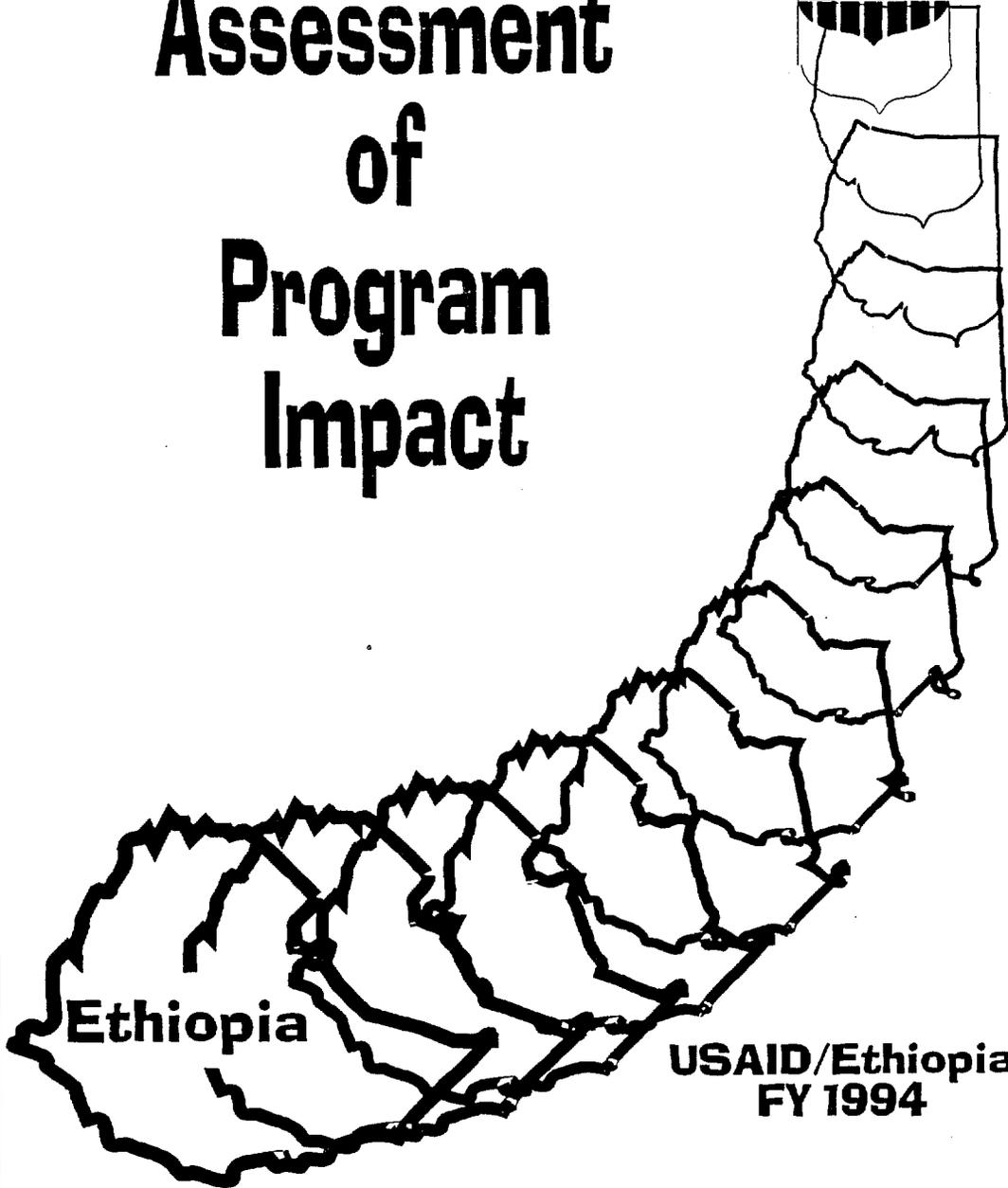


Assessment of Program Impact

USAID



Ethiopia

USAID/Ethiopia
FY 1994

"We have learned from the mistakes we made during the Cold War. We now are concentrating our aid in countries that are implementing sound economic policies, promoting an open and democratic society, and investing their own resources in broad-based development. That is exactly what the Congress wanted to accomplish with the Development Fund for Africa. And that is why this Administration strongly supports the Development Fund for Africa. Under this fund, we have taken a longer-term approach to Africa's development, systematically addressing the root causes -- economic, social, and political -- of underdevelopment.

In those countries stricken with disaster or famine, we are treating emergency relief as more than an end in itself. Rather, we are structuring it to help nations make the difficult transition from crisis to the path of sustainable development.

President Clinton's Initiative for the Greater Horn of Africa is designed to apply the lessons we learned in the Sahel and Southern Africa to a troubled region that now consumes nearly half of all African relief. By emphasizing regional cooperation and planning, by helping nations acquire the ability to respond to food crises early on, we can prevent droughts from becoming famines. This Initiative, we believe, will save lives and resources. The partnerships it builds will enable the donor community to save billions of dollars in relief assistance over the next fifteen years and focus resources instead on recovery efforts and long-term development.

To prevent more failed nations, the United States must strengthen our efforts to prevent crisis and to encourage others to do so as well. While we only provide five percent of the development assistance that Africa receives, we provide 30 percent of the relief assistance directed at the continent's emergencies. It is a lot less expensive to lead the way on prevention than it is to pay the costs of failure.

I am able to make the case for assistance to Africa today because USAID has reorganized itself to be an effective instrument of development. Many of our reforms were pioneered by the Development Fund for Africa. The DFA forced us to measure results and now we are going to do this everywhere. Our work in Africa has been an essential part of our identity, and must remain so.

So now we have a fight on our hands. We welcome it. If the revolution has indeed begun, then each of us must do everything we can to ensure that the well-being of our children -- and the children of Africa -- is advanced by the vision today's revolution produces. We cannot be silent. We cannot wring our hands. The case for Africa gives us the opportunity to be the champions of common sense. This is a battle well worth waging. Not for African Americans, not for historical reasons, not even for our humanitarian values, though we must never forget them. This is a battle worth waging for America's national interests and the future of our children. We will wage it. And I am confident that, in the

end, common sense will prevail."

