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CAADP - ETHIOPIA

IMPLEMENTATION AND MANAGEMENT CASE STUDY

JULY 2012

Report – for comment and discussion

CAADP ETHIOPIA

IMPLEMENTATION & MANAGEMENT CASE STUDY

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Authors:

David Callihan, MSI

Dr. Tadesse Kuma Worako, Ethiopian Development Research Institute and Winrock International



600 Water Street, SW, Washington, DC 20024, USA
Tel: +1.202.484.7170 | Fax: +1.202.488.0754
www.msiworldwide.com



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Africa Leadership Training and Capacity Building Program

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ACRONYMS

| | |
|-------------|---|
| Africa Lead | Africa Leadership and Capacity Development Project |
| AGP | Agricultural Growth Program |
| ATA | Agricultural Transformation Agency |
| ATP | Agricultural Transformation Plan |
| AU | African Union |
| AUC | African Union Commission |
| CAADP | Comprehensive African Agricultural Development Programme |
| CIAFS | Capacity to Improve Agricultural and Food Security Project |
| COMESA | Common Market for East and Southern Africa |
| DAG | Development Assistance Group Ethiopia |
| DRMFS | Disaster Relief Management and Food security |
| ExCom | REDFS Executive Committee |
| FAO | The United Nation's Food and Agriculture Organization |
| GASFP | Global Agricultural and Food Security Program |
| GoE | Government of Ethiopia |
| GTP | Growth and Transformation Plan |
| IFPRI | International Food and Policy Research Institute |
| LVC&PPD | Livestock Value Chain and Private Public Dialogue |
| M&E | Monitoring and Evaluation |
| MDG | Millennium Development Goals |
| MoA | Ministry of Agriculture |
| NAIP | National Agricultural Investment Plan |
| NEPAD | New Partnership for Africa's Development |
| NSA | Non-State Actor |
| PASDEP | Plan for Accelerated and Sustained Development to End Poverty |
| PIF | Policy and Investment Framework |
| PPD | Program and Policy Directorate |
| REC | Regional Economic Community |
| REDFS | Rural Economic Development and Food Security Sector |
| TC | Technical Committee |
| USAID | United States Agency for International Development |

INTRODUCTION

This is a case study on the management of the Comprehensive African Agricultural Development Programme (CAADP) in Ethiopia. The purpose of this case study is to document the structure and processes used by Ethiopia to implement its CAADP National Agricultural Investment Plan (NAIP). The Agricultural Sector Policy and Investment Framework (PIF) serves as Ethiopia's CAADP NAIP. This case study reviews the PIF's planning, management and coordination structure; documents the processes and tools used to manage the PIF; analyzes what contributes to the program's success; and identifies lessons that may help other countries accelerate the implementation of their CAADP NAIPs.

This case study was carried out under the USAID/Bureau for Food Security's Africa Leadership and Capacity Development Project (Africa Lead). Research involved a review of background documentation and interviews with key stakeholders during late May and early June 2012. A list of persons interviewed is attached as Annex A. Research was carried out By David Callihan (Management Systems International) and Dr. Tadesse Kuma Worako (the Ethiopian Development Research Institute and Winrock International).¹

I. CAADP OVERVIEW

The CAADP program was initiated by the African Union (AU) in 2002. CAADP is designed to help countries increase agricultural productivity by at least six percent per annum and achieve the United Nation's Millennium Development Goal number one, which is to cut hunger in half by 2015. Participation by African countries is voluntary; however, if countries decide to participate they agree to adhere to the program's development process and values. Key CAADP processes and values include:²

- **Sign a Country Compact:** A Country Roundtable Process is initiated by the relevant Regional Economic Community (REC), for example, the Common Market for East and Southern Africa (COMESA), to promote the program and gain the commitment of the host country to the CAADP process. The Roundtable process leads to the signing of a country Compact, which is an agreement between the African Union and a country's Ministry of Agriculture, Ministry of Finance and select non-state actors on the priorities required to achieve increased agricultural productivity.
- **Undertake a Stocktaking Exercise:** Stocktaking involves analyzing and assessing programs, conditions and future opportunities within the context of what is required to achieve six percent annual growth in agricultural productivity. This information gathering and analysis phase involves reviewing existing data and broadly consulting with food security experts and stakeholders. Part of the purpose of the stocktaking process is to foster awareness and build commitment to the CAADP process within government and among a wide variety of non-state actors. (In Ethiopia the stocktaking process preceded the signing of the Compact.)
- **Produce a Draft NAIP:** The agricultural investment plan is the centerpiece of a country's CAADP process. It is typically a medium-term plan that, based on the analysis completed during the stocktaking phase, presents a plan for addressing a country's agricultural performance. NAIPs identify the drivers of agricultural growth, present required policy reforms and institutional capacity

¹ MSI and Winrock are subcontractors to Development Alternative Inc., which manages the Africa Lead Project under a contract with USAID/BFS.

² Process steps to develop a CAADP program are taken from *Accelerating CAADP Country Implementation: A guide for Implementors*, the African Union's New Partnership for African Development, Midrand, South Africa, 2010

requirements, and articulate food security objectives. A budget is included that aligns the plan's objectives with the required financial support – both internal and external. NAIPs typically cover four to ten years and total funding may range between five and eleven billion dollars.

- **Conduct a Technical Review of the NAIP:** Once the NAIP is complete a Technical Review is held to review the plan's programs, finances and realism. This review is organized by the relevant REC and includes a panel of up to eight expatriate reviewers who are typically from the AU, RECs, and African research institutes. The review takes several weeks and results in a set of recommendations for strengthening the plan.
- **Finalize the NAIP and Produce an Implementation Roadmap:** Roadmaps are schedules of major actions required to manage NAIP implementation – essentially the major accomplishments that need to happen over the period of the NAIP to enable the plan to be successful.
- **Hold a Business Meeting:** The Business Meeting brings together key stakeholders to endorse a country's NAIP and begins the process of lining up commitments to address financing gaps. Participants typically include the African Union Commission (AUC), the New Partnership for Africa's Development (NEPAD), the host government, development partners and donors, and private sector and civil society organizations. Following the Business meeting a "Joint Communiqué" is signed between the Government and major donors to clarify the responsibilities of each party.

