Ethiopia: The country office will support the evaluation team to liaise with key partners and other stakeholders and ensure that all necessary information regarding UNDP's programmes, projects and activities in the country is available to the team, and provide factual verifications of the draft report on a timely basis. The country office will provide the evaluation team inkind organizational support (e.g. arranging meetings with project staff, stakeholders, beneficiaries; assistance for project site visits). To ensure the independence of the views expressed, country office staff will not participate in interviews and meetings with stakeholders held for data collection purposes. The country office will jointly organize the final stakeholder meeting, ensuring participation of key government counterparts, through a video-conference with the IEO, where findings and results of the evaluation will be presented. Additionally, the country office will support the use and dissemination of the final outputs of the ICPE process.

UNDP Regional Bureau for Africa (RBA): RBA will support the evaluation through information sharing, and will also participate in discussions on emerging conclusions and recommendations.

Evaluation Team: The IEO will constitute an evaluation team to undertake the ICPE. The IEO will ensure gender balance in the team which will include the following members:

- <u>Lead Evaluator (LE)</u>: IEO staff member with overall responsibility for managing the ICPE, including
 preparing for and designing the evaluation (i.e. the present ToR) as well as selecting the evaluation
 team and providing methodological guidance. The LE will be responsible for the synthesis process
 and the preparation of the draft and final evaluation reports. The LE will be backstopped by
 another evaluator also from the IEO.
- Associate Evaluator (AE): The AE will support the LE in the preparation and design of the
 evaluation, including background research and documentation, the selection of the evaluation
 team, and the synthesis process. The AE will review the draft report and support the LE in other
 aspects of the ICPE process as may be required.
- <u>Consultants</u>: 2 consultants will be recruited and will be responsible for the outcome areas. Under the guidance of LE, they will conduct preliminary research and data collection activities, prepare outcome analysis, and contribute to the preparation of the final ICPE report.

The roles of the different members of the evaluation team can be summarized in Table 2.

Table 2: Data collection responsibilities by outcome areas			
Outcome	Report	Data collection	
Accelerating economic growth and poverty reduction (outcome 1&2)	Consultant	Consultant	
Climate change and resilience-building (outcome 3)	Consultant	Consultant	
Strengthening democratic governance and capacity development (outcome 4)	Consultant	Consultant	
General strategic and management issues	LE	LE/AE/consultant	

8. Evaluation Process

The evaluation will be conducted according to the approved IEO process. The following represents a summary of the five key phases of the process, which constitute the framework for conducting the evaluation.

Phase 1: Preparatory work. The IEO prepares the ToR and the evaluation design, including an overall evaluation matrix. Once the TOR is approved, additional evaluation team members, comprising international and/or national development professionals will be recruited. The IEO starts collecting data and documentation internally first and then filling data gaps with help from the UNDP country office.

Phase 2: Desk analysis. Evaluation team members will conduct desk review of reference material, and identify specific evaluation questions, and issues. Further in-depth data collection will be conducted, by administering an advance questionnaire and interviews (via phone, Skype, etc.) with key stakeholders, including country office staff. Based on this, detailed evaluation questions, gaps and issues that require validation during the field-based phase of the data collection will be identified.

Phase 3: Field-based data collection. During this phase, the evaluation team undertakes a mission to the country to engage in data collection activities. The estimated duration of the mission is around 3 weeks. The evaluation team will liaise with CO staff and management, key government stakeholders and other partners and beneficiaries. At the end of the mission, the evaluation team will hold a debrief presentation of the key preliminary findings at the country office.

Phase 4: Analysis, report writing, quality review and debrief. Based on the analysis of data collected and triangulated, the LE will undertake a synthesis process to write the ICPE report. The draft will first be subject to peer review by IEO and its Evaluation Advisory Panel. Once the draft is quality cleared, it will be circulated to the country office and the UNDP Regional Bureau for Africa for factual corrections. The second draft, which takes into account any factual corrections, will be shared with national stakeholders for further comments. Any necessary additional corrections will be made and the UNDP Ethiopia country office will prepare the management response to the ICPE, under the overall oversight of the regional bureau.

The report will then be shared at a final debriefing where the results of the evaluation are presented to key national stakeholders. The way forward will be discussed with a view to creating greater ownership by national stakeholders with respect to the recommendations as well as to strengthening accountability

of UNDP to national stakeholders. Taking into account the discussion at the stakeholder event, the evaluation report will be finalized and published.

Phase 5: Publication and dissemination. The ICPE report will be written in English. It will follow the standard IEO publication guidelines. The ICPE report will be widely distributed in both hard and electronic versions. The evaluation report will be made available to UNDP Executive Board by the time of approving a new Country Programme Document. It will be widely distributed by the IEO within UNDP as well as to the evaluation units of other international organisations, evaluation societies/networks and research institutions in the region. The Ethiopia country office and the Government of Ethiopia will disseminate to stakeholders in the country. The report and the management response will be published on the UNDP website¹⁵ as well as in the Evaluation Resource Centre. The Regional Bureau for Africa will be responsible for monitoring and overseeing the implementation of follow-up actions in the Evaluation Resource Centre.¹⁶

9. Timeframe for the ICPE Process

The timeframe and responsibilities for the evaluation process are tentatively¹⁷ as follows in Table 3:

Table 3: Tentative timeframe for the ICPE process going to the Board in June 2019				
Activity	Responsible party	Proposed timeframe		
Phase 1: Preparatory work				
TOR completed and approved by IEO Director	LE	November 2018		
Selection of consultant team members	LE	November-December		
		2018		
Phase 2: Desk analysis				
Preliminary desk review of reference material	Evaluation team	December 2018 –		
		January 2019		
Advance questionnaires to the CO	LE/AE/CO	December 2018		
Phase 3: Field-based data collection				
Mission to Ethiopia	LE/AE/Consultants	18 February – 8		
		March 2019		
Phase 4: Analysis, report writing,	quality review and debr	rief		
Analysis of data and submission of background papers	Consultants	March 2019		
Synthesis and report writing	LE/AE	April – May 2019		
Zero draft for internal IOE clearance/EAP comments	LE	June 2019		
First draft to CO/RBA for comments	LE/CO/RBA	July 2019		
Second draft shared with the government and	LE/CO/GOV	August 2019		
national stakeholders				
Draft management response	СО	Augnust 2019		
Stakeholder workshop via video-conference	IEO/CO/RBA	August 2019		
Phase 5: Publication and dissemination				
Editing and formatting	IEO	September 2019		
Final report and evaluation brief	IEO	September 2019		
Dissemination of the final report	IEO	September 2019		

¹⁵ web.undp.org/evaluation

¹⁶ erc.undp.org

¹⁷ The timeframe, indicative of process and deadlines, does not imply full-time engagement of evaluation team during the period.