USAID Administrator Bryan Atwood,
Excerpts from Remarks to the Summit on Africa Aid, Washington D.C.
February 2, 1995



USAID/Ethiopia

February 24, 1995

Dear AFR Colleagues:

During my stint in DP, I found that a cover letter was often helpful in providing Washington with useful background to what can often be a rather dense document. It was helpful in drawing attention to the problems of putting together an API; the success, or lack thereof, of having impact on the ground; and a way to include a few comments which are probably best left out of a formal document.

Why do we start out with an inspirational quote....except for the fact that we probably all need inspiration in these tumultuous times. In the middle of the struggle that went on in Washington earlier this year over the future of USAID, we received a copy of the February 2nd speech by the Administrator. The section we have quoted, which justifies investments in dealing with problems before they become disasters, provides such an eloquent statement of why we are in Ethiopia and what we are trying to achieve that we could not resist sharing it with those readers who will go on to labor through our matrices.

As you all are aware, the Horn of Africa, and Ethiopia in particular, is at a turning point between a difficult past and what could be a much better future. We can and are making a difference in the struggle to achieve this better future, one which can enormously benefit the people of Ethiopia.

People Level Impact: As we note in the introduction to the API, our development programs are still at a stage where they are having far less direct impact on people than our relief and food programs have. This is partly a reflection of the 3:1 ratio in the amounts of money being spent on each type of program and the longer history of these programs in Ethiopia. Equally important it reflects the fact that institutional changes and build-up, which need to occur before people level impact occurs on a measurable scale, takes time. This is particularly true in the Ethiopian context. A very poor nation to begin with, it was then pulverized and terrorized for a generation to the point that all systems were virtually defunct. The systems have to be put back into place.

We could have gone for more direct benefits, which your and my mother would better understand, but the investments would have been short lived and unsustainable. We want impacts that will not only be for the few who might be immediate recipients, but also will be for the generations which follow. There are few short cuts in assisting these longer term efforts to rebuild or create anew the basic services that Ethiopians should enjoy. This was the sobering conclusion of our strategic analysis and it has been verified by deeper analysis in the design of our education and health portfolios.

We are indirectly seeing some of what we believe are impacts of our design work over the past year with the government, but the changes that are coming may seem like a

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two edged sword for the recipients. Teachers in their local schools may begin to work harder and be better motivated because they will be paid and supervised better, but there will be a trade off as fees for tertiary education get introduced and college graduates are no longer assured of automatic employment in the public sector. In health care there will soon be more service delivery points with basic supplies of drugs in stock and better motivated staff, but local patients may have to bear more of the cost for what is available.

***Uncaptured Impact:** Although we have tried to faithfully integrate our food resources with our dollar resources, both programmatically and in the API, we have not been able to capture the impact of our Title III program. It is built into the future results we expect, but since we were successful in achieving the policy reform we wanted under the FY92-94 program, these objectives do not show up in what is mainly a prospective logframe. So what to do. BHR has asked for information on our Title III program to continue to fight to maintain Title III. I have attached that document to this letter, so that the results are not lost....they are just misplaced.*

***Gender:** We have incorporated gender dis-aggregated data in the indicators of this API where it makes sense. This review has shown that we need to pay more attention to this topic. Of all of our programs the only one which has focused seriously on the status of women is the basic education program, which is attempting to directly improve the access and use by women and girls to schools and teacher training institutes. Our other programs are still focusing on serious problems, but without adequately differentiating how women may be specifically affected or disadvantaged in the process. We have focused attention to this problem through this review, but need to reinforce the addition of data requirements with more serious analysis and action. This is already underway in the democracy and governance area, is being reviewed in PHN and will be a main point of analysis in the design of the upcoming agricultural activities. Similarly we will have to pay attention to quality improvements...this is captured in our basic education program, but we still need to get better indicators to show that the quality of health care is improving, not just that there are more health care providers.*

***Policy Dialogue:** Building on the strong and open dialogue that the USAID Office had for years with the Government of Ethiopia on food assistance, we have quickly moved into active dialogue with the TGE on a range of policy issues embodied in the policy conditionalities of the DCM and Title III programs. During the past several years we have found that we pursue these discussions more rigorously than other donors and, with the establishment of sound technical staff, are better equipped to do so. Our interactions with the TGE have sometimes been spirited, but the TGE appears to value honest, directly stated, constructive engagement on issues critical to Ethiopia's development. We are starting to understand what Partners in Development really means. Partnership comes from a frank exchanges of ideas and a willingness to listen...on both sides. Much of our time over the past two years has gone into these aspects of our transitional program. Regrettably, a substantive dialogue rarely translates into immediate measurable impacts, but it overlays an important base for and enhances prospects of sustainability for our new programs of assistance.*

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Donor Coordination: One set of fora for this dialogue with the TGE has been the various donor groups which have been formed over the past several years. Through the efforts of our technical staff we have assumed a lead role in all of the sectors in which we are involved. Although we did not always seek out this role, it has naturally fallen to us, thanks to the excellent, thoughtful staff we have amassed. We do our homework. We present the facts. We suggest alternatives. We listen and are listened to. We have been able to ensure that regular, structured exchanges on major issues in each sector takes place among concerned donors, and that whenever possible donors communicate clearly and openly with the government on relevant policy and operational issues. There have already been a number of areas where this approach has been able to make a difference and have a positive influence on government decisions.

In conclusion, being on this end gives different lessons than being in Washington. I have tried to share a few of those with you -- the most important one being the role that relationships can play in making things work and in influencing change...this doesn't get captured in the API, but hopefully it will get captured in the future results of our programs.