A guiding principle of the CAADP program is that planning and implementation should involve the inclusive participation of a wide range of stakeholders, including government, the private sector, and civil society organizations, such as farmers' organizations. An additional principal is that decision-making should be evidenced-based.

II. THE DEVELOPMENT OF THE CAADP PROGRAM IN ETHIOPIA

The following is the timeline for the development of Ethiopia's PIF (the CAADP agricultural investment plan):

- **September 2008:** Ethiopia's CAADP Study (stocktaking) was launched, with guidance being provided by the AUC, COMESA and Ethiopia's Ministry of Agriculture (MoA).
- **July 2009:** The first comprehensive CAADP/Ethiopia study reports were produced. The first of two studies compiled agricultural and rural development information and trends, and identified the gaps between the objectives of existing plans and actual sector achievements. A second study conducted a broad economic and social review to identify priority areas to achieve CAADP's goal of increased agricultural productivity.
- **August 2009:** Following several multi-stakeholder consultation sessions, the CAADP compact was signed. Signatories included representatives of the MoA, the Ministry of Finance and Economic Development, the AUC, COMESA, the Ethiopian Horticulture Producer and Exporters Association and the Ethiopian Association of Agricultural Professionals.
- **August 2010:** The PIF draft was finalized. The document included priority investment areas, objectives and a proposed budget.³

³ The PIF's principal authors, hired by COMESA, were Dr. Demese Chanyalew, Berhanu Adenew and John Mellnor.

- **September 2010:** The Technical Review was completed and a Compressed PIF was distributed to key stakeholders. The completed PIF included an implementation Road Map and first-year Action Plan.
- **December 2010:** High-level CAADP/PIF Business Meeting held in Addis Ababa, Ethiopia. The PIF implementation period is 2010-2020 and the total estimated implementation budget is US\$15.5 billion.
- **April 2011:** The PIF Road Map was finalized with assistance from the Food and Agriculture Organization (FAO).
- **January 2012:** A multi-day PIF review was held to review and adjust implementation as part of the on-going PIF development process.

III. PIF IMPLEMENTATION MANAGEMENT

Background: Prior to the development of the PIF, Ethiopia’s overall development strategy was governed by the Plan for Accelerated and Sustained Development to End Poverty (PASDEP), which covered 2005/6 – 2009/10. The PASDEP has since been overtaken by the Growth and Transformation Plan (GTP), which is Ethiopia’s national development plan for 2010-2015 and calls for Ethiopia to be a middle income country by 2020. Under the GTP there are a number of sector-specific development plans; the sector development plan for agriculture is the Agricultural Transformation Plan (ATP). The PIF is more or less the strategy and investment plan to achieve Ethiopia’s ATP. The PIF serves as Ethiopia’s national food security strategy and has been designed to achieve 8% annual growth in agricultural productivity per annum.

Ethiopia’s Agricultural Sector and Policy Investment Framework (PIF):

- **Implementation period:** 2010-2020
- **Total budget:** US\$15.5 billion; \$9.3 billion to be provided by the GoE and \$6.2 billion from development partners
- **Management Committee:** Rural Economic Development and Food Security (REDFS) Sector Working Group, established April 2008
- **REDFS Chair:** Minister of Agriculture; Co-chairs rotate among donors and current chairs are the World Bank and USAID
- **Principal technical committees/program areas:** 1) Agricultural Growth, which includes agricultural commercialization; 2) Sustainable Land Management, and; 3) Disaster Risk Management and Food Security

Within and under the ATP there are several specific agricultural sub-strategies and programs. The Agricultural Growth Program (AGP) is the component of the ATP that primarily addresses agricultural growth and commercialization. These programs are covered under component one of the PIF.

PIF Development and CAADP Program Support: The CAADP process in Ethiopia benefitted from strong support from the African Union. Support included political support from the AUC CAADP Office in mobilizing program commitment and enabling a contract to be signed; technical support from the CAADP Pretoria office, in particular in providing general guidance and material for program development, and assistance in organizing the Technical Review of the draft Ethiopian country investment framework; and from COMESA in sourcing

and hiring a highly-qualified team to write the PIF.

PIF Objectives: The PIF contains four principal strategic objectives, which are presented in the following table.

| PIF Strategic Objectives | MoA Sectors (each managed by a State Minister) |
|--|--|
| SO1: To achieve a sustainable increase in agricultural sector productivity and production SO2: To accelerate agricultural commercialization and agro-industrial development | Agricultural Growth |
| SO3: To reduce degradation and improve productivity of natural resources. | Sustainable Land Management |
| SO4: To achieve universal food security and protect vulnerable households from natural disasters. | Disaster Relief Management and Food Security (DRMFS) |

The government has structured the PIF so as to have at least one *flagship program* within each of the principal MoA sectors. The purpose of the flagship programs is to marshal significant resources to achieve a high level of impact, to target resources geographically where they will have the most impact, and to provide learning to influence other sector activity. The Agricultural Growth Project (AGP) serves as the flagship program within the agricultural growth sector. Other flagship programs include the Household Asset Building Program (under DRMFS), the Land Administration and Land Use Development Program (Sustainable Land Management), and the Productive Safety Net Programme (DRMFS).

PIF Financing: The PIF’s total proposed investment budget is US\$15.5 billion over a ten-year period (2010-2020). A majority of PIF financing is provided by the Government of Ethiopia (GoE), which provides upwards of 60% of the total budget. Remaining financing is provided by donors, although gaps remain.

Ethiopia was the first country selected to receive funding from the World Bank-administered Global Agricultural and Food Security Program (GAFSP). The GAFSP’s decision to award funds to Ethiopia cited Ethiopia’s high quality and comprehensive PIF document.

Ethiopia has received the following funds from the GAFSP:

- Agricultural Production and Commercialization, \$31.9 million;
- Small-scale Rural Infrastructure Development and Management, \$15.9 million; and
- Technical Assistance for Sectoral Constraint Analysis and Investment Capacity Building and Project Management, \$4.2 million.

