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**Country Programme Action Plan (CPAP)**

[**Mid Term Evaluation Report and Proposed Way Forward**]

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**UNDP Ethiopia**

**Part I.**

**Report on**

**Mid- Term Evaluation of**

**UNDP Ethiopia Country Programme Action Plan (CPAP)**

**Acronyms and Definitions**

|  |  |
| --- | --- |
| CCF | Country Cooperation Framework |
| DAG | Development Assistance Group |
| EGC | Ethiopian Growth Corridor |
| GEF | Global Environment Facility |
| EHRC | Ethiopian Human Rights Commission |
| EIO | Ethiopian Institute of Ombudsman |
| FEACC | Federal Ethics and Anti-Corruption Commission |
| HAPCO | HIV/AIDS Prevention and Control Office |
| ICT | Information and Communication Technologies |
| IP | Implementing Partner |
| M&E | Monitoring and Evaluation |
| MD | Millennium Declaration |
| MDG | Millennium Development Goal |
| MoTI | Ministry of Trade and Industry |
| NEBE | National Electoral Board of Ethiopia |
| NHDR | National Human Development Report |
| PSCAP | Public Sector Capacity Building Program |
| UNDAF  | United nations development assistance framework |
| RSC | Regional State Council |
| WB | World Bank |
| WSS | Water supply and sanitation |
| WTO  | World Trade Organization |
| MoFED | Ministry of Finance and Economic Development |
| UNCT | United Nations Country Team |
| NEBE | National Electoral Board of Ethiopia |
| MoARD |  Ministry of Agricultural and Rural Development |
| PASDEP | Plan for Accelerated and Sustained Development to End Poverty |

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# OVERVIEW

## Introduction

The CPAP run by the UNDP is basically formulated under the umbrella of UNDAF and in the framework of PASDEP. By implementing the CPAP, UNDP is primarily involved in capacity development to promote pro-poor economic growth and to enhance effective service delivery and good governance in both government and private institutions. Appreciably, the government of Ethiopia, at all levels (i.e., federal, regional and local levels) has participated in the program formulation. It could also be understood that all attempts were made to give due considerations to address the major problems and needs/priorities of federal, regional and local governments. In this regard, it seems that the CPAP is holistic and participatory in the sense that it tries to address multiple problems of different sectors in a wide range of geographical areas with active participation of stakeholders in program formulation and implementation.

## Programmatic Focus and Areas of Interventions

UNDP has engaged in four main areas of UNDAF priorities. These include: (1) reducing poverty and working towards achieving the MDGs; (2) deepening democratic governance; (3) addressing HIV and AIDS epidemic; and (4) cross-cutting issues focusing mainly on gender mainstreaming in policies and programs, and enhancing information and communication technologies (ICT). Nevertheless, during the program review, UNDP was found mainly focusing on two pillars: poverty reduction and working towards achieving MDG, and deepening democratic governance. In the course of implementation, the issues of HIV and AIDS and gender mainstreaming have been embedded in the governance program. However, ICT as the cross cutting issue seems floating.

### Poverty Reduction and MDG Program

The poverty reduction pillar focuses on capacity building and knowledge development to increase income of the poor through improving labor productivities and wider use of advanced technologies in economic growth corridors as well as in agriculture, industry and service sectors. It has three sub-programs: enhancing economic growth, recovery and food security and natural resource and environment management. While the recovery and food security sub-program is designed to address the socio-economic problem of the country in the short run, the economic growth and resource and environment management sub-programs target a medium to long term development goals. Details of the sub-program components, intervention areas, and expected outputs are summarized in a Matrix (see Table A1 in the Annex).

1. *Enhancing Economic Growth:* this sub-programs aims at conduction studies, establishing database, and identifying intervention areas to promote the national economy and attaining the MDGs. As stated in the CPAP document, the sub-program has five principal components. These are:
	1. Ethiopian Economic Growth Corridors (EGCs)
	2. Mainstreaming MD & MDGs
	3. Private sector development
	4. Trade, private-public partnership
	5. Improving institutional capacities in M & E of economic growth
2. *Recovery and Food security:* this sub-program is formulated to strengthen the capacities of the government and other relevant stakeholders primarily to respond to situations that threaten the lives and wellbeing of vulnerable and food insecure communities and then to enhance their resilience to shocks leading to food security and sustainable livelihood. This sub-program encompasses four areas of intervention:
	1. Disaster risk reduction
	2. Social mobilization and community participation
	3. Voluntary resettlement
	4. Advocacy for polices/strategies
3. *Natural resource and environment management***:** this is particularly designed in a streamlined manner focusing on areas where the resettlement program has been implemented. Briefly, it aims at:
	1. Supporting woredas in developing Environment Management Plan;
	2. Mobilizing resources from Global Environment Facility (GEF) and other donors for sustainable environment management.
	3. Supporting the development of water resources management systems through donor coordination, preparation of policy on M&E, establishing networked and Master Plan for water supply and sanitation (WSS).

Extending from the previous Country Cooperation Framework (CCF), UNDP has also engaged in executing GEF sub-program to create enabling environment for environmental protection and to strengthen local community to restore non-operational water supplies and sanitation, and small scale irrigation schemes.

###  Deepening Democratic Governance Program

This program aims at achieving MD principles through enhanced democratic empowerment and participation at the grassroots level. Under this program, UNDP has ambitiously formulated a number of interventions areas, of which the following are the major ones.

* + 1. Support to justice and Human right
		2. Support to the Federal and State Parliaments (council & electoral bodies)
		3. Decentralization and Civil Service Reform
		4. Capacity enhancement for domestic resource mobilization and management
		5. Effective Aid coordination & management
		6. Promoting efficiency & accountability in resource use
		7. Technical assistance and capacity development
		8. Conflict prevention and transformation
		9. Program / project coordination, M&E
		10. Reducing vulnerability to HIV/AIDS, Gender mainstreaming and protecting Human right.

In addition, UNDP has been implementing a number of on-going projects from the previous CCF that do not necessarily fall specifically within 2007-2011 CPAP. There are still many other activities presently under implementation or under attention together with all the above program components, but are not properly included in the CPAP. These are described as follows.

1. Endorsement/adaptation of public expenditure
2. Provision of regulatory frame work
3. Local development funding
4. Local economic development (LED)
5. Policy review
6. Local government capacity building
7. PSCAP
8. DELCAP

Undertaking such numerous number of program components might have implication of pervading efforts and hence limiting efficiency and quality of the supports.

# METHODOLOGICAL APPROACH

##  Information gathering

The evaluation process of CPAP was undertaken at several stages. First careful review of all relevant documents were done including program formulation, annual work plan and progress reports.

Second, thorough consultations with staff members of UNDP including Resident Representative, Country Directors and Program Leaders, Team Leaders and all experts. In favor of clear understanding of the consultant, repeated presentations on overall contextual analysis of CPAP, on-going programs, progress and challenges confronted in the implementation process of the programs were also done by the staff. Third, close discussion with stakeholders at different levels were done with Federal Ministries (MOFED and MoARD/FS), Regional Bureaus (in Oromia, Amhara, and Somali), donors (CIDA and Embassy of the Netherlands), other Un-agencies (WFP, FAO and OCHA) and with Civil Service Organizations (e.g., CRDA). And finally, all information from the different sources was triangulated for validation and to reflect the actual status, performances and challenges of each program components.

##  Limitations of the evaluation

In principle, annual work plans and actual implemented activities and progress reports are expected to be always consistent and reflections of one another. And thus, a review process generally goes all along through assessing the program formulation process and then explores its translation into annual work plan, practical implementations and outputs/outcomes. Conventionally, the program achievements are reviewed vis-à-vis the targets or expected outputs. Accordingly, efficiency of the program implementations and quality of the outputs, given the minimum standard, area evaluated.

In this review process, however, such traditional procedure and the depth of the analysis were limited due to four principal problems:

* 1. In most cases outputs and outcomes are ambiguously defined in the CPAP document creating difficulty as to assess whether the desired output is produced and/or the required magnitude achieved
	2. Components of CPAP are often inconsistent with or differently described in the annual work plans, and thus it was uneasy to distinguish whether or not a certain program component is precisely implemented. Similar problems were observed with the progress reports.
	3. While one CPAP is for all, the annual work plans significantly vary from region to region. Although such variation is appreciable form the context of the preferences of the regions, consolidating the works on progress, achievements, and judging the overall efficiency of the program were not manageable.
	4. There appeared little information on the quality of the program activities or outputs at the grassroots level.

Thus, only subjective judgments of major achievements of the programs and outputs are thematically addressed. Yet maximum care was made to reflect the actual program status through different ways of information triangulation.

# MAIN FINDINGS

The main findings of the review process are categorized into two major groups: (i) achievements and progress; and (ii) constraints and challenges. As stated above, annual work plan for each intervention notably varies from one implementing partner to the others across all regional governments, and due to poor (ambiguous) definition of outputs and outcomes, it was not possible to compare the level of achievements vis-à-vis the targets proposed. Yet, all attempts were made to address the major components and elicit their statuesque vis-à-vis the overall expectations. Here key achievements, progresses and overall assessments of each sub-program are thematically presented. Details of the outputs and current status of the sub-program components are in indicated in Annex (Table A1).

## Enhancing economic growth program

Given the period taken for implementation, the “enhanced economic growth program” has recorded considerable working progresses. The following are progresses and key outputs achieved till the review period.

**a) Key achievements**

* With respect to Ethiopian Growth Corridor, varies policy forums organized to clarify policy direction. With joint support by UNIDO and FAO, learning missions arranged for staff members of government and UN agencies to South-East Asia (Malaysia and Vietnam) to share experience on Growth Corridor; that is, to enable the mission participants clearly understand the concept, method of identification and designing investment projects and implementation.
* To set up private and public sector dialogue forum, Learning mission by delegations from Ministry of Trade and Industry (MoTI) and Chamber of Commerce undertaken in Vietnam & Botswana and for this purpose UNDP formed partnership with IFI and the World Bank.
* All Africa Leather Fair organized to publicize the leather products to local and international investors (to attract foreign direct investment)
* Ethiopian Commodity Exchange (ECX) has been supported so as to modernize and enhance the effectiveness of agricultural marketing systems and operations, and a number of staff at federal & regional levels trained on ECX;
* To facilitate the negotiation and access to World Trade organization (WTO) and other international trade organizations studies have been carried out and some fund obtained from European Union (EU);
* MD and MDGs were mainstreamed at national level as an advocacy tool for policy formulation and analysis. Awareness creation was made around MD & MDGs through campaign and accelerating aid harmonization.
* Similarly**,** a program onImproving Institutional capacities in M & E has worked out (supported by DAG to capacitate institutions such as MoFED, CSA, MoARD, MoTI, Bureax of Emerging regions, and other stakeholders in data collection, analysis, information dissemination on population, agriculture, business, labor force

**b) Activities partially implemented or not at all**

Despite all the abovementioned key achievements, still a number of activities are either initiated or only partially implemented. These may be finalized in the remaining project period. These include:

* Agro-industry Master Plan was drafted for commodities, namely coffee, cereals and oilseeds, to establish a base for enhancing agro-processing industries with the collaboration of UNIDO and FAO;
* Legislation & guideline drafted to set up dialogue institution/forum for private and public sector and ready for refinement
* The process to capacitate Leather and Leather Product Institution (LLPI) is underway
* Developing National macro-framework for EGC
* A study on the feasibility of establishing a Free Trade Area among Ethiopia, Sudan, Yemen and Somalia is underway

**c) General assessment of the sub-program**

The overall assessment shows that the program accomplishment seems behind the schedule. The achievements recorded so far are mostly intermediate outputs of each sub-program that would take towards the desired outputs to be attained as indicated in the CPAP document. While important interventions are yet to be commenced, greater proportional of the intended interventions are just at initiation stage which need to be worked further to realize the intended outputs.