Sincerely,

Marge Bonner
USAID/Ethiopia

ETHIOPIA'S TITLE III PROGRAM

This paper provides a summary of the Ethiopian Title III program, which has been in place since 1992. The program, which has provided \$95.9 million in agricultural commodities to the Transitional Government of Ethiopia (TGE), was aimed at reducing the government's role and enhancing the private sector's role (including farmers) in the Ethiopian food economy. Over the long term, the program is trying to increase production and to achieve sustainable food security. The Title III program is structured around three major areas of policy reforms: establishing a food safety net, increasing employment, and encouraging private sector trade.

A. *Program Accomplishments to Date*

1. Food Safety Net and Food Security: This component facilitates movement from a system of generalized food subsidies to a program which targets the most vulnerable.

The TGE began implementing a national food safety net program in 1993/94 to assist those groups most vulnerable to the negative effects of Ethiopia's transition from a Marxist society to an open market based economy. Approximately 74% of urban households and 29% of rural households fall below the poverty line (about \$24/month). Of these populations, the study concluded that 31% of urban households and 20% of rural households would need some kind of assistance. In addition, there are specific groups that are temporarily vulnerable due to demobilization of soldiers and retrenchment of public sector employees. To assist these vulnerable groups, the Safety Net Program (SNP) established a rehabilitation fund for displaced persons, returnees and demobilized soldiers; set up revolving loans for retrenched workers; carried out urban public works programs for the urban unemployed; provided farm inputs to the rural poor; and provided direct assistance to orphans, aged and handicapped. During the first year of implementation, the SNP expected to assist some 35,000 persons and 350,000 households.

At USAID urging, an autonomous Emergency Food Security Reserve Administration (EFSRA) was established in late 1992 to manage a buffer stock from which relief agencies can take loans pending delivery of specific donor pledges. This stock played a critical role in averting major famine in Ethiopia last year by allowing NGOs and donors to borrow from the stock against future pledges to begin life-saving food distribution early in the year. Part of FY 94 Title III commodities were used to increase the Reserve, contributing some 28% of the total stock.

2. Employment: Increasing employment and improving productivity is the second objective of the Title III program. This component looked at generating employment, so that people had money to buy food, rather than depending on handouts. In particular, the program supported the immediate increase in productivity and output of people employed in both the publicly owned textile mills, as well as down stream employment in textile marketing, the domestic clothing industry, and the traditional weaving sector.

Cotton mills represent the largest single employer of urban residents. Keeping those mills running, with U.S. provided cotton ensured immediate food security for the urban areas. Title III cotton

enabled the textile mills to significantly increase their capacity by making use of machinery and manpower that otherwise would have been idle. Employees in eight textile mills, which likely would have closed due to lack of cotton, were retained and capacity utilization improved from an average level of 32% in 1991/92 to 60% in 1993/94. Improved supply of intermediary mill products has had a positive employment impact on private traditional hand loom weavers and private and public garment manufacturers, who rely on yarn and fabric output from the textile factories.

To meet the Title III policy conditionality, the TGE restructured nine state corporations into separate, autonomous enterprises that are run on a profit-making basis and with no subsidies from the government. Textile mills are no longer required to sell their products to the government parastatal and can now sell on the open market for the best price available. The TGE has formed the Privatization Agency which has just initiated a massive privatization of government owned retail outlets, hotels and small and medium scale industries.

3. Private Sector Trade: This component focuses on promoting a greater role for the private sector in food and agricultural trade through decreasing the role of government and by eliminating monopolies in the wholesaling of textile and processed food commodities.

As a result of USAID conditionality, the government grain marketing parastatal has been restructured into a profit-making enterprise with much less power to intervene in purchasing and selling grain. By law, it can now handle no more than 10% of the annual amount of grain sold. In 1993/94 it only handled 5% of the amount of wheat it handled in 1988/89. This has opened up the market to private grain traders. The number of wholesale grain traders has increased from 7 during the previous regime, to 70 in 1994. Similar dramatic increases have occurred in the retail market.

The enterprise no longer fixes prices below market price. Farmers and traders are no longer required to obtain government approval of prices for their products. Farmers can now choose what, when, how much and where to sell their produce and can now take advantage of the best prices in the open market. Farmers now receive 77% of the retail grain price due to the liberalization of grain markets.

In addition, the TGE eliminated its monopoly in the wholesaling of processed food commodities. All state owned factories are now allowed to sell their produce freely in the open market. A second parastatal that operated the flour mills, bakeries, pasta factories and other food processing facilities, was abolished. Each firm was then given operational autonomy. The elimination of these monopoly powers in the agricultural and food markets has encouraged greater private sector involvement, resulting in an increased private sector trade volume both in rural and urban areas.

B. Flexibility: The flexibility of the Title III program has allowed the Mission to respond to the ever changing food and humanitarian situation in Ethiopia. In 1992, a good crop year, Title III was used to provide cotton to increase urban employment. In 1994, when crops failed and famine threatened Ethiopians, Title III brought in food for relief, for the Emergency Food Security Reserve and for commercial sales, the proceeds of which were used to transport relief supplies. In essence, it substituted for Title II relief BUT with the added advantage of associated policy change.