A. The PIF Management Structure

The PIF is managed by Ethiopia’s Rural Economic Development and Food Security Sector Working Group (REDFS), which is organized under the multi-donor Development Assistance Group Ethiopia (DAG). The REDFS is a government-donor coordination group focused on agriculture, food security and natural resources management. It was formally established in April 2008, which was prior to the initiation of CAADP; CAADP stocktaking was initiated in September 2008. The REDFS is one of several

government-donor sector working groups in Ethiopia established under the DAG.⁴ The DAG coordinates development assistance in furtherance of the Paris Declaration on Aid Effectiveness, which places an emphasis on country-owned and led processes, harmonization and alignment of external assistance with national policies and programs, and promotion of mutual accountability for results. The REDFS coordinates and approves all development partner food security support to Ethiopia.

The principal components of the REDFS structure include the Executive Committee, a Secretariat, three Technical Committees, and a number of Tasks Forces/Working Groups. Each of these structures is described below and a graphic presentation of the structure is presented on the following page in Table 1: REDFS Organizational Structure.

The Executive Committee: The REDFS Executive Committee (ExCom) is composed of ten GoE officials and one representative from the Multi-Donor Trust Fund. The ExCom is chaired by the Minister of Agriculture and two Co-Chairs rotate among donors. The Co-Chairs are currently held by the World Bank and USAID. Other permanent members of the ExCom include the three State Ministers of the MoA, which represent program areas that parallel the PIF -- Agricultural Growth, Sustainable Land Management, and Disaster Relief Management and Food Security; and representatives from the following MoA directorates – Planning, Extension, Food Security Coordination, Marketing, Natural Resources, and Early Warning and Response. Other GoE representatives may also attend the regular ExCom meetings, including the Ministry of Trade and Industry, the Ministry of Water Resources, the Ethiopian Institute of Agricultural Research, and the Ethiopian Agricultural Transformation Agency.

The ExCom is supposed to meet a minimum of four times per year (as per the REDFS Terms of Reference) but in practice it may meet somewhat less frequently. The GoE has defined the responsibilities of the REDFS as follows:⁵

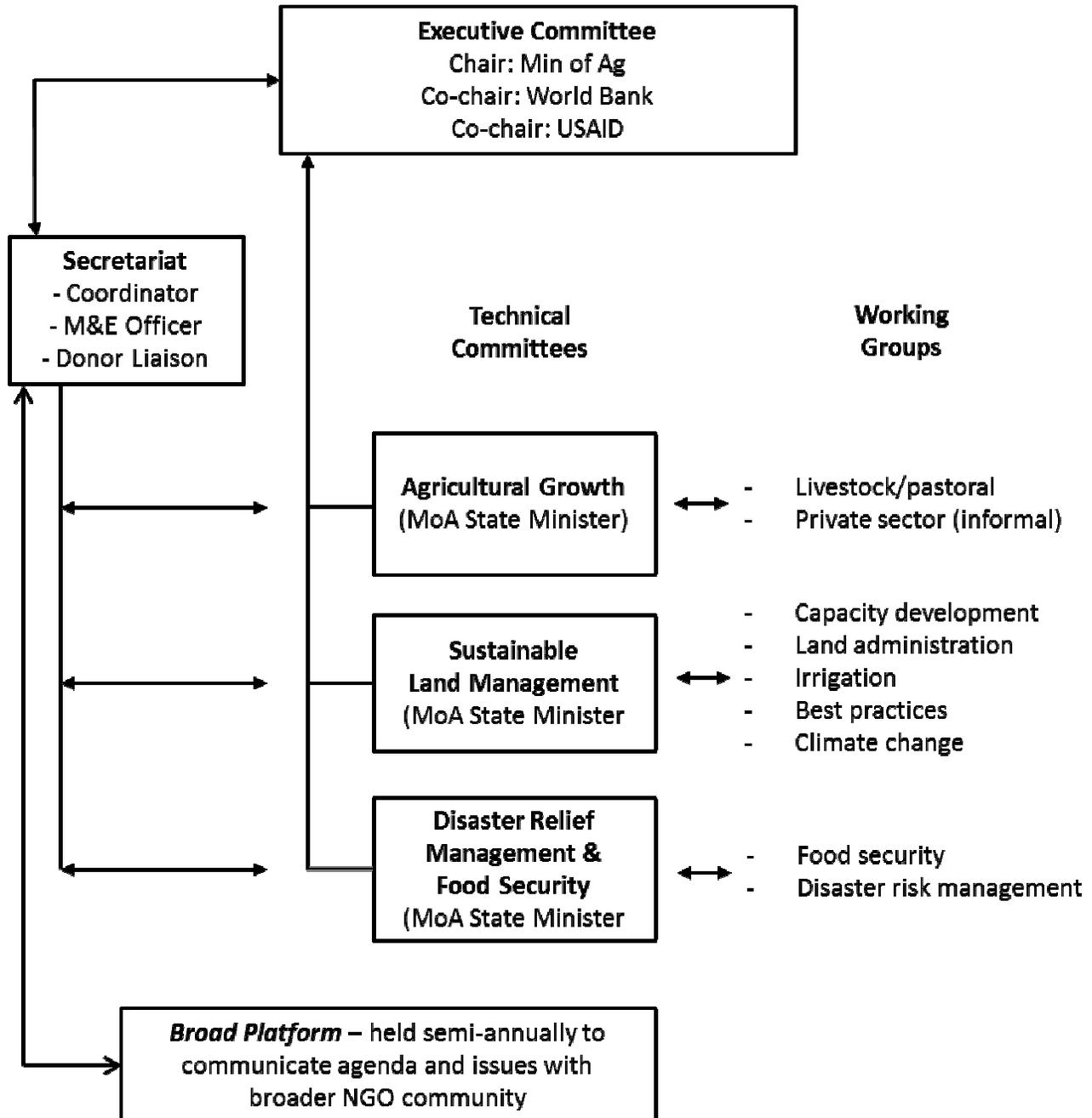
- **Program and Policy Review and Reform:** Direct, monitor and discuss implementation progress and policy reform initiatives within the sector. The ExCom is expected to contribute to and guide the program's technical direction and to review progress and accomplishments in relation to the PIF's objectives.
- **Implementation:** Identify ways for enhancing capacity for program planning and implementation. This includes discussing and recommending solutions for overcoming implementation bottlenecks and encouraging development partners to provide additional sector support.
- **Monitoring and Evaluation:** Monitor PIF implementation and the achievement of Millennium Development Goals (MDGs).
- **Harmonization:** Dialogue and promote harmonization on donor procedures, align aid to GoE priorities, promote the use of national systems, and ensure government ownership and leadership within the sector.