## Food security and recovery sub-program

This sub-program holds considerable share in CPAP, and is the most active in response to the recurrent food insecurity problem of the country. There are records of achievement and works on progress in this sub-program too.

**a) Key achievements**

* A number of interventions were undertaken, and works are well on progresses. The following are the major achievements:
* Considerable attempts to bring institutional coordination and interagency collaboration to build synergy for efficient utilization of resources;
* Set up Regional Information Center commenced (already planted in SNNPR) to established food security database;
* training on disaster management provided at regional, zonal and woreda levels and senior program managers opportunity trained on crop management & agribusiness (in Israel) for livelihood diversification;
* New social mobilization approach introduced; and several sensitization workshop with communities undertaken to enable rural people demonstrate their own initiation to address development challenges, and
* landmine contaminated areas cleaned up and mine risk reduction education was also provided . Furthermore,
	+ best practices identified & scaled up for vegetable & fruit production
	+ resettlement program & access to veterinary services supported
	+ training materials & equipment provided for farmers training centers, and
	+ early recovery Strategic Framework developed & approved

**b) Activities partially implemented or not initiated**

Almost all program components have been executed. Some are at infant stage (for instance, mapping of food insecurity & recovery under preparation). There are still some interventions which have not been initiated, but potentially be executed in the years to come. These are:

* + Training of trainers on disaster reduction & recovery
	+ Computerizing agricultural and food security database in place, and
	+ Institutionalizing disaster risk reduction systems in MOARD & the emerging regions

**c) General assessment of the program**

The overall progress of the “food security and recovery program” towards achieving the intended outputs is encouraging. The extent of achievement as compared to the targeted output within the review period is appreciably high.

## Natural resource and environment management

**a) Key achievements**

* Ten woreda environment management plan developed, & training for personnel provided
* Water supply and Sanitation Master Plan developed for eight woredas
* Federal geo-information processing capacitated
* Sustainable land management (SLM) PIF finalized
* Proposals on sustainable development of protected areas and on GEF endorsed

**b) Activities partially implemented**

Virtually, no component of the sub-program has been hanged as the case in the other sub-programs. The following activities are works in progress:

* Developing monitoring guideline for water sector is on process
* M&E of Environment management plan (EMP) commenced
* Policy for M&E guideline is on process
* Strengthening Environmental Convention Obligations and Compliance Implementing is underway

**c) General assessment of the sub-program**

Given the financial resource and human power deployed, all components of the program are well underway and a lot has been achieved as compared to the targeted outputs. However, it is felt that land and environmental management is a critical area of intervention for short and long term sustainable development of the country in general and to benefit from the outcomes of the CPAP in a sustainable manner in particular. Therefore, deploying more resource personnel and financial budget to this sub-program would be important to effectively and efficiently deliver capacity development of the stakeholders to tackle with the existing and emerging environmental challenges.

## Deepening democratic governance program

Under the “governance program”, extensive interventions have been implemented. While majority of them are under progress, some activities are completed. Until recently, DELCAP and DIP, were two big programs that had been exercised under the umbrella of Democratic Governance. Therefore, this section reports this section with respect to the achievement and progresses of programs is all-inclusive. The completed components of the program are briefly described below.

* In order to improve the performance of the justice sector, law school institutions and instructors were capacitated. Consequently, they have started to develop legal texts, and enhanced the processes of teaching, research and journal publication.
* Investigators were trained on human right, and system for receiving complaints is presently in place.
* In line with this, DIP has been officially launched and institutions such as EHRC, EIO, and FEACC and RSCs are capacitated, and their public outreach is improved through frequent media coverage.
* For people in different sectors, different training was provided such as on environment, trade, and fiscal & monetary policy, management and skill development, participatory planning & expenditure management, etc. In addition, staff members of Woreda Election Office were trained on management & administration of local election process.
* Manual on participatory planning & public expenditure developed for Amahara (adopted by emerging regions)
* Capacity assessment in regional sector bureaus and in the emerging regions conducted, and development potentials of emerging regions assessed.
* The DELCAP has developed skill of staff members of Finance and Economic Development (at regional, zonal and woreda levels for almost all regions) in project planning and management, resource allocation, M&E, coordination and implementation. To support the program implementation UN-Volunteers (as program coordinators and finance officers) also employed. Senior officials were also provided with international training on project planning and management.
* DELCAP provided training to key Bureaus and Woredas to capacitate them in public service deliver, such as in health, education, agriculture and water resources.
* MDG-Based M&E system strengthened for MoARD – website developed, and necessary Information Technology (IT) equipment procured to set up the database system.

**b) Activities partially implemented**

Major interventions on progress are:

* Strengthening decentralization of basic social service delivery in the emerging regions
* Providing technical assistance to the social service delivering institutions
* Enhancing centralized service delivery regarding private sectors, CSOs & meeting the needs of pastoralists
* A study in the emerging regions to identify potential intervention areas

**c) Interventions not yet initiated**

As stated above, the governance program seems ambitiously proposed a number of project components. Thus, despite the fact that quite many projects area completed and/or in progress, still enormous components of interventions of proposed have not yet been started. The major ones are listed as follows:

* Establishing prison centers
* Establishing incentives for research & academics process in human right for students & professors
* Training parliamentary procedures & process and oversight mechanisms
* Enhancing the capacity of House of Federation in subsidy allocation, conflict resolution & constitutional inquiry
* Provision of regulatory framework, and policy review
* Capacity enhancement for Domestic resource mobilization and management
* Effective Aid coordination & management
* Promoting efficiency & accountability in resource use
* Adaptation/endorsement of public expenditure management (PEM)
* Technical assistance and capacity development
* Increasing capacity of MoFED through training in macroeconomic modeling, planning, budgeting negotiations
* Enhancing capacity of conflict prevention & transformation at national, regional and local levels in emerging regions
* Mainstreaming Millennium Development declaration in all development programs
* Strengthening linkages between national M&E and socioeconomic data generation

**c) General assessment of the program**

The program components look very much fragmented. Nevertheless, the performance of the program is generally good, and a lot have been implemented and considerable achievements are recorded. As a number project components have not yet been executed, there is a lot to be done in the coming program period that would demand much more effort and efficiency to accomplish the desired level of outputs by end of the program period.

## HIV and AIDS

With respect to HIV and AIDS, salient outputs described as follows:

* System for joint planning established for HIV and AIDS Prevention and Control (HAPCO) that involves five major sectors (Agriculture, Education, Labor and Social Affairs, Women’s Affairs) with the support of UN-HIV/AIDS program;
* Regional HAPCO adopted leadership development program using pool of trainers from the Local Development Program (LDP) to develop policy, system and guideline & resource allocation
* Six learning institutions capacitated to provide training on HIV/AIDS mainstreaming.
* A guideline on the establishment and operation of partnership forum, and HIV/AIDS mainstreaming policy are developed.
* Community conversation institutionalized, and program has resulted in significant awareness creation, and dramatic behavioral change in communities at grassroots level in almost all interventions areas.

**b) Activities partially implemented not initiated**

* Many of the components of the program have been directly or indirectly executed

**c) Overall assessment of the program**

The sub-programs implemented are found to be effective in mitigating the incidence of the pandemic. However, it is still far to reach at the final outputs required as indicated in the CPAP. The strategic intervention to support properly mainstreaming HIV and AIDS still need a stronger attention.

## Programs not properly addressed in the implementation

* **Cross Cutting Areas:** Gender and ICT are boldly stated in the CPAP as cross cutting issues. It is expected to ensure gender mainstreaming in country’s development efforts (through policies and programs) through capacity building of all program staff, partners and counterparts in collaboration with other agencies through the UN Technical Working Group for Gender Equality. ICT was basically assumed to play a major role at regional and woreda levels to increase efficiency in the service sector by ensuring the availability of human resources in key skill areas for the implementation of the systems, and supporting the its sustainability in those regions of proven application. However, both these issues were not properly addressed in the program implementation. Integration of the gender equality in each program and sub programs has not been properly implemented either and the outputs/outcomes are not clearly indicated in the progress reports.
* **Civil service organization (CSO) and Private Sectors** were not involved in either capacity building program or as stakeholders to implement the CPAP. Nevertheless, in areas of program planning, establishing MDG knowledge, promotion of small-scale enterprises, development of the area based development plans, the role of CSO and private sector could be immense.

## Overall assessment of the country programs

In general, there is appreciable programmatic alliance between CPAP and the government’s priority agendas. UNDP has been found remarkably responding to address the national development gaps in line with its comparative advantages have rendered it an affirmative image by the implementing partners. UNDP’s close contacts and regular consultation with the federal and regional government offices and local implementing partners is regarded as a positive development.

The overall performance of the 2007-2011 CPAP is positive, but mixed due to the fact that UNDP has ambitiously launched considerable number of interventions with implementing partners of different capacities scattered over a wide range geographical and thematic areas. It is well understood that the program intervention stretched over wide scope of sectors in almost all regions, largely focusing on execution of extensive training and procurement activities with inadequate attention to achieving the desired outputs. Important interventions at macro level such as building the capacity of the government in policy and strategy formulation and implementation for the existing and emerging development problems are paid little attention. Gender, ICT and HIV/AIDS are only rarely mainstreamed in the program implementation.

In conclusion, the country program has achieved much lower outputs (results) than its targets in the mid way of the program period. The achievements recorded so far are by and large the intermediate results, but not as such the desired end outputs, that convey to the planned outputs/ outcomes reflected in the CPAP document. Mainly due to fact that the country program was engaged in too many activities over extended thematic and geographical areas, (yet with improper M&E) the quality, efficiency, effectiveness and relevance and impacts on sustainable development of the country might be questionable.

# PROBLEMS AND CHALLENGES

Despite the multifaceted approach of CPAP, the outcomes/outputs are fairly lower than what is expected. A number of factors contributed to the limited outputs of CPAP all associated with weaknesses in program formulation, processes and implementation. Lack of strategic focus in program design, inadequate monitoring and evaluation, weak collaboration with UN-Agencies and other relevant institutions, and limited capacity of the implementing partners in leadership and decision making are the major factors that restricted the outputs of the CPAP. This section presents details of the problems and challenges faced by the CPAP.

##  Activity driven

In the interest to satisfy the needs of the federal and regional governments, UNDP ambitiously attempted to redress a number of development problems thematically and geographically at all levels (federal, regional and local). While this is appreciable from the perspective of participatory planning process, and fairness in rendering the supports to all regional sectors, the practical implementation and effectiveness of the program cannot be without challenges given the fact that UNDP itself has a limited institutional capacity. Consequently, the program lacked strategic concentration and extensively engaged in a number of fragmented activities, and less result oriented. This in turn, created difficulty in program management, proper monitoring and evaluation, which ultimately could end up with inconsequential outputs/outcomes. Presently CPAP seems to give more focus to financial delivery than result creation. If this approach continues, it may reduce the image of the UNDP in the long run.

##  Mismatching among the CPAP program, Annual work plan and Implemented interventions

As long as CPAP has been formulated in consultation with the implementing partners, the program components are, in principle, expected to be consistently presented in the AWP for practical implementation. However, it is understood from the discussion with the stakeholders that the program components in the CPAP are sometimes partially or differently reflected in the AWP. In deed, AWP has a political dimension and largely governed by the implementing partners, and hence UNDP has little control at this stage. It was also pointed out that the local implementing partners poorly participate in the design of AWP, which might greatly contribute to the low implementation of the program components.