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List of Acronyms

AAPO	All Amhara People's Organization
AIDSCAP	AIDS Control and Prevention Project
AISCO	Agriculture Inputs Supply Corporation
APAP	Agricultural Policy Analysis Project
API	Assessment of Program Impact
BESO	Basic Education System Overhaul Program/Project
BOE	Bureau of Education
CPR	Contraceptive Prevalence Rate
CSA	Central Statistical Agency
D/G	Democracy/Governance
DCM	Developing Competitive Markets
DFA	Development Fund for Africa
DHS	Demographic and Health Survey
ECA	Economic Commission for Africa
EGTE	Ethiopian Grain Trading Enterprise
EHRPC	Ethiopian Human Rights
EPRDF	Ethiopian Peoples Revolutionary Democratic Front
ESHE	Essential Services for Health in Ethiopia Program/Project
FAO	Food and Agriculture Organization
FEWS	Famine Early Warning System
FP	Family Planning
FSDS	Food Systems Development Support Program/Project
GDP	Gross Domestic Product
GHAI	Greater Horn of Africa Initiative
HCF	Health Care Financing
IAG	Inter-Africa Group
IGADD	Inter-Governmental Authority for Drought and Disaster
LOP	Life of Project
M&E	Monitoring and Evaluation
MER	Monitoring, Evaluation and Reporting
MOE	Ministry of Education
MOH	Ministry of Health
NDI	National Democratic Institute
NEB	National Election Board
NGO	Non-Governmental Organization
NPA	Non-Project Assistance
OAU	Organization of African Unity
OLF	Oromo Liberation Front
PPHC	Primary and Preventive Health Care
PSI	Population Services International
PVO	Private Voluntary Organization
SEPR	Southern Ethiopian People's Region
SPO	Sub-Program Outcome
SR	Selected Regions - for BESO = Region 1 and SEPR
STAC	Support to AIDS Control Project
TBD	To be Determined
TFR	Total Fertility Rate
TGE	Transitional Government of Ethiopia
TPLF	Tigray Peoples Liberation Front
TTI	Teacher Training Institute

Introduction

This is the first Assessment of Program Impact (API) report prepared on the USAID/Ethiopia assistance program. It reports selectively on what has been accomplished over the initial three years of development assistance in Ethiopia (FY 1992 - FY 1994), and provides a framework for tracking ongoing program impact. USAID/Ethiopia is firmly committed to using this framework as one of our major management tools to ensure that assistance resources are managed well and that results are achieved.

In addition to providing a future oriented framework for measuring results, this report also summarizes what has been achieved over the past three years as a result of the transitional assistance program put in place during the middle of 1992. This assistance largely fits into the current set of strategic objectives even though it was initiated before the framework. Progress reports are presented on support to democracy and governance, HIV/AIDS control and prevention, and progress made towards food security.

In terms of overall impact, certainly at the level of the average Ethiopian farmer, he or she is still most likely to have been affected during the past three years by our continuing massive food assistance through Title II Regular and Emergency programs and Title III. During the moderate food shortfall year of 1994 we brought in enough food through Title II Emergency and the Title III programs to provide minimum rations for a year for over two million people. An additional 13 million person/days of employment were supported under Title II Regular programs. Our non-food development programs are beginning to have significant effects on shaping policies and institutions, but they are not at a stage where their benefits for most Ethiopians can yet be shown. Policy changes, which have opened up the transport sector, have helped make transport costs more competitive, and will ultimately lower costs to consumers. Expanded private sector involvement in all levels of fertilizer marketing will make fertilizer more accessible and available, but not immediately at a lower cost to farmers. The benefits of liberalization in all these areas are offset by the removal or reduction of state subsidies, in many cases leading to initial cost increases for purchasers. Safety nets of various kinds have been established by the TGE with support from USAID (through the Title III program) and other donors to help protect those at the lower end of the economic ladder from some of the effects of these necessary changes.

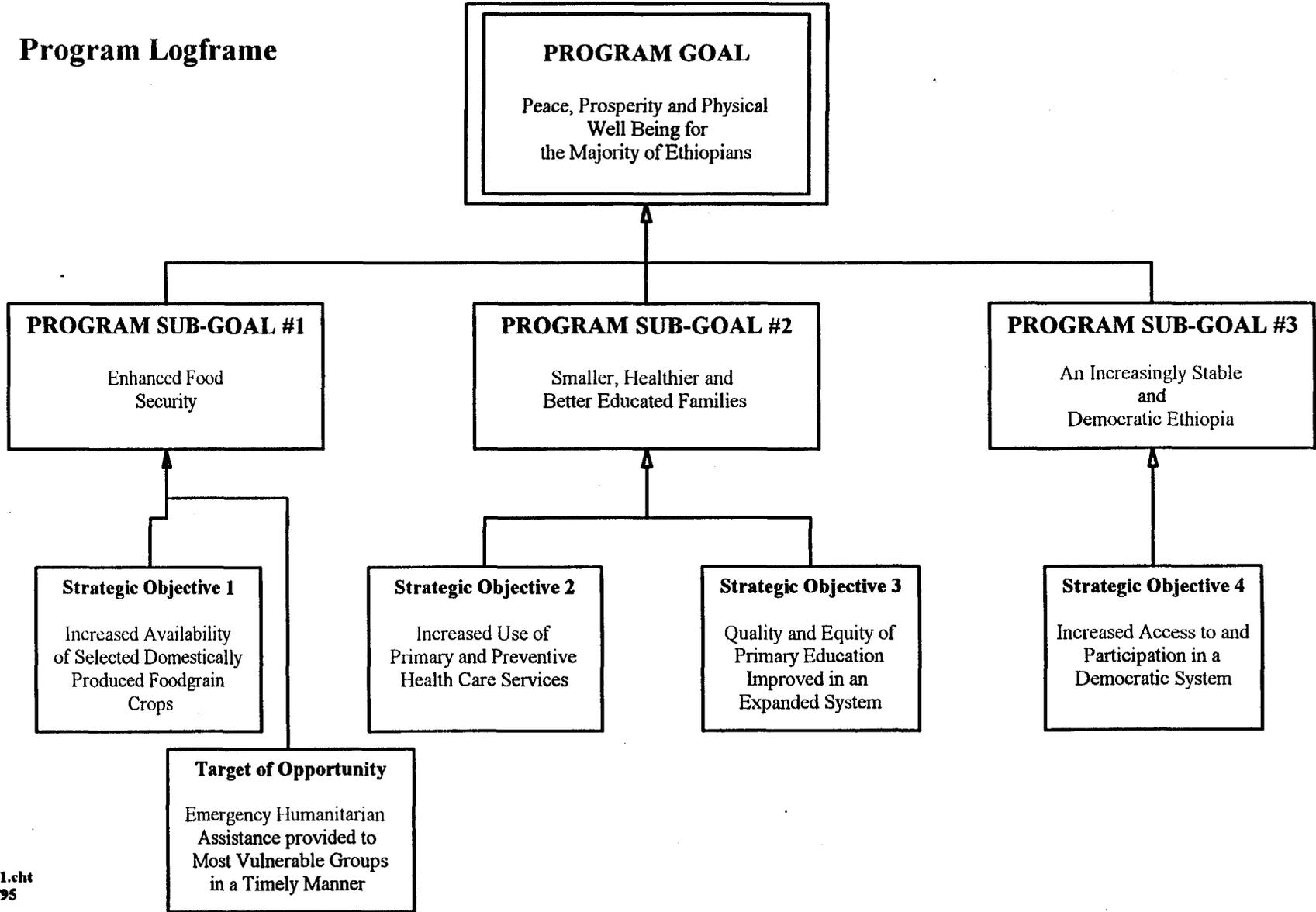
Although this is our first API report, it is based on considerable work over the past two years by mission staff, with outside guidance, to arrive at a workable structure to measure intended program impact. A brief summary of these efforts and the evolution of the framework is presented in Annex A. The review of these past efforts and the current state of our framework indicates that we have made considerable progress in putting this system in