⁴ The DAG comprises 26 bilateral and multilateral development agencies providing assistance to Ethiopia. The DAG was established in 2001 initially as a forum for donors to share and exchange information. The main objective of the DAG is to ensure a more effective delivery and utilization of development assistance to Ethiopia.

⁵ Terms of Reference for the DAG Sector Working Group on Rural Economic Development and Food Security, Development Assistance Group Ethiopia, January 2010.

Table 1:

**CAADP/Ethiopia Management Structure:
The DAG Sector Working Group on
Rural Economic Development and Food Security**



The PIF is the guiding document used by the REDFS ExCom, and all donor programs are implemented within the context of the PIF and directly aligned against PIF programs and objectives. The MoA is also organized as per the three main program areas of the PIF.⁶ Originally the MoA had four principal program areas but subsequent to the PIF's development the MoA was reorganized into a structure that directly parallels the PIF's three main program areas. The ExCom is responsible for soliciting development partner financing, and for reviewing and approving all funding within the food security sector – and for ensuring it is aligned with PIF programs and objectives.

There is currently no private sector or non-state actor (NSA) representation on the ExCom; however, the ExCom has indicated they would like to have one NSA representative participate if the NSA sector is able to organize and agree upon a representative.

REDFS Technical Committees and Task Forces: The REDFS is organized into three Technical Committees (TCs) -- Agricultural Growth, Sustainable Land Management, and Disaster Relief Management and Food Security – and each is led by the corresponding MoA State Minister. The main tasks of the TCs are to advance technical work within their thematic areas to achieve the objectives of the PIF as well as to contribute to Ethiopia's broader development goals as outlined in the country's Growth and Transformation Plan.

The TCs are expected to meet monthly; however, in practice, it seems that some committees may meet more often. Each TC has its own annual work plan, which is approved and monitored by the ExCom. Participation in the TCs is open to broad membership among government ministries and departments, donors, private sector and academia, and meeting participation varies according to the focus of the meetings. TCs also periodically convene broader "platform" meetings for the purpose of general sector or technical coordination. Each TC is guided by a formal Terms of Reference, which is jointly agreed to by the TC Chair and Co-chairs.

Each TC forms and uses Working Groups, sometimes referred to as Task Forces, to produce particular technical outputs, such as studies, recommendations or project proposals. Working Groups may be permanent or ephemeral depending on the issues to be addressed, and the groups may include whatever participation they feel is required to accomplish their tasks, as outlined by the TCs.

As of June 2010 the following Working Groups/Task Forces were operational:

Under the Agricultural Growth TC:

- Livestock/pastoral (currently informal but in the process of being formalized)
- Private Sector (informal)⁷

Under the Sustainable Land Management TC:

- Capacity Development
- Land Administration
- Irrigation
- Best Practices
- Climate Change

Under the Disaster Relief Management and Food Security TC:

⁶ The three programs are: Agricultural Growth, Sustainable Land Management, and Disaster Risk Management and Food Security. The fourth program, Agricultural Commercialization, has been incorporated under Agricultural Growth.

⁷ Informal Working Groups do not have a defined Terms of Reference/Operations or set membership, but still may convene periodically to address issues as directed by TCs.

- Food Security
- Disaster Risk Management: There are several formal working groups with formal Terms of Reference that operate under the DRM TC, including the Agricultural Task Force and Gender Mainstreaming.

REDFS Secretariat: A full-time Secretariat manages and coordinates the day-to-day work of the REDFS ExCom, TCs and Working Groups. The Secretariat has three full-time positions: Coordinator, Monitoring and Evaluation (M&E) Officer, and Donor Liaison. The Coordinator and M&E Office work out of an office within the MoA, which is adjacent to the office of one of the MoA’s State Ministers.

The responsibilities of the Secretariat include the following:

- **Knowledge Management:** This includes maintaining a database of donor programs and support; providing periodic analysis of investment, for example by region or sub-sector; arranging knowledge events; and maintaining a library of policies, reports and key documents.
- **Networking and Coordination:** Work includes organizing and supporting ExCom and TC meetings; developing and managing a work plan for PIF implementation and coordination; ensuring integration of activities across components/TCs; and facilitating donor harmonization and alignment.
- **Communication:** Support includes recording and maintaining meeting minutes, facilitating information sharing and activity schedules, maintaining a website, and producing and distributing newsletters.
- **Program Support:** Activities include facilitation and coordination of analytic work, support for the preparation of investment plans, and facilitating the development of priority programs as identified and approved by the REDFS.

The Secretariat currently receives financing support from the World Bank-administered Multi-donor Trust Fund.

B. PIF Management Process

The PIF is Ethiopia’s guiding food security plan. All government food security programs are based on the achievement of the PIF and by design contribute directly to PIF objectives. Ethiopia does not have other high-level food security sector documents so the PIF is the document upon which the government and all donors base their programs. Having a single high-level sector plan, that has specific objectives and targets, offers a highly efficient mechanism for planning and coordination.

Each TC develops its own annual work plan and these are aggregated into an overall REDFS/PIF work plan. The REDFS provides a mechanism to coordinate actions and issues across MoA directorates, and across ministries when required.

To coordinate its work the REDFS ExCom has developed two planning tools: a ten-year PF Road Map and an annual Action Plan:

- **Roadmap for the Implementation of Ethiopia’s Agricultural Sector Policy and Investment Framework (Roadmap):** The ten-year Roadmap outlines the key tasks for implementing the PIF and clarifies the general roles of the GoE, development partners and donors. It is organized according to the PIF’s four strategic objectives and cross-cutting areas. This plan is a high-level

plan that includes annually assessing progress toward Aid Effectiveness indicators and designing major technical programs, e.g., a livestock/pastoralism program.