In the AWP, intervention activities and timeframes of the project components also do vary geographically from region to region. More importantly, there are a number of cases whereby the activities implemented at the grassroots are diverged from what has been indicated in the CPAP components. This further created difficulty to review the extent to what the programs have been realized. In deed, UNDP has little control to take corrective measures at grassroots level on such deviation of activities from the planned ones.

Furthermore, the progress reports often fail to clearly indicate, thematically and geographically, the extent of program implementation, and the level of success to achieve the intended outputs (i.e.; whether fully or partially achieved or not all) and the quality of the outputs. Overall, such mismatching has created intricacy in estimating the efficiency of the program implantations.

##  Improper definitions of outputs and outcomes

For proper monitoring and evaluation, careful definition of key technical terms and concepts is always important. In CPAP, outcomes/outputs[[1]](#footnote-2) and indicators of some of the components are not properly defined. Thus, there is no credible evidence towards achievement of the desired level of outcomes. For instance, on page 6 of the CPAP document, some of the outputs are stated as follows:

* *Persecution rate of corruption cases increase 15% annually;*
* *The number of cases brought to court increases by 20% annually*

These definitions implicitly assume that corruption will be increasing over time, which should not be the case, at least in the country whereby such a program on good governance is virtually designed to mitigate corruption. Moreover, CPAP has implicitly indicated outcomes/outputs, but it has often failed to clearly indicate measurable outputs thematically or geographically. Thus, the extent of outputs achieved is not often known. For example, frequency of workshops, conferences, training etc. and number of participants & number of beneficiaries against all intervention areas, and topics or themes is not explicitly available in the CPAP document as well as in the progress reports. The program assessment report does not indicate either. Thus it is difficult to precisely ascribe some of the outputs on the ground lat local areas to the CPAP.

##  Lack of proper monitoring and evaluation

The most critical weakness of UNDP is that it paid inadequate attention to undertake proper (result-based) monitoring and evaluation of physical activities and financial utilization in the last 2007/08 program period. At the grassroots level, the relevance of intervention, actual quality of the outputs, and the effectiveness of financial and material supports are not well monitored. Ultimately, there is little evidence to know the magnitude and quality of the output/outcome of the program intervention.

## UNDP’s staff engagement in routine activities

It was observed that the staff members, particularly the (acting) team leaders, often engaged in routine works (such as financial management and material procurement) for which they are not actually trained. This is estimated to take over 50% of their time that greatly restricts their potential contribution to technical competency in the substantive UNDP programs. Therefore, it would be better to assign independent personnel for the financial management and material procurement, and free the time of the technical staff to run the programs more efficiently and effectively.

##  Budget allocation

MoFED and UNDP have agreed on the principle of budget allocation that it has to follow the budget allocation principle of the government treasury fund. Accordingly, despite the fact that regions are different in the extent and scope of their problems, the established formula has been used to distribute the UNDP fund geographically. This, however, contributed to the fragmentation of the activities, and diseconomies of scale for the available scarce resource to result in substantial output.

There is a lack of justification and clarification for the disproportional resource distribution among the components of CPAp. For instance, as can be observed in Table 1, Governance program has been receiving the lion’s share of the planned resource (58%), which is more than four times of the budget planned to enhance economic growth (14%).

**Table 1: UNDP Program Component and Annual Resource Allocation (USD$ in million)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Program Components** | **2007** | **2008** | **2009** | **2010** | **2011** | **Total** | **% Distributed** |
| Enhanced Economic Growth  | *1,95* | *1,32* | *1,32* | *1,32* | *1,9* | *7,81* | *14* |
| *Food Security, Recovery* | *3,26* | *3,04* | *3,04* | *3,04* | *3,04* | *15,42* | *28* |
| *Governance* | *6,8* | *6,4* | *6,41* | *6,41* | *6,41* | 32,43 | *58* |
| HIV/AIDS, Gender & Human right | 0,4 | 0,56 | 0,56 | 0,56 | 0,56 | 2,64 | 4.8 |
| Total Resource planned  | 12,01 | 10,76 | 10,77 | 10,77 | 11,35 | 55,66 | *100* |

Source: Computed from the CPAP document

## Internal problems to the implementing partners

* There appeared slow delivery of fund from the regional government (BoFED) to the local implementing partners; that is, delay in fund request, transfer, and reporting among regions, zones and woredas; and delay in procurement of items by both UNDP and implementing partners.
* Limited capacity of the recipient institutions in planning and M&E, leadership & decision making, information and communications, In addition, local implementers lack of proper understanding of the UN-systems, and have low capacity of reporting.
* Frequent staff turn-over and reshuffling, engagement in multiple activities (e.g., Business Process Reengineering), inadequate participation of the implementers in planning, target setting and indicator formulation are the major factors identified.
* There seems lack of commitment by the local government staff to implement the UNDP programs, and poor commitment of the Steering Committee at regional level to promptly react to problems. This might be due to absence of special incentive for the additional workload to their regular government working schedule. That is, the local implementing government staff are neither paid for nor valued for their contribution to the accomplishment of the programs. Thus, the programs seem to lack ownership in many localities and considered only as a side by activities. This ultimately contributes to poor implementation, slow reporting and hence slow delivery of resources. In deed, budget utilization (delivery, efficiency and divisions) is not indicated in the assessment report of the Country Office.

##  Other related issues

* ***Partnership:*** Partnership with government (at federal, regional and local level) is generally well done, and some activities have been going on with UN Country Team and UNDAF Technical Group. However, little has been done with private sector and civil society organizations (CSOs).
* ***Aid harmonization:*** UNDP has been playing facilitation and coordination roles of multi-lateral and bilateral donors. It has implemented key projects that address the government’s emerging priorities in education and aid effectives.
* ***Overlapping activities:*** There are a number of overlapping activities in the CPAP. The intervention mechanisms of many program components and the ultimate outputs expected are also overlapping (suggesting a possibility of merging; e.g., M&E is addressed in both governance and poverty reduction programs). There are also UNDP programs that overlap with that of the other UN-Agencies and other Organizations (e.g.; HIV and AIDS well addressed by WHO, UNICEF, and many others) that calls for revision of mandate areas in line with their respective comparative advantages.
* ***Pro-poor or Pro-rich:*** Some interventions are doubtfully pro-poor contrary to the principal objective of the CPAP and PASDP. For instance, although developing market efficiency is required to improve the overall market performance at macro level; the establishment of Ethiopian Commodity Exchange (ECX) primarily involves multimillionaire traders and unions, and the first benefits goes to this group of the society at least in the short run. Similarly, social mobilization in the form of organizing Farmers’ Festival and Award is largely criticized for addressing only the well to do farmers (which are said to millionaires too) in high potential agro-ecological areas. However, in the socioeconomic context of Ethiopian the poor people are those dominantly concentrated in vulnerable and marginal environment, and those who lack basic assets for production and/or lack access to employment opportunity. In this case, such interventions could be regarded as pro-rich instead of pro-poor.
* Moreover, although it is still important to maintain the priority of the government, UNDP need to carefully undertake ex-ante feasibility assessment and explore the relevance of CPAP before engaging into intervention, particularly for those projects that demand considerable financial resources.

# RECOMMENDATIONS

## Undertaking preliminary situation analysis for strategic intervention:

Basically, before any program intervention a proper feasibility study (situation analysis) needs to be undertaken, first, to identify effective intervention areas, and secondly, to establish baseline information (benchmarks) against which one can measure the outcomes/ impacts of the intervention.However, except consultations with concerned stakeholders, no strong justification was given for the intervention of the sub-programs in terms of national priorities vis-à-vis UNDP mandates, prospective economic, social or political gains, and institutional capacity of the UNDP and the implementing partners. For instance, although the program of UNDP generally focuses on capacity building, little attempt was made to first assess the capacity of both the implementing partners to put the project on the ground, and to identify the capacity gaps of the beneficiary institutions or communities (this is particularly the case in knowledge building). Moreover, there is not enough evidence, if not the interest of the donors, that justify for the allocation the lion’s share of the planned resource to Governance Program and relatively much lower for Economic Growth.

## Refining and consolidating the country program

As explaining above, the program components are thematically and geographically highly fragmented and thinly spread the scarce resources available, and thus resulted in low overall achievements. This was partly attributed to the ambition to deal with all complex problems in all Regional State and partly because of internal structural problem of the UNDP. Thus, it is important to refine the program so that it concentrates only on a few result-oriented strategic interventions that result in significant output. Regionalizing the programs thematically based on their priority problems would create meaningful impact in the development the nation. Proper definition of the program outputs and outcomes need to be also emphasized

## Undertaking proper monitoring and evaluation

With the view to ensure efficient utilization of the program resource and the quality of the program output/outcomes as well as accountability, transparency and integrity, UNDP is responsible to undertake continuous monitoring and evaluation of the CPAP. And to ease the monitoring and evaluation of the program performance, matching the CPAP program definition with AWP and progress report is very essential.

## Freeing the technical staff from engaging routine activities

As noted above much of time of the technical staff members is devoted to financial management and procurement. It would be better to assign professional personnel to handle the responsibility of financial management and material procurement, and free the time of the technical staff to efficiently and effectively run the programs in their area of expertise.

## Building the capacity of implementing partners

Lack of capacity of the local implementing partners to plan, make decision and to implement the interventions is one of the factors contributing to the low delivery of resources and then the low implementation of the programs. Thus, assessing the capacity gaps and then capacitating the implementing partners would be commendable. Creating incentive mechanisms so that the implementers own and be accountable for the programs is the other priori area of intervention.

# ANNEX

**Table A1: UNDP Program Matrix**

| 1. **Enhancing Economic Growth**
 |
| --- |
| **Programs** | **Areas of intervention** | **Current Status** | **Problems Challenges/ Comments** |
| **Ethiopian Economic Growth Corridors (EGCs)** | * Knowledge building to global EGC, in science & research for productivity growth
 | Missions sent to South Asia-Malaysia and Vietnam for experience share | * need identify areas of training with respect to science, research & technology
* Plan number of trainees in each specific areas
 |
| * Preparing macroeconomic framework
 | Just on discussion | Little prior knowledge & Lack of institutional arrangement |
| * Identify EGCs
 | * Tana-Beles (pushed on by the Government & the WB)
 | There is no detailed pre-assessment done |
| * Undertake studies and establish database for intervention
 | Not yet started | Little prior knowledge & Lack of institutional arrangement |
| * Develop agro-industry master plan
 | * Master plan for 3 commodities drafted
 | No specific problem/no comment |
| * Improving knowledge & Capacity building in leather sector
 | Partly Achieved & the process is Under way | No specific problem/no comment |
| **Mainstreaming MD & MDGs** | * Use NHDR and MDG reports as advocacy tool for policy formulation and analysis
 | * Only one Mainstreaming MD & MDGs was implemented at national level
 | No specific problem/no comment |
| * Mainstream MD & MDGs in all development programs
* Campaign to create awareness around MD & MDGs
 | * Not done
 | No specific problem/no comment |
|  | * Accelerate aid harmonization and its predictability for the realization of MD & MDGs
 | * Not done
 | No specific problem/no comment |
| **Private sector development** **Trade, private-public partnership** | * Private and public partnership
* Private sector development through identified potential investment areas (foreign-local business)
 | * Legislation & guideline drafted
* Learning mission undertaken in Vietnam & Botswana
 | The interventions undertaken are not those initially identified in the CPAP |
| * Building capacity to promote pro-poor trade
* Under take feasibility study to establish Free Trade Area
 | * TOR is just prepared for the study to be undertaken in 2009
 | The Free Trade issue, and the need for feasibility study is not addressed in the CPAP |
| * Negotiating to access to WTO
 | * Studies carried out
* Fund from EU obtained to facilitate the negotiation & access to WTO
 | No specific problem/no comment |
| * Strengthening the Ethiopian Commodity Exchange (ECX) capacity
 | * A number of staff at federal & regional levels trained
* Expertise recruited
 | No specific problem/no comment |
| **Improving Institutional capacities in** **M & E** | * Capacitating institutions (MOFED, CSA, MoARD, MOTI, Bureau of Emerging regions) & other stakeholders in data collection, analysis for M&E of the economic growth, policy imitative formulation/refinement (DAG will assist)
 | * Improved Institutional capacities in M & E has worked for MOFED, CSA, MoARD, MOTI, Bureau of Emerging regions (DAG supported)
 | No specific problem/no comment |