place, but we are still not at a point where it has become an operational, management tool. This will come.

Annex A also presents lessons that USAID/Ethiopia has learned from our experience in trying to put an impact measurement framework in place at the same time that we were developing our strategy and designing assistance programs. Although we were probably in a unique situation -- beginning a program virtually from scratch -- we have attempted to identify these lessons and share them with our colleagues.

USAID/Ethiopia

Program Logframe



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Section 1 - Special Factors Affecting the USAID Program

USAID has provided transitional assistance to Ethiopia under the DFA since May of 1992, responding to the establishment of the Transitional Government in May 1991. All major elements of this assistance will be concluded by the end of the current U.S. fiscal year, and replaced by a development assistance program with a longer perspective. Similarly, the Transitional Government is expected to be formally replaced by an elected government of Ethiopia, operating under a new constitution, following the May 1995 elections.

In a real sense, almost everything that has occurred in Ethiopia during the past three years has been "special". This section is used to summarize the major developments -- positive and negative -- that have shaped the environment in which we worked.

Political Developments: The Transitional Charter agreed upon by the EPRDF and other opposition parties in the Summer of 1991 laid out a fast paced transition from the uncertain peace following the collapse of the Mengistu regime to an elected, multi-party democracy. Given the decades of struggle from which the Transitional Government emerged, and Ethiopia's poorly developed civic culture and lack of democratic history, the timeframe envisaged in 1991, and our own expectations of rapid movement to a multi-party system were unrealistic. This is borne out by comparisons with the recent political history of neighboring countries.

Expectations were high and progress has been slower than anticipated, though not insubstantial. Peace exists in most of the country, and the TGE appears willing to make efforts to encourage the participation of opposition parties in the national and regional elections scheduled for May of this year to formally establish the new Government of Ethiopia. The basic elements of a new government are in place with a functioning, if EPRDF-dominated, legislature; courts that remain poorly staffed and equipped but are beginning to assert a degree of independence; and a new federal constitution arrived at through a largely public process of debate and consultation.

Human Rights: There has been considerable criticism of the TGE's alleged failure to respect all of the human rights embodied in the Transitional Charter, a charter which generally reflects internationally recognized rights. However, today Ethiopians generally enjoy greater security and political and social freedom now than ever before in their history. There are, however, serious allegations that some elements of the ruling EPRDF have harassed the political opposition, made unauthorized arrests and detentions, and caused physical and psychological mistreatment. There are credible reports of extrajudicial executions. The U.S. Government, including USAID, continue to press the government to control abuses and ensure that the executive and judicial systems enforce the generally high standards of individual and group protection afforded in the Charter and the new Constitution.

Economic Developments: The Transitional Government has made exceptionally good progress on the economic front during its almost four years of control. It has enunciated correct principles and directions of economic change, achieved remarkably smooth control of macro-economic and monetary problems and shifted the economy towards free market principles and operations. Despite a series of major adjustments to the value of the Birr, made necessary by the previous regime's policies, the TGE has brought inflation down to a reasonable level by reverting to Ethiopia's traditionally conservative policies regarding the expansion of the money supply. Although the TGE has inherited a significant debt problem, it has been able to reschedule much of its non-military debt through the Paris Club and is negotiating with other major debtors.

The major problem areas in economic management have been a reluctance to create an attractive environment for private sector investment, particularly foreign private investment, and a reluctance thus far to establish a low risk, efficient system of allocating and maintaining rights to land. After a period of months during which mutually agreed upon benchmarks apparently went unmet, the TGE has rapidly "caught up" on a number of reforms and it has made major steps toward privatization and deregulation during the past two months. If agricultural production is reasonable or better this year, economic growth could rebound to the healthy 10 percent growth level of 1993 from the minimal 1.5 percent growth level of 1994.

Food Security: The past three years are normal for the Horn. Two generally good years of rain in 1992 and 1993 supported quite good crops, equal in absolute terms to historic high production levels. 1994 was a poor year for rain, production dropped and the food deficit rose to over a million metric tons -- equivalent to the absolute deficit in 1984. With strengthened early warning systems and an open, more capable relief system on the part of the government and donors, the potential crisis in 1994 was dealt with relatively efficiently. USAID played a major role in providing needed commodities and support for the relief effort, and the jointly agreed upon shift of Title III resources into foodgrains was a major factor in our ability to respond quickly and decisively. There were only a few pockets of famine related deaths, relatively little dislocation of populations, and needed relief supplies reached most areas in time -- utilizing food for work rather than free distribution wherever possible. The relief to development agenda was implemented -- not just talked about.

Assessments early in 1994 indicated that a worse case scenario would have led to import demands that would exceed the capacity of the transport system, with ports, railway capacity and roads all being problems. This regional problem remains unmet, and may be one of the several challenges that the Greater Horn of Africa Initiative (GHAI) can solve. The Government of Ethiopia has yet to produce an aggressive food production strategy, one element of an overall agricultural development strategy. Current USAID efforts to design an assistance program in food security may help fill this serious gap.