- **Annual Consolidated REDFS Action Plan (Action Plan):** This is an annual work plan that identifies the activities to be managed by the REDFS in support of PIF implementation. The Action Plan lists overall REDFS responsibilities and includes a list of key activities to be carried out in support of each of the PIF's four strategic objectives. Overall REDFS activities include items such as conducting an annual review of the status of Roadmap achievement; developing a structured and harmonized M&E system; mainstreaming emerging issues, such as climate change, into technical programs; and preparing a MoA Program and Policy Directorate (PPD) capacity development plan. Work plan items for the individual TCs focus on technical achievements required to meet the PIF's objectives (and key annual accomplishments identified in the Roadmap). Activities include items such as: facilitate seed policy development (SO1: Increase Agricultural Productivity); promote public-private partnerships through launch of Grow Africa initiative (SO2: Commercialization); organize a study tour on dry land agriculture (SO3: Sustainable Land Management); and organize a multi-agency needs assessment (SO4: DRMFS).

Management and Coordination: The REDFS is the entity that brings together all key government food security sector program managers and all donors into a single coordination and decision-making forum to discuss food security technical and policy issues. The ExCom is chaired by the Minister of Agriculture, and ExCom members include all three MoA State Ministers as well as heads of food security-related directorates. Overall, the level of GoE commitment to the REDFS ExCom is said to be very high as it involves the frequent participation of many top high-level MoA decision-makers, although some interviewed indicated that there is room for further improvement in terms of top-level government participation. The decision-making structure devolves into a set of Technical Committees and Work Groups that carry out the detailed technical work required to fulfill the PIFs implementation requirements and to address technical issues as they arise.

Program implementation and development is the responsibility of individual ministerial technical units, such as the Extension Directorate, but the work of these units is aligned with the PIF, and coordinated within the MoA, across ministries, and with donor programs through the REDFS ExCom.

Monitoring and Evaluation/Annual Program Review: There are two levels of M&E that need to be implemented in support of the PIF's implementation: 1) monitoring of actions contained in the Roadmap and annual Action Plan (PIF process implementation); and 2) monitoring the food security objectives and targets contained in the PIF, including all of the outcomes that are expected to lead to an annual 8% growth in agricultural productivity. Each of these two systems is described below.

- **Roadmap and Action Plan M&E:** The REDFS has a full-time M&E Office as one of the three members of the Secretariat and this position is responsible for monitoring the implementation of the Roadmap and annual Action Plan. There is not currently a formal M&E system in place, but there is an overall work plan and TC-specific work plans and these are reviewed during ExCom meetings. The REDFS' current year Action Plan includes an item to "develop a structured and harmonized M&E system", which refers to the development of the overall MoA/PPD system outlined below.

Monitoring by the REDFS of the Roadmap and annual Action Plan process includes the following: review of Action Plan items during routine meetings; conduct an annual review of the PIF implementation Roadmap; support the continuing development and maintenance of the REDFS database; assess progress toward Aid Effectiveness indicators and prepare regular reports; monitor PIF investments in priority investment areas; and support Mid-term Expenditure

and Sector Budget Reviews. The ExCom has the authority to request and support any special assessments or evaluations it feels is useful to managing the PIF and it is particularly well situated to assess and coordinate cross-sectoral programs, including programs that cut across ministries or across ministerial directorates.

In January 2012, the ExCom held a three-day retreat to review the progress of PIF implementation and the work and structure of REDFS. A number of specific recommendations emerged from this process, including the need to improve management of program portfolios and budgets, and the need to develop a government-wide food security monitoring and reporting system. The REDFS is committed to holding annual PIF implementation reviews.

- **PIF Technical M&E:** Monitoring of the PIF’s technical programs is the responsibility of the MoA PPD; however, a comprehensive food security M&E system has not yet been developed. The PPD faces significant capacity challenges and does not have sufficient staff to operate such a system once it is developed. There is currently an effort underway by the Ethiopian Agricultural Transformation Agency, and other donors, to work together with MoA PPD to develop a food security M&E system for the government, build capacity within PPD to operate the system, and transfer the system to PPD’s management. This initial database is being developed by the International Food and Policy Research Institute (IFPRI) under a direct grant from the Gates Foundation. IFPRI is collaborating closely with the Ethiopian Agricultural Transformation Agency (ATA) and MoA/PPD on this effort and an initial database is expected to be available by late 2012.

IV. AGRICULTURE AND FOOD SECURITY POLICY FORMULATION

Background: Ethiopia is a federal republic that operates under a constitution developed in 1994. The executive branch includes a president, Council of State, and Council of Ministers. Executive power resides with the Prime Minister. There is a bicameral parliament; national legislative elections were held in 2010. It is the responsibility of the national legislature to formulate laws.⁸

The formulation of national and macro-level policies and strategies is predominantly undertaken by the federal government, whereas regional governments are responsible for formulating policies and strategies on issues affecting their particular jurisdictions. There is no single centralized process for policy-making in Ethiopia. The policy development process is characterized by relatively minimal involvement by the private sector and non-government organizations, and by strong influence by the Prime Minister’s Office and central ministers.⁹

This section is a brief overview of how policy is developed in relation to the PIF and is not intended to be a comprehensive overview of Ethiopia’s policy formulation and reform process.

A. The Role of the REDFS

Within the food security sector, the REDFS often plays a key role in policy-making and “policy review and reform” is one of its explicit responsibilities. The ExCom’s role in policy development and reform may include identifying policy issues that require attention and or research, as well as commenting on and

⁸ Background Note: Ethiopia, U.S. Department of State, 2012

⁹ Teshome, Amdissa, Agriculture, Growth and Poverty Reduction in Ethiopia: Policy Processes Around the New PRSP (PASDEP), Research Paper 004, page 12, 2006.

endorsing policy proposals that reach its agenda through promotion by its ExCom members – both government and donors.

Policies that can be fully overseen and implemented by the MoA can be approved by the Minister of Agriculture. If these policies relate to food security they would normally be vetted through and approved by the REDFS prior to being approved by the Minister. Policies that are more cross-sectoral will generally be discussed by the REDFS ExCom but will ultimately be referred to the Prime Minister for final approval; in some cases, such policy decisions may be taken directly to the Prime Minister without vetting through the REDFS.