| 1. **Recovery and Food security, and Environment**
 |
| --- |
| **Programs** | **Areas of intervention** | **Current Status** | **Problems Challenges /Comments** |
| **Disaster risk reduction** | * Mapping out all recovery and food insecurity initiatives
 | Mapping under preparation | Supposed to be completed in 2007 |
| * Staff training for strengthening the level of coordination
 | * Training at regional, zonal and woreda levels conducted
 | No specific problem/no comment |
| Computerizing food security database | * Not yet done
 | Supposed to be completed in 2008 |
| * Enhancing institutional coordination
* Expanded and linked information center of DPPA & FSCB
 | * Regional coordination among IPs & stakeholders started
* Information center at SNNPR established
 | * DPPA & FSCB merged (government action)
 |
| Institutionalizing systems in MOARD & the emerging regions | * Not yet done
 | No specific problem/no comment |
| **Social Mobilization and community participation** | * Preparing new social implementation manual & translating into different languages
 | SM manual prepared, systemization workshop undertaken, & translated into 3 languages | No specific problem/no comment |
| * Implementing new social mobilization strategy/manual
 | * Not yet done in marginal localities (as specified in CPAP)
 | The output (awarding farmers) is different from the intended output (mobilization for disaster management or community based development projects). |
|  | * Identification and scaling up of best practices
 | * Two best (out of 5 planned) practices identified & scaled up
* Vegetable & fruit production introduced
* Experience sharing among farmers undertaken
 | * No specific problem/no comment
 |
| **Voluntary Resettlement** | Enhancing voluntary resettlement | Resettlement program carried out | This intervention was under funded due to reluctance by the international donors, which in turn, is emerged from lack of confidence on voluntary nature the program |
| * Putting a systems of basic social services
 | * 50% resettled households get access basic social service
* Veterinary posts constructed
* Tsetse traps supplied
 | No specific problem/no comment |
| * Capacity development for food security (training on income/livelihood diversification)
 | * Cooperatives supported to supplement service delivery & livelihood diversification
* Training on income diversification was done
* Training materials & equipment provided for farmers training
 | No specific problem/no comment |
| **Advocacy for polices/strategies** | * Advocating for policies/strategies that link emergency, recovery and long term development
 | * Early recovery Strategic Framework developed & approved
* Actively participated in Disaster risk reduction policy revision
* ***Early recovery program formulation underway***
 | No specific problem/no comment |
| Mobilizing the society for drought resilience  | DPPA information center strengthened | Supported communities suffered from Belg failure ( but such emergency response in not in CPAP) |
| * Training of trainers on disaster reduction & recovery
 | * Not implemented
 | No specific problem/no comment |
| * Clearing mines from agricultural areas
 | * Landmine contaminated areas cleaned up
* Mine risk reduction education was provided
 | No specific problem/no comment |
| **Support for the Sustainable land/Environment management and natural resource planning** | * Enhancing capacity to implement environmental policy/strategy, laws and action plans at federal and regional levels
 | * Ten woreda environment management plan developed, & training for personnel provided
* M&E guideline for Environment management plan (EMP) on process
* Monitoring guideline for water sector on process
 | * Federal geo-information processing capacitated
* SLM PIF finalized
* Proposals on Sustainable development of protected areas and on GEF endorsed
 |
| * Enhance the capacity to implement the water sector development program
 | * Water supply & Sanitation Master Plan developed for 8 woredas
 | Most of the works are in progress |
| * Strengthening environmental convention obligations, compliance implementing
 | * Policy M&E guideline on process
* Strengthening environmental convention obligations, compliance underway
 | * Most of the works are in progress
 |

| **III. Deepening Democratic Governance** |
| --- |
| **Programs** | **Areas of intervention** | **Current Status** | **Problems Challenges and Comments** |
| **Support to justice**  | * Capacitating justice institutions
* Improved efficiency, effectiveness & independence of justice center
 | * Teaching and research institutions capacitated
* Instructors of law school provided with training on leadership and pedagogy
* Office of PhD and LLM programs furnished
 | No specific problem/no comment |
| * Publishing national journal on Ethiopian legal issues
 | Ethiopian Journal of Legal Education started to be published quarterly | No specific problem/no comment |
| **Human right** | * Training in modern correctional system to put in place New correctional system
 | * Investigators trained System for receiving complaints in place
 | No specific problem/no comment |
| * Enhancing capacity of **Human Rights Commission, Institute of Ombudsman, FEACC** for investigation of corruption cases
* Expanding public outreach programs to increase awareness
* Media transmission on anti-corruption, human right, maladministration
* Capacitate CSOs & community at large
 | * EHRC, EIO, FEACC[[2]](#footnote-3) are capacitated, and their public outreach improved through frequent media coverage
* DIP has been officially launched
 | CSOs have been given little attention, but could good IPs |
| * Conducting ICT based prison information system
 | * New prison information center in place
* Website developed
 | No specific problem/no comment |
| * Establishing prison centers
 | * Not done
 | No specific problem/no comment |
| Establishing incentives for research & academics process for students & professors | * Not done
 | No specific problem/no comment |
| **Support to the Federal and State Parliaments (council & electoral bodies)** | * Strengthening capacity of multi-party parliaments for law making, oversight & technical functions at federal and regional levels
 | * Training on environment, trade, fiscal & monetary policy provided
 | No specific problem/no comment |
| * Training in parliamentary procedures & process and oversight mechanisms
 | * Not done
 | Not clear how many from the ruling party? And how many from the opposition parties? |
| Enhancing the capacity of House of Federation in subsidy allocation, conflict resolution & constitutional inquiry | * Not done
 | No specific problem/no comment |
| * Strengthening capacities of political parties & electoral bodies
 | * 92 political parties received intensive training
* Management and skill development training provided for 5 secretariats
* 325 woreda election office trained on management & administration of local election (2008)
* Vehicles provided to facilitate management of 2008 election
 | No specific problem/no comment |
| * Institutionalizing NEBE
 | Physical capacities built to institutionalize the new organization of NEBE  | No specific problem/no comment |
| **Decentralization and Civil service Reform** | * Strengthening planning and public expenditure management in emerging regions
 | Manual on participatory planning & public expenditure developed for Amahara (adopted by emerging regions)Emerging regions trained on participatory planning & expenditure management  | No specific problem/no comment |
| * Strengthening civil service program (through institutionalization of the leadership development program & Women
 | * Capacity assessment in regional sector bureaus and in the emerging regions conducted
* Development potentials of emerging regions assessed in 11 woredas.
* Review of regulatory provisions of functional assignment of local government in progress
 | No specific problem/no comment |
| * Training civil servants
 | * No information
 | No specific problem/no comment |
| * management institute
* Strengthening decentralization of basic social service delivery in the emerging regions
* Assessing capacity of social service delivering institutions
* Providing technical assistance to the social service delivering institutions
* Enhancing centralized service delivery regarding private sectors, CSOs & meeting the needs of pastoralists
 | * Planning and public expenditure manual introduced in the four emerging regions
* Over 200 regional staff trained to carryout comprehensive assessment of capacity of management institutes in 4 regions
 | * Lack of clear regulatory provisions
* Delineation of authority and accountability in service delivery
* Still a lot remains to be done
 |
| * Local economic development (LED)
 | * Identify potential areas of interventions support women and the youth
 | * A study in the emerging regions is about to be completed
 | No specific problem/no comment |
| * Local development funding
 | * Over 20 micro/small enterprises supported
 | Not in the CPAP | No specific problem/no comment |
| * Provision of regulatory framework
 | * Not fully undertaken
* Consulted to explore area of intervention
 | * Not done
 | No specific problem/no comment |
| * Policy review
 | Not identified | * Not well understood
 | No specific problem/no comment |
| * Adaptation/endorsement of pblic expenditure management (PEM)
 | * Not identified
 |  (Exercised by UNICEF?) | No specific problem/no comment |
| * Capacity enhancement for Domestic resource mobilization and management
* Effective Aid coordination & management
* Promoting efficiency & accountability in resource use
 | * Systems established, manuals developed
* Personnel trained in program/project planning, implementation, budgeting and negotiation
* Quality macroeconomic data developed
* Quality service delivered
 | * Not done
 | No specific problem/no comment |
| Technical assistance and capacity development | * Timely delivering services for implementation of programs
* Full utilization of resources leading to attaining MDGs
 | * Not done
 | No specific problem/no comment |
| Conflict prevention and transformation | * National conflict policy/strategy in place
* Trained woredas in conflict prevention and transformation
 |  Not done | No specific problem/no comment |
| * Mainstreaming Millennium development declaration in all Development programs
* Translating MDGR in different languages and distributing
 | * Not done
 | * This is partly done by the “Enhancing Economic growth program”
 | Overlaps with activities in “Enhancing Economic Growth Program” |
| **Program / project coordination, M&E** | * Awareness creation about MDGs in various Medias at urban and rural areas (using seminar, workshop, events, etc.)
* Distributing promotional materials (brochures, cards, posters, stickers, etc. in various languages)
 | * Not done under this program
 | Overlaps with activities in “Enhancing Economic Growth Program” |
| * Strengthening linkages between national M&E
* Improving AMP software
* Improved Aid Management platform (AMP) software to allow donors access, to measure progress in resource mobilization to meet MDGs
* National and regional M&E properly linked to socioeconomic data generation and analysis of development partners (donors, CSOs/CBOs private sector organization)
 | * Not done under this program
 | Overlaps with activities in “Enhancing Economic Growth Program” |
| **Human right, Gender and HIV/AIDS** | * Enhancing technical capacity of leadership, institutions in public sector & civil society to manage multi-sectoral responses
* Developing mainstreaming manual
* Regular training & technical advice to sectors on mainstreaming
 | * System for joint planning established
* Leadership development program adopted by HAPCO.
* 3 sectors capacitated to develop policy, system , guideline and plan and allocate resources for mainstreaming
 | No specific problem/no comment |
| * Mobilizing communities and vulnerable population to plan, implement and monitor their own responses to HIV/AIDS
* Conduct training of trainers and for facilitators
* Institutionalizing community conversation
* M&E & knowledge management at national, regional and local levels
 | * 6 learning institutions capacitated to provided HIV/AIDS mainstreaming
* All regions developed comprehensive action plan
* Amahara, Oromia and SNNP selected several institutions for capacity development program; to ensure availability of skilled human resource for HIV/AIDS mainstreaming in the public, private civil society sector
 | No specific problem/no comment |

#

**Part II.**

**Report on**

**Improving the Effectiveness and Maximizing the Impact of the UNDP Ethiopia Country Programme:**

***Key Issues, Suggestions and Way Forward***

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# Introduction

As part of the MTR of the CPD/CPAP, UNDP Ethiopia is reviewing all aspects of its programming, in order to improve the effectiveness and impact of its development assistance. This report outlines the issues, offers suggestions and maps the way forward.