Greater Horn of Africa Initiative: The continuing development of the GHAI, inspired by Administrator Atwood's visit to the Horn of Africa in May 1994, may bring a new perspective and dimension of assistance to resolving Ethiopia's food security problems. The growing involvement of the national governments in the region in discussions of the interlinked Initiative themes of food security and conflict resolution may provide a much needed level of regional focus and support to solving the perennial problems of the Horn. USAID/E is pleased to have been able to participate closely with the conception and development of this Initiative, and has been heavily involved in the subsequent national and regional discussions on its development. Our strategic objectives are in concert with the Initiative.

Policy Dialogue & Donor Coordination: Since the re-establishment of an office in Ethiopia in 1984, USAID has been a vocal and active member of the "donor community". The limited staff and mandate until 1991, constrained the effective scope and impact of our presence to humanitarian issues. With the expansion of our mandate, staff and involvement in three major development sectors (agriculture, education and health) in addition to democracy and governance, we have been able to become constructive participants in a number of donor fora. We have benefited in Ethiopia from an unusually effective donor coordination initiated in 1991 by the World Bank to coordinate emergency rehabilitation assistance. The TGE has worked effectively with this coordination structure.

Section II - Progress Towards Overall Program Goal and Sub-goals

The basic statements of our strategic goal and sub-goals have not changed significantly since they were originally formulated in early 1993. Program outcomes (previously targets) and indicators of progress toward them have been refined and hopefully simplified over this period. The Mission has not decided if it will attempt to track all of the goal and sub-goal level indicators at the national level, or whether it is more productive to focus on the geographic areas in which USAID activities are concentrated. This will be decided over the months before the Action Plan for FY 1997 is prepared and will be based on considerations of cost efficiency.

Strategic Objective/Program Outcome	Baseline	Planned --> Actual ¹		Sources/ Comments
		1995	2001	
GOAL -- PEACE, PROSPERITY AND PHYSICAL WELL BEING FOR THE MAJORITY OF ETHIOPIANS				
Estimated real per-capita GDP	<i>US \$ 133 (1990)</i>			World Bank and other estimates
Estimated per-capita caloric intake	<i>1800 kcal (1990)</i>			TGE Sources
Average Life Expectancy	<i>52 yrs (1990)</i>			World Bank, CSA and other estimates

Each of the three indicators identified above is a proxy for various aspects of individual expressions of peace, prosperity and physical well being. USAID/E will be setting up an ongoing data set measuring these and other major indicators of our progress on impact over the next four months, and we expect to be able to include quantitative data on baseline and 1994/5 levels for major indices by the time of our Action Plan (or its equivalent) in June, if data is readily available.

Further discussions will be held on whether there is an acceptable measure for proxy for "peace" or the level of civil conflict which can be reliably used over the coming years to measure incidents of civil unrest, conflict or levels of threat to citizens. Indices proposed thus far for this do not appear to be workable. We would welcome suggestions from USAID/W on this issue.

¹ Planned figures in tables are in normal fonts, actual figures where available, are italicized.

Strategic Objective/ Program Outcome	Baseline	Planned --> Actual		Sources/ Comments
		1995	2001	
PROGRAM SUB-GOAL # 1 -- ENHANCED FOOD SECURITY				
Domestic food production as a % of total food requirements	62 % (1990/91)			Calculated from FAO and TGE data ?? ??
Commercial food imports as a percentage of total food imports	0 ² (1990/91)			
Estimated % of the total population that is food insecure	TBD (1990/91)			

These indicators are fairly straight forward, and once a database is established that can draw upon consistent sources of statistical information and estimates it should be relatively simple to derive real values or consistent estimates for each of these. The first and third indicators require definitional clarification, the first on how "food requirements" is defined, the third on defining food insecurity. For the purposes of this measure, we will use the definitions and data prepared by FEWS.

Strategic Objective/ Program Outcome	Baseline	Planned --> Actual		Sources/ Comments
		1995	2001	
PROGRAM SUB-GOAL # 2 --- SMALLER, HEALTHIER AND BETTER EDUCATED FAMILIES				
Total Fertility Rates	(1990)			CSA, DHS in future
National	6.4			
Urban	3.5			
Rural	6.9			
Adult Literacy Rates	(1990)			World Bank and other sources
Male	34.6%			
Female	19.6%			
Health? (under 5 mortality)?	??			

² This indicator is included with the intent of measuring the interaction of the domestic grain market with the international market. The specific indicator proposed will be reviewed and possibly reformulated to better capture the market characteristics we wish to measure.

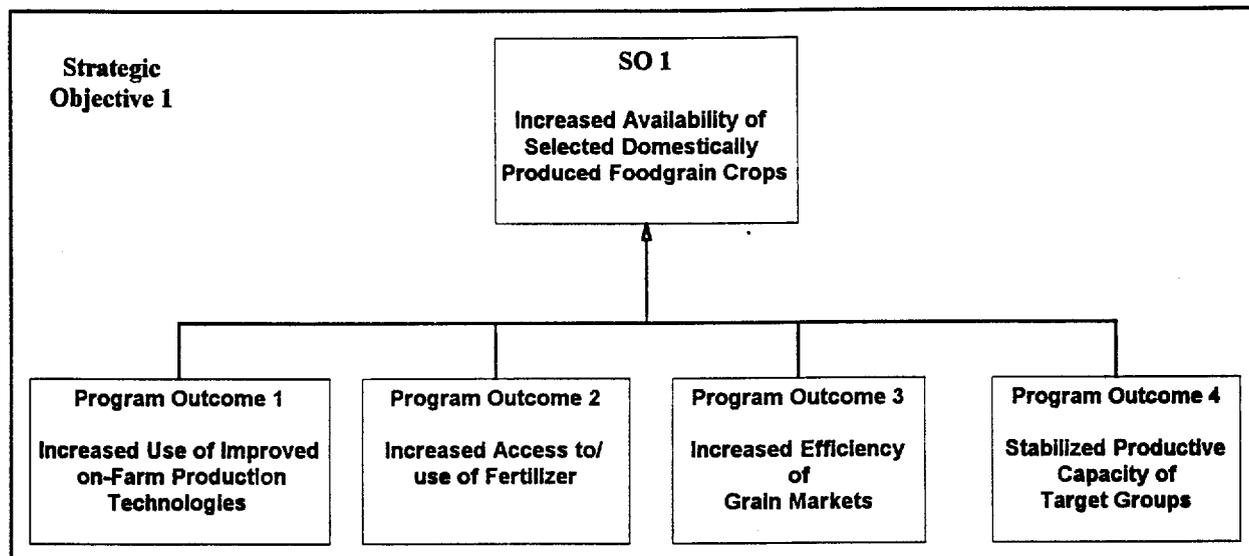
The above indicators may well have to be changed over the next year. Proxies for interim progress on the elements of this sub-goal may be substituted, since it is there will be little movement on these measures during the coming five to seven years. If progress over the five year interval between DHS's is an acceptable interval for measuring fertility behavior, then TFRs may be an appropriate indicator. It is not clear that current literacy estimates are accurate enough to use as a base for measurement.