B. Mechanisms recently used to Develop Food Security Policy in Ethiopia

While the REDFS is often central to the discussion and approval of food security policies in Ethiopia there are a number of channels that have been used to generate policy development and reform ideas and bring them to the attention of REDFS decision-makers. Examples of particular approaches to food security policy development and reform include the G8's cooperation framework process, the work of the Ethiopian Agricultural Transformation Agency, and individual initiatives by the REDFS and individual donors and donor projects. These examples are presented in the text that follows.

i. The G8 Cooperation Framework to Support the New Alliance for Food Security and Nutrition in Ethiopia

At the 2012 U.S.-hosted G8 Summit a new policy framework was developed and approved between the G8 and Ethiopia. Under this agreement – *the New Alliance for Food Security and Nutrition in Ethiopia* – the G8 members affirmed their intent to “to provide support within the agriculture sector to accelerate implementation of the PIF, including through the Grow Africa platform, with the overall goal of facilitating increases in private investment and scaling innovation.”¹⁰ This framework will become a major policy agenda commitment to be pursued through the REDFS and it contains a number of specific policy objectives and indicators. Specific policy objectives of the *New Alliance* include: increasing private sector participation in seed development, multiplication and distribution; increasing the ability of the private sector to access markets by reducing barriers to competitiveness and increasing the transparency of requirements; strengthening land use rights to stimulate agricultural investment; and increasing the availability of credit to the agricultural sector.

The *New Alliance* G8 document goes on to state that coordination and collaboration for implementing the agreement will be led by the chair of the agriculture sector donor working group (REDFS), who “will serve as a lead interlocutor with the host country, private sector, and other stakeholders on behalf of the G8, working through existing in-country consultation groups and structures without setting up parallel or duplicative structures.” The document goes on to say “the G8 members, the Government of Ethiopia, and the private sector intend to review their performance under this document through an annual review process to be conducted within the existing broader CAADP-donor Joint Sector Review of the PIF implementation.”

The specific policies and directions called for in the *New Alliance* document will serve as a major REDFS policy initiative over the coming years, and particularly for discussions and cooperation between USAID and the GoE. A major emphasis of this agenda is increased private sector participation and investment.¹¹

¹⁰ G8 Cooperation Framework to Support the New Alliance in Food Security and Nutrition in Ethiopia May 2012.

¹¹ While the G8 Cooperation Framework is expected to be a major initiative under REDFS, the Ethiopian Government has not yet formally agreed to put this into practice and the G8 agenda is not yet a formal part of the RED&FS SWG agenda.

ii. The Policy Role of the Ethiopian Agricultural Transformation Agency

The ATA was established in December 2010 “as a catalyst for positive, transformational, and sustainable change. The primary aim of the Agency is to promote agricultural sector transformation by supporting existing structures of government, private sector and other non-governmental partners to address systemic bottlenecks in delivering on a priority national agenda for achieving growth and food security.”¹² The ATA emerged from an assessment conducted by the Gates Foundation, which initially focused on how to increase the effectiveness of the MoA’s extension program, but concluded that increasing Ethiopia’s agricultural productivity would benefit from a dynamic, well-resourced and politically influential institution; one that can focus on specific program constraints and have the technical and political ability to expediently implement solutions to identified bottlenecks.

The ATA is designed to directly support the MoA and has about 110 staff. Although it is a government institution it is not subject to the same employee salary limitations as is the MoA. Many of its initial employees have been hired from the Ethiopia diaspora. After 15 years, the ATA is supposed to be phased out and its personnel and functions are to be integrated into the MoA. The ATA is governed by a Council, which is chaired by the Prime Minister and Co-Chaired by the Minister of Agriculture.

The ATA has a potentially unique role to play in regard to development of food security policy. Its opportunities and advantages include:

- The ATA’s mandate includes conducting analytic studies and identifying performance and implementation bottlenecks. In some cases agricultural productivity bottlenecks will require policy interventions. For example, it recently developed a strategy on the development and distribution of improved seed varieties. This study recommended the development of a reformed National Seed Policy. This policy reform idea was first studied by the ATA together with Dutch consultants; then approved by the ATA Council; then forwarded to the Minister of Agriculture for approval (through the REDFS); and is expected to be approved by the Prime Minister.
- The ATA participates on the REDFS ExCom. Because the ATA has considerable research expertise and funds at its disposal it has the ability to undertake analytic studies on policy-related issues that arise during REDFS meetings (or on policy issues that emerge from its own strategic analysis of the food security sector). The ATA is not currently seen as the REDFS’ policy research arm, but it has the capability (and funds) to support specific REDFS’ policy research needs should it be asked to do so (although this function also rests within the mandate of the MoA’s Program and Policy Directorate).
- The ATA has an advantage in quickly getting new policies approved as its Council is chaired by the Prime Minister and co-chaired by the Minister of Agriculture. It also participates on the REDFS ExCom.
- The ATA is well-funded and has been able to hire highly-qualified technical staff without being subject to regular government civil service pay restrictions. The organization’s largest funder is the Gates Foundation; currently, about 10% of the ATA’s budget is provided by the GoE.

¹² Ethiopia ATA website.

iii. Policy Analysis and Advocacy by Donors and Donor Projects

In addition to the Ethiopian ministries' promotion of policy reform, including the work of the ATA, there are also examples of policy recommendations emerging through the work of donor projects and then being elevated to the REDFS by the donors who participated on the ExCom. For example:

- The USAID/Ethiopia Capacity to Improve Agriculture and Food Security Project (CIAFS), which focuses on structural analysis, assessments of the enabling environment, and market research, uses its research as a platform for convening Public-Private Dialogues. These forums bring together government and private sector officials to discuss the policy reform implications of its research, which has been conducted on topics that include pre-professional agriculture education, agriculture biotechnology, and climate change. When these forums result in specific proposed policy reforms they can be further pursued through the REDFS by donors and or government. It is not clear if or how this process will be continued following the completion of the project.
- Donor-sponsored research. The Dutch Government recently sponsored a consulting firm to look into issues around seed certification. The consultants were then invited by the Dutch Government to participate in a REDFS meeting on the topic. This provides an example how donors can add particular policy-related issues to the REDFS agenda.

The role of the private sector: At the moment the private sector does not play a significant role in the REDFS policy development process. In some cases, the private sector may be consulted on the development of new policies, and private sector views may be channeled to the REDFS through donors, but there is no existing mechanism that regularly supports or includes private sector participation.