The report is in five parts. Section I presents the background, context and objectives of the evaluation. Section II presents stakeholders’ perception of UNDP’s work in Ethiopia and an overview of some of the factors that limit the effectiveness and impact of UNDP programmes. The context and emerging issues are dealt with in Section III. Section IV outlines proposals to enhance the impact of UNDP. The next steps are outlined in section V.

# Section I: Background, Context and Objectives of the Evaluation

The UNDP Country Programme is anchored in the United Nations Development Assistance Framework (UNDAF 2007-2011) which focuses on five priority areas in support of the national development strategy – the Poverty Reduction and Accelerated Development Programme (PASDEP) and the MDGs: Humanitarian Response, Recovery and Food security; Basic Social Services and Human Resources; HIV/AIDS; Good Governance, and Enhanced Economic Growth.

The overall goal of UNDP Ethiopia is to ‘support the government and people of Ethiopia in their efforts to achieve the MDGs, especially with regard to reducing absolute poverty and deepening democracy in the country. UNDP therefore prioritized its contribution to the UNDAF within this framework and in line with the corporate Multi Year Funding Framework (2004-2007) and its successor Strategic Plan (2008-2011) as well as the UNDP Africa Strategy – Capacity Development for Pro-poor Growth and Accountability. The Country Programme covers the following areas: Reducing Poverty and working towards the achievement of the MDGs; Deepening Democratic Governance; Addressing the HIV and AIDS epidemic; and Food Security, Recovery and Natural Resources Management. Gender Equality and Women’s Empowerment and Capacity Development are cross-cutting areas that should be fully integrated into the overall programme.

Implementation of the UNDAF began in 2007 with the development of an 18 months work plan (January 2007 to June 2008). Implementation of the work plan commenced in May 2007 at the federal, regional and sub regional levels and a participatory review was undertaken in June 2008 to assess the achievements and challenges and to prepare the subsequent work plan. However, continuing challenges of low level financial and programmatic delivery initiated extensive discussions internally within UNDP as well as with Implementing Partners externally. The discussions culminated in high level consultation between UNDP and MOFED where an understanding was reached on the need to review and reformulate all the UNDP supported programmes to ensure better results towards the achievement of the MDGs.

The UNDP 2007 audit, the findings of the UNDAF review process and the CO reflection on the low rate of programme delivery have prompted UNDP and Government of Ethiopia to reflect on the overall quality of the programme – both in terms of content and the implementation framework. The key challenges identified include:

* An input driven and activity based approach, with less focus on results and impact;
* UNDP programmes are spread out too thinly and are therefore unable to create meaningful results;
* UNDP’s capacity development interventions are narrowly focused on training, procurement and reporting, limiting the opportunity for a more integrated and systemic approach to strengthening capacities for implementation of national and local policies and strategies;
* A planning and programming process that does not facilitate a results-based approach.

In addition to the above internal challenges, recent shifts in the global economy, including the fuel crisis, food price increases, and the global financial crisis necessitate a review of UNDP’s interventions to support the GOE’s efforts to adapt to and reduce the negative impact of these new developments.

On this basis, the UNDP and Government of Ethiopia agreed to evaluate the Country Programme, guided by the following principles:

1. Emphasis on strategic development interventions which will make a significant difference in the country’s efforts to achieve the MDGs
2. Focus on development results and impact
3. Selectivity, in terms of scope, geographical coverage and programme outreach
4. Scaling up of investments in selected areas and on proven initiatives and best practices.

The challenges facing UNDP programmes are further discussed and elaborated on in section II below.

# Section II: Stakeholders’ Perceptions of UNDP and Factors Affecting the Performance and Impact of UNDP

## Stakeholders’ Perceptions of UNDP

UNDP Ethiopia is generally a trusted and appreciated partner, but many stakeholders are of the view that improvements in the performance and effectiveness of the organization are needed. Some of these views are summarized below – see Annex 1 for more details:

* Government: recognition of the limited resources, but the relevance and importance of UNDP, and the desire to see UNDP refocus its activities and play a more strategic role in support of the government’s development agenda.
* Donors: recognition of UNDP’s positive contributions but a desire to see UNDP identify its niche more precisely, strengthen its internal expertise and deliver in a more timely fashion on its agreements and commitments.
* UN Agencies: desire to see UNDP play a greater leadership role within the UN family, and contribute to improving UN joint efforts and minimize duplication with other agencies.
* Programme partners: while appreciative of the support received, many regard UNDP as a source of subvention/budget support for government. Furthermore, UNDP is seen as”gap filler” because it is not perceived to have the resources needed to tackle the big development challenges, especially at regional level. Partners at regional level would however, like to see UNDP have greater impact at the grassroots.

Notwithstanding these concerns, there are several examples where, according to partners, UNDP’s work has made a difference. Some examples of positive initiatives that have enhanced the visibility and contributed to better impact of UNDP include the following:

* *Major programme initiatives*: UNDP’s Democratic Institutions Programme (DIP) has been described by partners as an innovative programme. Under the leadership of UNDP an integrated framework to build the governance capacity of key institutions is now fully operational. The initiative brings together 12 donors on a theme of central importance. Success is attributed to proactive intervention by UNDP, the high level involvement of the UNDP Resident Representative in related policy dialogue combined with UNDP presence on the DAG Governance TWG. DIP is seen as a good example of how UNDP should be working. In fact, according to CIDA, the DIP model is being considered for replication in Ghana. This experience has raised the profile of UNDP, sharpened its technical expertise in an important and strategic niche and has contributed significant resources.
* *Building operational capacities of the regions*: UNDP efforts to build BOFED capacities are very much appreciated at regional level, in the big as well as the emerging ones. For some UN agencies (e.g. WFP) there are positive improvements in fund management in the context of the HACT, which they attribute to UNDP efforts. Regions have benefitted from UNDP capacity building support through training, planning, equipment support, etc. The placement of national UNVs is widely seen as having a positive effect in this regard.
* *Support to policy and strategy development*: UNDP has provided support in policy and strategy development processes that have laid the ground for follow up funding by donors. For example, through the $ 7.5 million Water Resources Development and Utilization Programme UNDP assisted policy and strategy development in eight regions. UNDP support has been crucial for the development of the National Water Resources Policy, the Water Sector Strategy and the 15-year Water Sector Development Programme (WSDP), gender guidelines for the water sector, master plans in two dry water basins, as well as providing equipment and staff training. The ADB/WB rural water supply and sanitation programme builds upon the foundation provided by UNDP’s work. Similarly, UNDP is currently finalizing an Early Recovery Strategy for Ethiopia which could potentially lay the basis for significant funding.
* *Contributions to donor coordination and policy dialogue processes*: UNDP’s work in support of DAG, through the Strategic Advisory Unit (SAU), has resulted in the decision to locate the DAG secretariat within UNDP. UNDP has a significant foothold in the DAG through the role of the UNDP RR/RC, thus providing a major opportunity for the organization to play a crucial role in national policy dialogue between government and its development partners.

UNDP should build upon what it has done well and successfully. Furthermore, the organization should make systematic efforts to document, synthesize and disseminate such examples of success more widely.

## Factors Affecting UNDP Performance and Impact

An overall conclusion of the MTR is that UNDP performance would be significantly enhanced if attention is given to the following two issues: (i) at national level, although the CPD/CPAP is firmly anchored against the PASDEP, UNDP programmes should be more fully linked to some key government and donor coordination mechanisms and its programme coherence strengthened; and (ii) at regional level, UNDP-supported activities should be more integrated and of a scale to make visible impact – the “footprint” of UNDP in the regions is small. The factors responsible for the weaknesses observed are both internal and external, and are briefly examined below.

**Factors within UNDP affecting performance**

The key factors within UNDP that have weakened performance relate to the internal coherence and focus of its programmes, the way the organization plans, implements, monitors and evaluates its activities, and internal working arrangements.

* ***Coherence and focus of UNDP programmes***: UNDP programme areas have been derived from the UNDAF, which in turn was informed by national priorities as reflected in the PASDEP. Thus broadly speaking, it can be said that the UNDP CPD/CPAP is in line with national priorities. However, there are several aspects of UNDP programmes that have contributed to minimizing the impact of the organization: (i) insufficient engagement of UNDP in sectors (i.e. macroeconomic policy and the delivery of basic services) that are critical to poverty reduction and achievement of the MDGs. From a corporate standpoint, basic services have traditionally been considered to be outside the organization’s comparative advantage and are not reflected in the UNDP Corporate Strategy of 2008-2012; it is the only UNDAF area that UNDP Ethiopia has not identified for direct contribution. With respect to macroeconomic issues, significant prior work by the SAU should be consolidated and built upon; (ii) while the core programmes of UNDP, as reflected in the CPD/CPAP, are thematically sound, the choice of the interventions within the themes often lacks strategic import, and UNDP interventions are characterized as lacking in boldness; (iii) internal linkages and synergies between the programmes of UNDP are inadequate - for the most part, there have been limited efforts to develop the necessary synergies and linkages between the various components of the programmes, even where these are evident. UNDP programme interventions are consequently internally uncoordinated, and the organization has not been able to marshal its resources, deliver well targeted and coordinated interventions to enhance the impact of its work, particularly at the field level; (iv) there is limited evidence that UNDP has systematically pursued a strategy of linking its programmes to on-going major multi-donor programmes. As a consequence the organization is largely marginalized in these frameworks, which have become for government and donors, important instruments to deliver large-scale development assistance. A strategy for re-engagement is therefore urgent and necessary; (v) policy changes play a major part in achieving development outcomes in a country such as Ethiopia given its history, the size and complexity of the country, as well as the multi-dimensional nature of the development challenge. Yet a review of UNDP programmes reveals that not enough emphasis is given to policy aspects. Furthermore, UNDP (outside of DIP) has not engaged sufficiently in policy dialogue processes, particularly at technical level; a shortcoming for an organization whose core mandate is to provide policy support to governments; (vi) within UNDP programmes, insufficient attention is given to the question of how the actions being implemented contribute directly to improving livelihoods and to the related development results. For example, although training programmes are conducted, bureaus and institutions are supported to improve their planning, systems are being introduced, it is unclear whether such assistance is leading to real results or not, and if not what additional measures and partnerships are necessary to achieve results required; (v) the country office is currently implementing some 12 GEF projects. Most of these reflect Ethiopia’s commitments to multilateral Environment Agreements (MEA). Although an important asset (from a programming and resource perspective), they appear to have been designed independently of the CPD/CPAP, and their contribution to the key outcomes and outputs of the country programme is not in evidence. The fact that these projects appear to have been designed, implemented and managed independently further strengthens the impression of fragmentation.
* ***Weaknesses in the planning, implementation, monitoring and evaluation Processes***: The planning, implementation and monitoring of development activities in a country the size and complexity of Ethiopia poses daunting challenges for any development partner. However, UNDP faces particular challenges which arise from the way it plans and implements its programmes: (i) the internal instruments UNDP uses to plan its assistance are, in sequential terms, the UNDAF, CPD, CPAP and the Annual Work Plans (AWPs - developed in consultation with the regions). While the UNDAF and CPD are clearly focussed, subsequent planning instruments have introduced a degree of fragmentation such that by the time the AWPs are developed there is a noticeable loss of coherence; (ii) the project has remained the key instrument for UNDP in delivering its development assistance, and currently there are 36 projects in the UNDP portfolio. Given the amount of resources available to UNDP, the size and geographic complexity of Ethiopia, the large donor presence, one has to question whether the project is the most effective instrument to achieve UNDP goals; (iii) at regional level, UNDP interventions appear uncoordinated, and UNDP assistance is not delivered through an integrated framework; each of the projects intervenes in a disjointed fashion.
* ***Internal working arrangements:*** UNDP has recently undergone a re-profiling exercise that has resulted in significant changes in staffing and structures, and this has clearly led to improvements. However, there are internal factors that continue to hamper organizational effectiveness. The MTR has not conducted an organizational audit, but based on observations and interactions with staff and management the following aspects appear to require further attention: (i) weaknesses in internal processes give rise to the perception that UNDP is not efficient – examples include inadequate reporting and follow up with some donors, delays in fund disbursements to regional partners, etc. Furthermore, there have been complaints that where UNDP has been entrusted with major programmes (e.g. DIP) it has been slow in putting in place the requisite expertise and systems; (ii) despite the restructuration efforts, the impression persists that work in the office is being conducted in a bureaucratic fashion, with too much put into routine programme follow and less focus on strategic issues. There is a sense that the teams are yet to work more cohesively and the organization has a vertical/hierarchical structure rather than a flat and more results focused orientation; (iii) linkages between the teams is inadequate; between the poverty and governance teams, as well as between programmes and SAU (at present the working modalities are unclear); (iv) UNDP often lacks expertise in key areas which limits its ability to develop and maintain leadership of major programmes. In order instances recruitments to key positions have suffered a considerable delay (e.g. the recruitment of the governance team leader) which has been interpreted by partners as demonstrating a lack of commitment.