Strategic Objective/Program Outcome	Baseline	Planned --> Actual		Sources/ Comments
		1995	2001	
PROGRAM SUB-GOAL #3 - AN INCREASINGLY STABLE AND DEMOCRATIC ETHIOPIA				
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The indicators proposed thus far for this sub-goal have, on review, been judged too subjective to provide a useful measure of positive or negative changes. We will be seeking other more viable measures, and would welcome USAID/W suggestions on this issue.

Section III -- Strategic Objective 1

In early 1993, during the formulation of USAID's longer term assistance strategy for Ethiopia, there was considerable debate over the merit of including an objective on food production. It was ultimately decided that even though agriculture and economic growth were not high priorities within USAID at the time, it was critical to improving the lives of millions of Ethiopians. It simply



Strategic Objective/ Program Outcome	Baseline	Planned -> Actual		Sources/ Comments
		1995	2001	
SO 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOODGRAIN CROPS				
1.0.1 Increased per capita production of selected foodgrains nationally	146 kg/yr (1990/91)	--	--	CSA/MOA Statistics FAO and other external assessment
1.0.2 Increased number of private grain wholesalers in target areas	TBD			Baseline and subsequent surveys

did not make sense to ignore the opportunity to invest \$7 - \$10 million dollars a year in U.S. development assistance in helping Ethiopian farmers to grow more and eliminate their country's perennial food shortfall -- shortfalls which had triggered an average of over \$150 Million in U.S. food assistance annually over the period 1984 - 1991.

Three of the original four targets or program outcomes identified in 1993 have been retained in the late 1994 reformulation of this strategic objective. This is discussed in the New Activity Description for the Food Systems Development Support (FSDS) Program to be designed this year. Original and the current program outcomes are compared in Annex A.

USAID/E has not been in a position to systematically monitor progress toward this Strategic Objective over the past two years. By early FY 1996 we will have activities in place to progress toward all of the outcomes identified under the new agriculture program Food Systems Development Support (FSDS). In addition to USAID staffing and program constraints, the major programs for government collection of agricultural statistics have been interrupted for almost three years and resources diverted while the first complete population census in 20 years was completed. With the completion of the processing of the 1994 Census by about October 1995, USAID will again have regular sources of information on many of the indicators proposed here, and under FSDS and other interim activities we will support expanded data collection by the Central Statistical Agency, the University and other central and regional agencies.

The first Program Outcome (PO) identified for this SO is new, and represents a shift from the past two years of non-project assistance (NPA) to a farm level output oriented approach drawing on NPA and project assistance. The priority given to this PO recognizes that it will take more than an attractive policy environment and increased inputs to encourage farmers to grow more. Direct interventions and support at the farm and rural community level will also be needed.

Strategic Objective/ Program Outcome	Baseline	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 1: Increased Use of Improved on-farm Production Technologies				
1.1.1 Percent of farmers in target areas using at least 1 improved technology				
male	TBD			Field Surveys
female	TBD			
Sub-Program Outcome (SPO) 1.1: Improved Access to Financial Resources for Producers				
1.1.1.1 Number/value of loans disbursed to farmers by various credit institutions in target areas				
male	TBD			Commercial Banks, cooperatives, NGO data
female	TBD			
SPO 1.2: Improved Access to Production Technology and Information				
1.1.2.1 Number/percent of farmers reached by extension agents from various extension services in target areas				
male	TBD			MOA data, field surveys
female	TBD			

Accurate data are not currently available for many of the indicators identified above. Data on all will be collected during the design and analysis work to be done over the next six months, as much as possible gender dis-aggregated, and will begin to be regularly available from the sources identified earlier. At the same time a determination will be made on whether these indicators will be tracked only in the geographic areas selected for project implementation. Realistic estimates of what can be achieved in these outcome areas will also be made during the coming months of design work.

Strategic Objective/ Program Outcome	Baseline	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 2: Increased Access to/use of Fertilizer				
1.2.1 Aggregate volume of fertilizer sold through public and private retailers	161,000 MT	230,000 MT		FAO
1.2.2 Percent of farmers using fertilizer in target areas				Field Surveys, private dealer and AISCO data
female	TBD			
male	TBD			
SPO 1.2.1 Increased Private Sector Participation in the Fertilizer Market				
1.2.1.1 Percent of fertilizer imported through the private sector	0 (1991)	25%		Fertilizer Agency, FAO
1.2.1.2 Percent of fertilizer moved through private sector wholesalers	0 (1991)	50%		Fertilizer Agency FAO
1.2.1.3 Percent of fertilizer sold through private sector retailers	0 (1991)	65%		Fertilizer Agency, FAO
SPO 1.2.2 Increased Access to Financial Resources for Producers and Suppliers				
1.2.2.1 Number/value of loans disbursed to farmers by various credit institutions (for fertilizer?)				Commercial Bank, cooperatives, private vendor and NGO data
male farmers	TBD			
female farmers	TBD			

The detailed indicators presented above will be tracked over the life of proposed assistance activities, beginning with baseline data which will be collected for selected areas where interventions will be focused. Current national and regional level data on many of these indicators are not reliable; thus a large portion of the baseline data are not presented. Since much of the data to be collected will be under project design and implementation support, as much as possible will be gender dis-aggregated, as it has been in the initial surveys carried out for program design.