A Private Sector Working Group has been established under the REDFS' Agricultural Growth Technical Committee; however, no private sector representative has yet been officially appointed to participate in the group and as it is new it doesn't have much of a history of meeting, or of holding regular meetings. Somewhat recently, an initiative called the Livestock Value Chain and Private Public Dialogue (LVC & PPD) was begun. This initiative is a joint project between the Ethiopian government and FAO and its main aim is to promote private sector engagement in the food security sector. As previously mentioned, the USAID CIAFS Project is supporting public-private research-based dialogue to improve food security policy, but it does not have any direct involvement or input into the REDFS process. The recommendations generated by the CIAFS Project, however, can be taken up with the REDFS by USAID. The United Nation's Food and Agriculture Organization has also recently held a meeting to discuss how to increase the arrangement with the private sector and suggestions from the meeting will be provided to the REDFS.

There are currently a number of initiatives underway to begin to increase private sector engagement with the PIF process. Although a well-articulated process has not yet been developed, the issue is receiving attention, and is likely to get a further boost from the recent G8 New Alliance agreement, which calls for increased private sector involvement in a number of areas relevant to the PIF. There is also collaboration between REDFS and the DAG's Private Sector Development and Trade Working Group.

V. INVOLVEMENT OF NON-STATE ACTORS

The increased direct participation of in-country NSAs, including civil society organizations, NGOs, and private sector representatives in the development and implementation of agriculture and rural development investment programs is an expected outcome of CAADP. One of the CAADP Program's

core principles is that of increased and inclusive broad participation in program design and implementation.

In Ethiopia there has been relatively little NSA involvement in CAADP implementation, although several broad NSA consultation events were held as part of the PIF design process. The Ethiopia CAADP Compact was signed by two NSA-type representative organizations: 1) the Ethiopian Horticulture Producer and Exporters Association, which signed on behalf of the private sector and is a non-profit, non-government association, and; 2) the Ethiopian Association of Agricultural Professionals, whose membership includes professionals from the private and public sectors.

The PIF Secretariat is responsible for hosting a semi-annual NSA *Broad Platform* meeting, which to-date has been held once (March 2012). The half-day meeting included a mix of 23 NSA attendees from Ethiopian and international NGOs. The meeting principally involved the Steering Committee sharing PIF implementation information.

The main reason for their limited NSA/NGO participation in PIF discussions and implementation to date, as per MoA officials, has been that there are too many NGOs to invite them all to attend and thus the sector needs to select a single representative. The REDFS has invited the NSA/NGO sector to nominate one representative to join the REDFS ExCom; however, the sector first needs to find a way to nominate an individual who will be acceptable as a representative to all NGOs in Ethiopia and it is not clear as to how, when or if this will happen.

VI. SUCCESS: WHAT WORKS WELL/ACTIONS FOR OTHER PROGRAMS TO CONSIDER

The Ethiopian CAADP Program has only been under implementation for just over one year. Nevertheless, the program is well organized, well-managed and offers a number of lessons that are worthwhile for other countries to consider. The main PIF management and coordination processes include a well-developed investment framework, a strong coordination committee, a full-time Secretariat to support operations, and a set of well-developed management tools and procedures.

The Ethiopia CAADP process had several advantages that have enabled it to get off to a quick start. These advantages included the existence of a strong and functioning DAG food security sector working group, which was in existence prior to the initiation of CAADP; strong and consistent high-level political support for CAADP within Ethiopia, including from the Prime Minister and the Minister of Agriculture; consistent high-level follow-up and monitoring of the PIF development process; and a strong commitment to adherence to the Paris Declaration Principles on Aid Effectiveness, which has led to strong government-donor coordination in pursuit of harmonization and alignment. Subsequent to the PIF's design, the implementation process has benefitted greatly from the rapid development and institutionalization of structures and procedures to support of PIF implementation.

The points below highlight some of the program's successes and the factors behind the success.

There is a high level of political and financial commitment.

- There has been consistent high-level political support in Ethiopia for the CAADP process, including for the program's initiation, design and implementation. CAADP support in Ethiopia begins with the Prime Minister and includes all of the MoA's most senior decision-makers. Ethiopia has made CAADP a national priority and this has been a significant contributing factor to the program's rapid and impressive implementation progress.

- The GoE provides a majority of the financing required to implement the PIF (reportedly somewhere between 60-70% of the total \$15.5 billion estimated cost). This sends a clear signal as to the government's seriousness and its commitment to the plan, and has allowed implementation to be quickly initiated. Financing gaps can and are being pursued through discussions with donors.

There is a single, well-developed, clear and detailed national food security plan.

- The development and use of a single high-level food security sector plan is a highly efficient mechanism for planning and coordination. Critical to the plan's success is that it contains very clear and detailed objectives and includes specific targets. The plan serves as a useful guiding document because it is detailed, and because an objective hierarchy of causality has been developed to guide program implementation and identify key agricultural transformation assumptions.
- Ethiopia's single food security plan has become the foundation for all programming and financing discussions related to food security. This has helped elicit high-level involvement from the GoE and donors around achievement of the plan's objectives.

The food security sector plan is managed by a committee that includes all of the sector's most senior government decision-makers and includes participation by all donors. Committee members actively participate in management and coordination meetings; participation is not delegated to lower-level officials and thus the committee does serve as "the" decision-making forum for all high-level food security decision-making.

- The REDFS ExCom provides a high-level decision-making forum to coordinate resource allocation, address technical issues and challenges, and develop technical programs through a sector-wide unified, coordinated and managerially efficient approach. The committee is a platform that is (and must be) used by all donors who provide food security support to Ethiopia and it includes all of Ethiopia's most senior food security decision-makers, including the Minister of Agriculture and all three MoA State Ministers. Participation on the committee is quite strong, as the Ministry is generally represented by one or more State Ministers at committee meetings; the Minister also occasionally attends meetings, but does so infrequently.
- The REDFS is an excellent mechanism to manage the cross-sectoral issues that are inherent to the food security sector. The committee includes the participation of several key ministries, such as Trade and Investment, the Ministry of Water Resources and the Ethiopian Agricultural Transformation Agency and thus is an excellent forum for coordinating inter-ministerial actions, programs and policies.

The PIF plan and its associated management process have advanced efforts to align and harmonize donor and GoE efforts.