**Factors related to the external environment of UNDP**

The challenges for UNDP programmes are not exclusively internal. The organization operates in a complex environment which contributes to the challenges the organization faces in delivering its assistance. Two sets of external factors that have an immediate and direct effect on UNDP programmes relate to the resource allocation pattern UNDP programmes are subjected to and weaknesses of UNDP’s implementing partners (IPs):

* ***Resource allocation pattern of the Federal Government***: at present, equity considerations are the primary factor determining how UNDP programme resources are allocated at federal and regional levels. The consequence of this is that there is limited *geographic focus* of programme interventions, and resources are stretched too thin to have meaningful impact on the ground. Furthermore, the resources allocated do not match the scale of the problems at field level. There is a need for greater geographic focus of UNDP programmes, and more efforts to develop and implement a differentiated strategy to assist regions.
* ***The paradox of strong national ownership/ government leadership but weak implementation capacity of partners:*** UNDP has a good partner in the Government of Ethiopia. Development partners generally recognize the comparatively high level of capability of GoE around economic management and policy dialogue due to strong leadership backed by committed, skilled middle management and technical staff in core functions. However, a key problem is that while national ownership and government leadership capacity is strong, the partners UNDP works with at federal, regional and local levels generally have inadequate implementation capacity. These weaknesses have persisted despite implementation of PSCAP, and are particularly acute in the emerging regions (Afar, Somali, Gambella and Benishangu-gumuz regions). UNDP therefore experiences many operational bottlenecks: slow release, utilization and settlement of funds, low capacity (availability and skill and knowledge) and high turnover of staff of IPs, weak monitoring practice, unfamiliarity and failure to adhere to HACT (particularly FACE) requirements and PIM modalities, inadequate and weak coordination at different levels. It is as yet uncertain what the long-term impact of the Business Process Engineering (BPR) initiative will have on the effectiveness and performance of federal and regional institutions.

Improving the impact of UNDP programmes requires that both these internal and external factors be addressed. Furthermore, efforts to improve performance must factor the changes in the national context and seek to address emerging issues. This later aspect is discussed in section III below.

# Section III: Changes in Context and Emerging Issues

The broader environment within which UNDP operates is changing. Many developments have occurred since the formulation of the CPAP and which have important implications for UNDP’s work. In summary these developments include the following:

* ***An overall macro picture of improvements in economic growth, poverty reduction and access to basic services but outstanding short and medium-term challenges:*** The economy of Ethiopia has enjoyed strong and steady growth for the past four years, growing at an annual rate of 11% which surpasses the PASDEP target of 7% per annum. The major sources of growth have been in agriculture, manufacturing, construction and services. Incomes are estimated to be 43% above that prevailing in 1990s. The strong economic performance is attributed to improvements in policies, strengthening of economic institutions and good weather. Despite these positive trends there are clouds in the horizon. Significant strides have been made in poverty/welfare situation as measured by poverty head count, poverty gap, and poverty severity index. The annual PASDEP review notes that poverty has declined nationally; falling by 7% between 1996-2005. The decline has been more pronounced in the rural than in the urban areas, and there is a noticeable increase in inequality in urban areas. The significant decline of poverty in rural areas is linked to the range of multi-faceted pro-poor programmes being implemented: commercialization of smallholder agriculture; expansion of cooperatives; food security programmes; PSNP; etc. Massive pro-poor spending has resulted in significant improvements in basic infrastructure for health, basic education, agricultural services, etc. The progress in reducing poverty and expanding basic services is reflected in the significant gains in human development indicators: educational enrolments, health related MDGs, HIV/Aids, etc. Thus Ethiopia has been characterized as being at the beginning of a basic service delivery “take off”. Despite this progress there are several short and medium-term challenges. These include the following: (i) maintaining macroeconomic stability and reducing inflationary pressure, mitigating risks and reducing susceptibility to climatic shocks, as well as minimizing the adverse impacts of the global economy; (ii) need for rapid growth in private sector to capitalize on expansion in infrastructure, basic services and human capital, in order to provide further impetus for the economic growth agenda; (iii) enhancing agricultural productivity while sustaining the natural resource base to further reduce rural poverty and spur economic growth; (iv) expanding access to basic services and improving quality as an important pillar of the decentralization agenda of government. Expenditure on basic services in Ethiopia is still only $13.7 per capita. Accelerating access to and improving the quality of basic services is regarded as critical to breaking the inter-generational transfer of poverty at the household level, especially in the rural areas. Decentralized service delivery has progressed in tandem with decentralization, and regions, districts and weredas have become major providers of basic services. In the four big regions, 80% of education, 65% of health services is the responsibility of the regions. A key challenge is therefore to improve implementation and institutional capacities to absorb and utilize well these resources in the quest to expand access and improve quality of basic services. Part of this agenda is to deliver gender sensitive services.
* ***Changes in the governance environment:*** Ethiopia is still a fledgling democracy and events surrounding the 2005 elections underline the fragility of the gains made. In addition, recent legislation (relating to CSOs and the press) appears to further narrow the space for personal freedoms and have created new uncertainties in the governance environment. The outstanding governance challenges in Ethiopia remain to be deepening democratic governance in order to sustain both economic growth and service delivery take off and create greater public space for the citizens of the country.
* ***Increased donor harmonization and coordination:*** ODA for Ethiopia has been increasing steadily since 2000. At present there are 25 multilateral and bilateral donors averaging $5million per year per donor. Despite this large donor presence, the ODA per capita is $23 for Ethiopia, which is below the SSA average of $47 in 2006. A key challenge Ethiopia faces is how to raise significant domestic and external resources to fulfil its ambitious development agenda to meet the MDGs. Ethiopia has made significant progress on in harmonization. Ethiopia is a pilot country for the OECD DAC harmonization agenda and a partnership structure is in place (DAG and its associated structures). Government has prepared a Harmonization Action Plan (2005) and draft “joint Declaration on Harmonization, Alignment and Aid Effectiveness” was prepared by Government and DAG but has not been finalized because of unresolved issues. Despite these developments donor coordination is still a challenging and complex task, as exemplified by the limited progress made with respect to donor division of labour. However, there is a strong and growing trend to deliver development outcomes through several large multi-donor programmes. Some donors (e.g. CIDA) have dropped the project approach in favour of these multi-donor funds. The multi-donor programmes are reportedly more effective than budget support in terms of highlighting bottlenecks and policy issues. Donors and government have agreed on the use of these modalities as medium-term instruments in Ethiopia’s Aid Architecture. The challenge for UNDP participation in these frameworks is three-fold: (i) *resources requirements:* UNDP resources are not of a sufficient scale to enable the organization to have a visible presence. Moreover, UNDP in principle does not take part in such pooled funding arrangements; (ii) *transaction costs*: participation requires the organizations involved to commit the time needed to achieve fruitful results given the difficulties in harmonizing different viewpoints and building the necessary consensus for collective action. Long-term engagement is required and not stop-go efforts; and (iii) *technical expertise*: participation in such programmes requires a high level of technical expertise to engage in constructive debate and exchanges. Despite the challenges, strategic involvement can lead to significant payoffs in terms of resources, visibility and relevance to government. The choice UNDP faces is either to continue to implement its own separate activities and be progressively marginalized or face the challenges of engaging and adjust as appropriate. Even with its limited resources, UNDP can play a meaningful role in these programmes in the following ways: (i) participating in the discussions at the inception and design of these programmes. This will allow UNDP to make its presence felt and to identify niche/role for itself in implementation. To do this however, will require investment in staff time and resources. A potential role could be to assume responsibility for the implementation of specific components of such programmes in line with its mandate and comparative advantage; and (ii) helping federal and regional authorities solve specific implementation bottlenecks at regional and local levels. This could include designing and implementing related capacity building and institutional strengthening activities to render such programmes effective.
* ***UN system coordination:*** over and above the normal UN coordination efforts, there are two issues here: (i) although Ethiopia is not a pilot country for the UN “Delivering as One” reform initiative, the UNCT has agreed on moving forward on this agenda. This will have implications for UNDP in the near future. Within the current UNDAF, there is agreement to undertake joint programmes in the UNDAF focus areas of HIV/AIDS, Enhanced Economic Growth, and Humanitarian Response, Recovery and Food Security. The most advanced has been in the area of HIV/AIDS which has been facilitated by the Secretary General’s Directives and Guidelines, a strong secretariat with 12 agencies involved. Progress in other areas is less than expected. Some of the challenges are conceptual (the approaches and understanding of joint programmes by various agencies differ). Many of the Joint Programmes are small and it might be good to concentrate efforts around few large ones. To be effective, such programmes must also integrate analytical, advocacy as well as programmatic elements.

The developments highlighted above offer good opportunities for UNDP to re-position itself for greater effectiveness. They also offer resource mobilization potential, as well as programmatic relevance and the partnerships it needs to deliver results.

# Section IV: Working Towards Solutions

On the basis of a review of the internal and external environment of UNDP, assessment of the progress realized and challenges identified from the ongoing review of CPAP implementation, as well as taking into account the views of a wide cross-section of UNDP stakeholders, the MTR proposes three sets of inter-connected actions to enhance the effectiveness and impact of UNDP programmes:

* Sharpening the thematic/strategic focus of UNDP programme activities in terms of consolidation and refinement of programme areas, and shifting to a more programmatic approach.
* Instituting a new approach to the planning, implementation and monitoring of programme activities based on a more regionally differentiated strategy – increased geographic focus and greater programming coherence within the regions.
* Putting in place the appropriate internal working arrangements, expertise and competencies.

## Strengthening Programme Focus

The UNDP country programme remains anchored around the PASDEP and UNDAF as the overall guiding frameworks. However, to improve effectiveness, the MTR recommends the consolidation of UNDP current portfolio around three programme clusters as follows, taking into account the principles agreed between UNDP and government (see section I: Background, context and objectives):

* ***Democratic Governance and Human Rights***: consisting of three areas – (i) Democratic Institutions Programme; (ii) Decentralization and public Service Delivery; and (iii) Human Rights and access to Justice.
* ***Enhanced Economic Growth for Poverty Reduction:*** (i) Economic Growth Corridors; (ii) Agricultural growth; (ii) private sector development and local level economic development activities.
* ***Disaster Risk Reduction, Early Recovery and Sustainable management of land Resources***: (i) disaster risk reduction and early recovery; (ii) Adaptation to Climate Change and Sustainable Land Resources management

Annex 2 summaries the main areas of interventions, the outputs and geographic focus and linkages of these three programme clusters. A more detailed presentation of these programme clusters can be found in Annex 4.