- All donor support for food security in Ethiopia must be aligned with the PIF and must be approved by and coordinated through the REDFS. This undoubtedly leads to harmonization of donor and GoE food security programming and creates efficiencies by reducing duplicative and parallel efforts. In the process, host-country systems are used for donor programming and, over time, this will presumably create management efficiency and build capacity.
- The MoA's structure was re-organized to mirror the major program areas of the PIF – Agricultural Growth, Sustainable Land Management, and DRMFS, with each major program overseen by a MoA State Minister. This aligns the PIF's budget and objectives directly with the structure and

management of the MoA. This alignment leads to clarity in program implementation, review and budget allocation.

The establishment of a full-time management secretariat has been critical to enabling the PIF's implementation to be professional, focused and efficient.

- The full-time three-person Secretariat is relatively small and lean, but is able to provide an organizing, managing and coordination function that is critical to the program's success. The responsibilities of the Secretariat are wide-ranging and include committee agenda management; information sharing; decision and meeting documentation; PIF work plan development and monitoring; program monitoring and evaluation; and information sharing and outreach to important constituencies. It is safe to say that without the Secretariat the implementation of the PIF would not be as efficient, organized or effective as is currently the case.

PIF implementation has benefitted from the development and use of common program management structures, tools and processes.

- The management committee has developed a long-term 10-year overview work plan (the Roadmap) and annual work plans. The annual work plans contribute to the achievement of the big-picture milestones contained in the Roadmap. The actions in the annual work plan are specific and progress on their accomplishment is reviewed at each ExCom meeting.
- The ExCom has formed a number of Technical Committees and Working Groups. This enables the ExCom to be an oversight, coordination and decision-making body and provides it a structure (the Technical Committees) for accomplishing detailed planning, implementation and oversight of particular technical programs. Technical programs are carried out chiefly by ministerial directorates. Each Technical Committee is guided by its own annual work plan and together these comprise the overall ExCom annual Action Plan. The ExCom's Action Plan also contains cross-cutting and coordination tasks that rest above the responsibility of any single Technical Committee. Technical Committees may form Working Groups at their discretion to focus on particular technical issues, such as the design and financing of a new program.

The PIF plan and its associated management process embody a commitment to results and evidenced-based management.

- The ExCom recently completed a three-day annual program review retreat. This retreat involved all members of the ExCom and reviewed issues and accomplishments in relation to the achievement of PIF objectives. Particular recommendations that emerged from the review included incorporating climate change concerns as a cross-cutting issue throughout the PIF and its work plan, and the need to prioritize the development of an integrated government-wide M&E system to monitor and report on the achievement of food security objectives. The ExCom plans to hold annual PIF reviews.
- The ExCom has initiated work to develop a sector-side food security monitoring and reporting system. The development of this system, which needed to be preceded by the development of clear objectives and implementation work plans, will help to further institute a culture of evidence-based management.

NSA Participation

- There is currently no direct or significant engagement of the private sector in the management and implementation of the PIF. The Agricultural Productivity TC has created a Private Sector Working Group but it has not been formalized and it is not clear if the Working Group has yet met. This issue

of limited private sector involvement was identified in the annual review as requiring attention over the coming year.

- CSOs/NGOs are not currently meaningfully involved in the program, although an offer has been made to allow them a role on the ExCom if they can organize to identify a single sector representative. The process of organizing CSO/NGO representation would likely benefit from, and be expedited by, facilitated technical assistance support.

In terms of NAIP implementation and the sequencing of implementation tasks, Ethiopia's process provides a useful guide as to how to prioritize CAADP organizing actions.

- PIF implementation in Ethiopia began just over a year ago. The vision of CAADP is wide-ranging and ambitious, and the process of fully realizing CAADP's goals will require a process that will unfold over a period of years. As such, there needs to be a sequencing and prioritization of actions to build a foundation for implementation success. The sequence of actions that Ethiopia has taken may be instructive for others to consider.

This sequence has roughly been as follows, although it is not yet complete:

- Develop a management decision-making structure/committee that involves high-level decision-makers from the Ministry of Agriculture and other select ministries important to food security. Ensure the committee becomes a forum for sector and donor coordination.
- Develop a clear set of implementation priorities. This should involve the development of very specific objectives and a program/results causality model, which will help to identify priority implementation actions and key assumptions. While food security objectives are contained in the NAIPs, at this level objectives may be broad and general, and not specific enough to guide program design and financing. Further refinement and prioritization of objectives (beyond what one might find in some NAIPs) may be required for the purpose of program design, implementation and funding.
- Create sub-committees/task forces/working groups to take on responsibility for the development and coordination of specific programs, and to liaise with program stakeholders (governmental and non-governmental). Consideration should be given to including CSOs and the private sector in these working groups, as appropriate to the topics to be addressed.
- Appoint staff to work full-time on the secretariat/coordination function, and have the head of the secretariat report directly to the head of the executive committee. To avoid overlap with implementation agencies the secretariat should be relatively small and its actions focused on management support and coordination.
- Develop an annual NAIP implementation work plan and include performance milestones/metrics, including metrics for the coordination work of the secretariat. Consideration should also be given to track and report on select Aid Effectiveness Indicators of Progress.
- Hold annual program implementation reviews and include donors and development partners as part of the process.
- Build a capability to monitor and evaluate NAIP implementation.
- Develop outreach mechanisms to ensure the robust participation of non-state actors – possibly considering different roles and means of engagement between the private sector and CSOs, who

may not have the same interests. The development of strategic communication plans could be a useful way to ensure NSA engagement is given adequate attention.

- In coordination with the above, create a knowledge management system to share information, keep partners and stakeholders apprised of development, and to aid in program management and analysis.
- Develop a mechanism for open policy dialogue, analysis and reform; one which is inclusive and evidence-based. More than one mechanism may be appropriate. The MoA itself should have a strong policy analysis and review capability but, in addition, it may be useful to support and encourage other institutional mechanisms for the development, reform and analysis of policies and to create a space for these institutions to engage with the overall CAADP management structure.

The above points are a few suggestions for how countries can prioritize activity and work plans to develop effective CAADP programs. Over time, development partners and countries themselves can also develop management tools and training to complement the above processes in furtherance of the achievement of CAADP's overall goals.