In designing and implementing activities in these three programme clusters, it is strongly recommended that attention be paid to the following:

* Efforts are made to link with the major multi-donor programmes being implemented. Annex 5 summaries the ongoing multi-donor programmes and identifies potential linkages with UNDP programmes;
* The MTR also recommends greater integration of UNDP efforts with those of other UN organizations, taking into account the current MTR of the UNDAF and discussions underway regarding the “Delivering as One” agenda. In this connection, it is recommended that UNDP should participate and lead the following joint programmes:
* The MTR recognizes that the GEF offers significant opportunities for raising resources and addressing environmental challenges of Ethiopia. However, engagement with the GEF should be carefully managed to reap the maximum benefits it offers without creating further fragmentation of the country programme. It is recommended that the current GEF portfolio be rationalized and fully integrated into the relevant programme clusters. Furthermore, in the future all GEF projects should be designed with these considerations in mind;
* That the proposed DELCAP activities relating to local economic development and the strengthening of capacities for service delivery be merged respectively with the enhanced growth and governance (decentralization) clusters. The residual activities should be progressively phased out;
* Wherever possible, UNDP should factor strategies for scaling up/institutionalization/exit for each programme area. This with a view to strengthening sustainability of interventions and enhancing impact and not because UNDP will end support.

## A new approach to planning and implementation of Programmes

To improve planning and implementation of programmes, the MTR recommends the following measures:

* ***Improved geographic focus of programmes***: UNDP should shift from the current practice of spreading its activities too thinly and instead geographically concentrate its programme resources to maximize impact. In discussion with key government officials a geographic focus for UNDP programmes has been accepted in principle. When combined with thematic consolidation, UNDP now has a good opportunity to improve the impact of its interventions. In this regard, UNDP should now operate with the following geographic focus: (i) the four emerging regions (Somali, Afar, Gambella and Benishagu-Grumuz) UNDP shall give priority to the strengthening of capacities of the regions in general and pay particular attention to strengthening capacities for public service delivery. The low administrative capacity in these regions are major challenge for delivering development assistance, and it is expected that UNDP’s support will help create the “capacity threshold” needed to enable these regions to more effectively utilize resources from government and donors; and (ii) in the four big regions (Oromiya, Amhara, Tigray and SNNPP) UNDP shall focus its support to assist the regions’ economic growth agenda.
* ***An integrated framework for UNDP interventions in the respective regions***: to maximize impact, UNDP within any given region, should develop in consultation with regional partners and stakeholders an integrated multi-year rolling programme of support that is fully linked to regional five-year plans to implement PASDEP. The respective regional platforms shall be multi-faceted and draw together the relevant areas of UNDP, managed holistically and improve coordination. The integrated platforms shall be firmly results-based and clearly outline the targets, outputs, activities, resources and partnerships necessary, as well as the institutional arrangements. The platforms shall streamline the coordination and management of UNDP activities and shall constitute the basis for the development and implementation of the AWPs. They would also provide enhanced opportunities for resource mobilization and scaling up of UNDP interventions at regional level, leading to greater visibility and impact. Further discussions will be necessary to determine where to locate the coordination function (BOFEDs or Office of the Presidents of the Regional Councils). In addition, considerations should be given to how this new approach will relate to work of other UN agencies and how it can be an instrument to further joint programming. A schematic representation of the new programming structure is presented in Annex 6. It is recommended that for the remaining period of the current cycle, UNDP initiates two regional pilots: one for the emerging regions and one pilot in one of the four big regions. The lessons learnt from this experience can inform the design of a more comprehensive regionalized approach for the successor programme (2012-2016).
* ***A strengthened participatory annual review and planning process at regional level***: efforts should be made to strengthen participatory planning processes at regional level, as the outcomes of these processes would be vital to development and implementation of the proposed UNDP regional platforms. In addition, the nature of the AWP should change, and more substantive efforts made to closely link them to the results framework of the regional programme platforms.

## Internal working arrangements

To deliver on the above proposals, the MTR recommends the following internal adjustments and working arrangements:

* Each of the three programme clusters should be led by a team leader. The current poverty and MDG group is too large, unwieldy and difficult to manage, and amalgamates too diverse sets of programming issues. From a conceptual standpoint, the regrouping of all activities relating to improving sustainability of the natural resource base and mitigating short and long-term risks into a new programme cluster will bring about greater coherence and strengthen the strategic thrust and leadership of UNDP in an area of growing global and national significance.
* To make the programme clusters dynamic instruments for the strategic re-positioning of UNDP in the current development landscape of Ethiopia, it is recommended that each cluster to develop and implement at least one major multi-donor programme as an objective. From this perspective UNDP core resources should be seen as catalyst for leveraging additional funding rather than just passively programming them. Important opportunities to link up with major multi-donor programmes were lost by UNDP in the past, and efforts should be made to avoid this in the future – discussions are currently underway to develop a successor programme for PSCAP and PSNP and UNDP should make efforts to take part in this process. Similarly, current efforts to fashion an agricultural growth agenda for Ethiopia presents good opportunities, and have a direct relevance to the new refined programme cluster of poverty reduction and enhanced economic growth.
* The establishment of three programme clusters would require that appropriate adjustments be made with respect to staffing. For the GEF portfolio, it is suggested that additional staff be hired to undertake routine programme follow up.
* The Strategic Advisory Unit represents UNDP’ analytical edge and should be strengthened to play three essential roles: (i) macroeconomic policy advisory services to government supported by strong analytical capacity, and within the DAG framework. To this end SAU should strengthen working with DAG secretariat, MOFED (Welfare Monitoring Unit and Development Planning and Research Unit) and other partners (Universities, etc); (ii) programme support functions through: sector policy review and analyses to feed into programme design, as well as participation in sector policy dialogue processes in partnership with programme colleagues; and providing quality assurance functions to programmes. The latter would include assessing programmes with respect to gender and capacity mainstreaming requirements, impact assessment measurements, etc; (iii) manage cross-cutting initiatives: National Human Development Report (NHDR), MDG score card, leadership with respect PASDEP issues, UNDAF-related matters, as well as other additional tasks (e.g. AU regional project) . To discharge these three functions effectively, it is recommended that Trac 2 resources be secured for SAU, as the current resources from DSS would be insufficient. It is recommended that SAU develop and manage an umbrella project that integrates the resource needs of these various functions.
* The current COU responsibility of programme monitoring functions should be strengthened as the unit will tasked principally with the follow of UNDP’s integrated programme platforms in the regions. Consideration should be given to the feasibility of relocating the current programme facilitators based in Addis to the regions, preferably to be placed within an existing UN office. With the merger of some of the key DELCAP activities into the relevant clusters, COU would only manage residual activities which will be progressively phased out.
* UNDP should strengthen its donor liaison functions, and in this regard the MTR recommends that regular informal consultations (monthly or quarterly) be instituted. Given the large donor base in Ethiopia, UNDP needs to create an informal mechanism to regularly interact with donors. The Business Development Unit (BDU) should manage this interface under the coordination and responsibility of the Country Director.

# Section V: Next Steps

The following next steps are proposed to complete the refinement exercise. These cover two clusters: (i) finalization of key documents related to the refinement; (ii) finalization of a resource planning matrix; and (Iii) transitional arrangements.

* Completion of programme refinement process: finalization of key documents (a revised CPAP along the lines of the new programme orientation; strategic programme documents, and elaborating regional programme documents) and development of new approach/guidelines to participatory planning, implementation, monitoring and evaluation, building upon the new PIM.
* Finalization of a resource planning matrix: UNDP should develop a new resource planning matrix which will consolidate the various resource requirements/needs for the different programme cluster activities, as well as the needs for the regional results and resources matrix.
* Transitional issues: these relate to the closure of old projects and consolidation of the portfolios to go under the three new programme clusters; staffing related issues, etc.

### Annex 1: Overview of Concerns/Issues Raised by Various Stakeholders

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| **Views of National stakeholders – Government, etc** | **Views of Development Partners** | **Views from within UNDP** |
| * High level discussions on how best to use UNDP more strategically. A key question here is: Has the ability and competence of UNDP been utilized effectively? It is recognized that UNDP resources are small and relevant but should be used strategically.
* The strategic re-positioning of UNDP could offer an opportunity to pull other UN agencies around national priorities and PASDEP (harmonization within UN family and alignment with government priorities)?
* The focus of the UNDP Country Programme is judged to be sound, but in translating the CPD into the CPAP a noticeable fragmentation sets in and consequently the organization is spread too thin (thematically and geographically).
* What is the impact of the capacity building, especially training activities? In delivering training activities, should consideration be given to more efficient and cost effective ways such as consolidation of such activities at central level?
* Government in partnership with donors is implementing a number of big multi-donor programmes (PBS, PSCAP, PSNP, etc) in which UNDP is largely absent. Could UNDP be an instrument to capacitate national institutions to use these resources more effectively (on time and appropriately)? UNDP appears activity-driven and not strategically aligned to the existing aid coordination architecture.
* At regional level: UNDP impact on poverty is indirect, when compared to agencies such as UNICEF. “UNDP funds are administratively consumed without a direct impact on the poor.” UNDP needs to find ways of working more directly with the poor.
 | * Even where UNDP has managed a successful programme such as the DIP, the organization is slow in putting together the requisite technical expertise, systems and processes to manage such programmes well. In this particular case it is felt that UNDP is under equipped in terms of governance expertise, although this is an area of strategic importance to the work of the organization in Ethiopia. Donors interpret this as demonstrating a lack of vision and commitment of the organization
* Lack of vision and inability to identify important niches in its work area are ascribed to staff quality
* UNDP not seen as harmonizing its actions with key actors within the sectors it is working in.
* UNDP should play a more active and pro-active role, be more client-friendly and respond to needs and government priorities.
* Implementing capacity, follow and reporting within UNDP is judged to be deficient. It takes a lot of trouble to get things agreed in written agreements with UNDP. As a consequence, some donors are hesitant to collaborate with UNDP in the future.
* Need for clear alignment within UN system, but UNDP is not playing its leadership role; often it adds on to the duplication of efforts and the organization is accused of “mission creep”.
* In some instances, UNDP is designated to take a lead/coordinate thematic work within UN family but fails to deliver on results, thus undermining its image and raises questions on its claims of leadership position within the UN family.
 | * Where does UNDP add value? What makes UNDP more visible? Is it in catalytic support which facilitates scaling up by other actors?
* UNDP hard-pressed to show/demonstrate result of its work.
* Government has mixed feelings regarding UNDP support: some institutions are supportive (presumably when UNDP plays the role of gap-filler, although this leads to fragmentation and lack of focus); others question whether UNDP makes a difference.
* UNDP staff themselves question whether UNDP is making a difference. Is UNDP providing programmatic support or budget support?
* UNDP has made a difference, the challenge is to document these lessons/best practices and disseminate them.
* Other concerns relate whether UNDP: contributes to UN substantially and the agenda of government within PASDEP; adapting to the evolving scenario and global perspective – identify new opportunities for Ethiopia in terms of global threats and tapping global mechanisms (climate change, humanitarian/security).
* There is a need to anchor all the fragmented pieces around strategic interventions.
* Pre-audit assessment report: office does not know what its USD 40 million is contributing to
* UNDP does not have a clear understanding of what it can contribute.
* Who knows UNDP? How does UNDP’s profile become more visible?
* What piloting activities is UNDP spearheading? What are the areas UNDP is currently piloting that are attracting donor interest? Need to capitalize on the RM opportunities instead of waiting for crumbs from HQ.
* Quick review of major national programmes (PBS, etc): what complementarities/synergies UN system can bring? Opportunities for UNDP to implement some components of these big programmes.
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### Annex 2: Draft Proposal: UNDP Ethiopia Programme Refinement Framework

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| --- | --- | --- | --- | --- | --- |
| **Programme Clusters/****Proposed Focus Areas** | **Programme Outcomes** | **Programme Outputs** | **Geographic Focus** | **Partnerships** | **Implementation strategy** |
| 1. **Governance and Human Rights**
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| National Goal/PASDEP Outcome: *Fully operational democratic, accountable and responsive constitutional federalism, ensuring citizens’ empowerment and participation* |
| UNDAF Governance Outcome: *By 2011, contribute to the achievement of Millennium Declaration Principles through enhanced democratic empowerment and participation at grassroots level through justice sector reform, civil service and civil society capacity building and promotion of decentralization at all levels, including upholding of human rights principles, transparency and accountability* |
| UNDP Governance and Human RightsOutcome: *By 2011, contribute to the achievement of Millennium Declaration Principles through enhanced democratic empowerment and participation at grassroots level through justice sector reform, civil service and civil society capacity building and promotion of decentralization at all levels, including upholding of human rights principles, transparency and accountability* |
| 1. **Democratic Governance - DIP**
 | **Outcome 1:** Democratic governance and processes enhanced through well structured and well functioning institutions that embody open, transparent and democratic governance which respects the rights of all its citizens as enshrined in the Constitution. | ***Output 1.1*:** Effective and Responsive Democratic Institutions developed in Ethiopia, in particular the following: Ethiopian Human Rights Commission, Federal Ethics and Anti-Corruption Commission, Ethiopian Institute of the Ombudsman, Federal Auditor General Office and Offices of Regional Auditor Generals; Federal House of Representatives and Regional Councils, and the National Election Board of Ethiopia. This will build on the existing Democratic Institutions Programme and will be achieved through the following: ***1.1.1:*** Support to enhance the policy formulation, programme implementation, operational and administrative capacities of these key institutions.***1.1.2:*** Enhancing capacities of all Ethiopians to engage with access and utilize services provided by the democratic institutions through awareness programmes conducted by the institutions***1.1.3:*** Supporting key democratic processes managed and undertaken by democratic institutions such as elections at the national, regional and local levels to ensure credible and transparent processes and outcomes.***Output 1.2*:** Strengthening public participation for the realisation of democratic rights as enshrined in the Ethiopian Constitution through the following:**1.2.1.** Strengthening the capacity of CSOs (including working with the new CSA) | Federal and regional levels | a) UN: ILO; b) OFAG and ORAGs |  |
| 1. **Decentralization and Service Delivery**
 | **Outcome 2:** Responsive Public Service Delivery by Capable Local Governance Bodies | **Output 2.1** Regulatory framework in relation to functional assignments of local governments (regional and woreda) made functional. **Output 2.2** Mechanisms and capacities for service delivery assessment and response of local governments strengthened. ***Output 2.3:*** Enhanced planning, financial and human resource management capacities of local governments including in revenue raising and allocations.***Output 2.4:*** Established mechanisms for public engagement in local governance affairs including in the planning, policy formulation and monitoring of local government programmes. ***Output 2.5:*** Leadership Development Programme institutionalised in the four emerging regions. ***Output 2.6:*** Conflict Management capacity of regional governments in Emerging Regions strengthened. |  |  |  |
| 1. **Access to justice & promotion of Human rights**
 | **Outcome3:** By 2011 improved legal empowerment access to Justice System for the population (in particular the poor, women and the vulnerable and the marginalized), and the protection of human rights relating to HIV/AIDS | ***Output 3.1:*** Support development of responsive strategies based on analysis of the informal economy and of the legal and other obstacles faced by women, the poor and vulnerable groups in their enjoyment of the rights associated with property and the utilization of natural resources, in order to support and inform policy at the national, regional and local levels.***Output 3.2:*** Enhance women’s access to justice through improved awareness of legal entitlements, provision of legal assistance for vindication of entitlements and enhancing capacities of public officials and institutions to ensure protection of legal entitlements to land and other natural resources.**Output 3.3**: Strengthening the CO’s capacity for Gender mainstreaming (including interventions at CO level and dedicated human resources)**Output 3.4:** Strengthening national capacity for HIV/AIDS mainstreaming, protection and coordination capacity. | Emerging regions | UN: ILO at the initial stage. b) GOE: PM Office and HoPR Legal Affairs Committee. C) Women’s HR and Legal Aid CSOs. | Activities under this project will focus primarily on women as the main target group for legal empowerment as will become evident in the outputs outlined below. CSOs will be involved in the implementation of some of the activities under this outcome.The majority of deliverables under this outcome will integrate and bring out the necessary CPR aspects. |
| 1. **Poverty Reduction and Enhanced Economic Growth**
 |
| National Goal/PASDEP Outcome: *Massive push for economic growth and poverty eradication through commercializing agriculture and private sector development, by also placing greater emphasis on the linkages between agricultural and industrial sectors* |
| UNDAF Outcome: By 2011, at national, regional, organizational and business levels, capacity strengthened and knowledge developed for increased incomes of the poor, through enhanced labour factor productivity and more intensive and widespread use of technology in at least one economic growth corridor, with potential interventions related to expansion and diversification in agriculture, industry and services.  |
| UNDP Poverty Reduction and Enhanced Economic Growth Outcome : *High quality knowledge about economic growth corridors and strengthened capacity for agro-industry and private sector development, and pro-poor trade that promote accelerated and pro-poor growth* |
| 1. **Enhanced Economic Growth for Poverty Reduction and MDGs**
 | **Outcome 4.1**: High quality knowledge about Economic Growth Corridors (EGCs) that promote accelerated and pro-poor growth**Outcome 4.2**: Improved institutional capacities at federal and regional levels in monitoring and evaluating economic growth | **Output 4.1** Enhanced knowledge about economic growth Corridors (including two high quality detailed EGC studies)**Output 4.2**: A National EGC Framework developedOutput 4.3: Growth Corridor Authority set up and strengthened**Output 4.4**: Detailed Strategies and Investment Plans for EGC ready to create enabling condition for public and private sector investment |  |  |  |
| 1. **Agricultural Growth**
 |  | **Output 5.1**: Agricultural Growth Investment Framework developed – well managed intermediate trust fund and selected start-up programmes supported.**Output 5.2**: Enhanced marketing system through strengthening the capacity of Ethiopian Commodity exchange**Output 5.3**: capacity developed in selected areas of agricultural growth programme (details of UNDP support upon finalization of programme design and adoption) |  |  |  |
| 1. **Private Sector Development**
 |  | **Output 6.1** Well setup and effectively functioning public-private dialogue forum- enhancing PPP and PSD enabling environment**Output 6.2**: Strengthened national capacity for expedited accession to EPA and WTO**Output 6.3:** Capacity developed leading to promotion of leather sector**Output 6.4**: Endorsed well elaborated agro-industry master plan and implementation strategy |  |  |  |
| 1. **Promoting Local Economic Development**
 | **Outcome 7.1**: Enhanced capacities of regions and woredas to promote pro-poor economic growth and sustainable livelihoods, through investments, employment creation and targeted economic interventions. | **Output 7.1.1**: Local capacity developed to create enabling environment for the LED intervention at regional and woreda levels**Output 7.1.2**: Capacities of local governments and CSOs to facilitate targeted interventions which promote income generation and sustainable livelihoods of women, youth and vulnerable groups strengthened. |  |  |  |
| 1. **Disaster Risk Reduction, and Sustainable Land Resources Management**
 |  |
| National Goal/PASDEP Outcome: *Enhancing vulnerable populations’ resilience to adverse climatic and health related shocks through range of measures aimed at improving and diversifying rural livelihoods, including those in pastoral areas* |  |
| UNDAF Recovery and Food Security Outcome: *By 2011, significantly strengthened capacities of the Government, communities and other relevant stakeholders to respond to situations that threaten the lives and wellbeing of a significant proportion of a population, which require rapid and appropriate action to ensure their survival, care, protection and recovery while enhancing the resilience to shocks and leading to food security and sustainable livelihoods* |  |
| UNDP Vulnerability Reduction, Adaptation and Environmental Protection Outcome: *By 2011 the implementation of policies, strategies and coordination mechanisms are fully developed leading to food and nutrition security and sustainable livelihoods, ensuring a smooth transition between humanitarian responses and longer term development* |  |
| 1. **Disaster Risk Reduction and Early recovery**
 | **Outcome 8:**  Integration of disaster risk reduction into development planning, programming, with major emphasis on disaster prevention, mitigation, preparedness, vulnerability reduction and Early Recovery  | **Output 8.1**: Strengthened National capacity for Early Recovery built (support to vulnerability mapping, and institutional strengthening**Output 8.2**: Strengthened response capacity at regional level through community asset creation to restore livelihoods, replication of best practices through area-based programming.**Output 8.3**: Capacity for Mine Action strengthened (land mine risk reduction and release of mine free lands for production | Federal, Somali (Harshin, Kebribeyah, Aysha woredas) & Gambella (Lare, Gambella peripheryFederal, Somali (Harshin, Kebribeyah, Aysha woredas) & Gambella (Lare, Gambella periphery)Afar, Somali, Tigray |  |  |
| 1. **Climate Change Adaptation and Sustainable Management of Land Resources**
 | **Outcome 9.1**: Climate Change adaptation and Mitigation capacity strengthened | **Output 9.1.1**: strengthened capacity for policy review, partnerships and mainstreaming (Energy Policy Review, preparation of mainstreaming CC adaptation and mitigation guidelines, and CC partnership forums)**Output 9.1.2**: Strengthening partnerships in CC knowledge management, best practices and innovative technologies dissemination in collaboration with ECA Climate Centre |  |  |  |
| **Outcome 9.2**: Sustainable Land resources management improved | **Output 9.2.1:** Woreda environment management plans developed and local environment action plans promoted to establish regional SLM platforms**Output 9.2.2**: Strengthened local and regional land resources management institutional capacities.**Output 9.2.3**: strengthened local communities coping and adaptation mechanisms. **Output 9.2.4**: SLM Knowledge management and best practices and innovative technologies disseminated and replicated, including ESIF strengthening.**Output 9.2.5:** Woreda environment management plans developed and local environment action plans promoted to establish regional SLM platforms |  |  | At Federal level to develop and implement activities in line with the ESIFAt regional and local levels to strengthen institutional capacities for dryland management. |
| **Outcome 9.3**: Sustainable use of biodiversity resources enhanced | **Output 9.3.1**: Strengthen protected areas’ management system including development of protected areas’ Business Plans, Trust Fund and Income Generation schemes**Output 9.3.2**: Strengthened Community Protected Areas’ Conflict management capacityOutput 9.3.3: Enhanced agro-biodiversity conservation and sustainable use of resources**Output 9.3.4**: Ecosystem Services (wildlife, forest, landscape and ecotourism) management capacity developed |  |  |  |

1. Definition of “output and outcome” is given “CPAP Results Assessment Format. [↑](#footnote-ref-2)
2. EHRC stands for Ethiopian Human Right Commission

EIO stands for Ethiopian Institute of Ombudsman

FEACC stands for Federal Ethics and Anticorruption Commission [↑](#footnote-ref-3)