Progress on Fertilizer

The figures shown below indicate that substantial progress has been made in increasing the amounts of fertilizer available in Ethiopia, as well as the role of the private sector in all levels of the market. Together with pressure from other donors, conditionality associated with USAID assistance under the DCM and Title III programs, promoted dismantling parastatal monopolies on the import, distribution and sale of fertilizer, and the legalization of private sector imports, wholesaling and retailing. This has increased competition in bringing fertilizer in, distributing and selling it efficiently. While the process is still underway and the limited private sector players are still without reliable sources of capital, it is expected that private sector dealers will considerably expand the marketing and supply of fertilizer beyond previous public sector programs.

Changes in Fertilizer Availability

Year	1992	1993	1994	1995(est.)
Total Fertilizer Availability	na	175,000 MT	225,000	230,000 *
Total Sales to Smallholders	139,653	105,113	183,370	200,000
Private Sector Imports	0	25,000	30,000	75,000

Another important improvement in policies agreed to by the TGE is to phase out uniform(pan-territorial) pricing of fertilizer by 1998, as part of an overall liberalization of retail, wholesale and import prices. In the new environment created over the past several years, it has been possible this year to have a relatively open dialogue between key donors and the government on how to handle the domestic impact of worldwide fertilizer price increases. The decision reached by the TGE requires a significant increase in government subsidies to lessen the impact of price increases, but subsidies have been kept "on budget", fertilizer sales targets have been adjusted downward realistically, and price increases have been partially passed along to farmers -- keeping the process of opening up the local economy to market forces on line.

* Greater growth is not expected given the dramatic increase in world market prices of fertilizer.

Strategic Objective/Program Outcome	Baseline	Planned -> Actual		Sources/ Comments
		1995	2000	
PO 3: Increased Efficiency of Grain Markets				
1.3.1 Farmgate price as a percent of regional market retail price in target areas	TBD			Market and farm survey data
1.3.2 Regional or seasonal market price differentials for selected foodgrains	TBD			EGTE price and market data
SPO 3.1 Increased Private Sector Participation in Grain Markets				
1.3.1.1 Value/percent of marketed foodgrain handled by private wholesalers (??)	TBD			Project Field Surveys/monitoring
1.3.1.2 Number of registered private sector foodgrain dealers	TBD			Nat'l/Regional licensing data
SPO 3.2 Increased Public Sector Institutional Capacity for Monitoring and Policy Formulation				
1.3.2.1 Number of regions for which farm and market agricultural data are regularly collected	TBD			Program/project monitoring
1.3.2.2 Number of policy studies completed by inter-organization working groups (Indicator to be formulated)				
SPO 3.3 Improved Access to Market Information				
1.3.3.1 Regular publication and broadcasting of price data for Ethiopia's major grain crops	TBD			EGTE/TGE data, project surveys

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Strategic Objective/ Program Outcome	Baseline	Planned -> Actual		Sources/ Comments
		1995	2000	
PO 4: Stabilized Productive Capacity of Target Groups				
1.4.1 Percent of Target Group receiving supplementary income or production assistance or Nutritional status of Target Group population under 5 years	TBD (by NGOs in FY-95)			Will be established by NGOs in the Title II Program Agreements
1.4.2 Percent increase in income for Target Group.				
1.4.3 Percent increase in ag productivity of Target Group				

Program Outcome 4 is an insurance policy to help improve the chances that the food security component of our strategy will succeed nationwide. PO 4 captures the outcome of efforts supported through Title II Regular programs to stabilize the status of economically disadvantaged urban and rural populations, and the impact of the Safety Net program supported partially with Title III resources and encouraged by some of the policies supported under the Title III conditionality.

The intent of the various Title II Regular Programs supported with commodities and cash is to enhance income flows and productive capacity for target groups. This is accomplished through the provision of implements and technical guidance to help families replenish or build a basis for them to become productive and economically self-supporting. Since many of these groups and individuals have become vulnerable due to a process of drought, dislocation and asset stripping, the intent is to begin to reverse the cycle. The food and development assistance provided to these groups should facilitate their economic recovery and ensure their ability to weather short periods of stress caused by future drought or other causes.

The activities which contribute to achieving this PO are implemented by a group of U.S. PVOs and Ethiopian NGOs operating with USAID and other donated resources. Measuring the impact of supported activities is dependent on the monitoring and reporting of implementing partners. Until recently these groups have complied with USAID specified reporting requirements focused primarily on input tracking. Over the past year and a half, USAID/E has conducted several programs to work with local NGOs to improve their M&E efforts. The results of this effort are seen in the much more clearly outlined impact indicators set forth in their FY 1995 Operational Plans. However, the process of articulating the intended impacts of the NGO programs is not complete. The Mission believes the three program outcomes given above represent a distillation of the program objectives emerging from the NGOs. While they are subject

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to some modification, we expect NGOs will successfully establish the necessary baseline and monitoring criteria during this fiscal year. Once established, the NGO M&E plans will enable us to regularly aggregate data on these programs according to the indicators established.

Under Title II Regular Programs, supplementary assistance (through the Farm Bill's Section 202e) has been provided to local organizations previously involved solely in relief work to ensure that institutions are strengthened, and their operational capabilities are improved. This has included work over the past year in helping partner organizations to improve their impact monitoring and reporting capabilities. This strengthening will have longer term developmental impacts as these organizations carry out rehabilitation/development activities.

Transport Liberalization -- A Target No Longer

One of the four original targets contributing to this Strategic Objective was the liberalization of transport in Ethiopia. This was pursued under policy discussions with the TGE begun by the multi-donor group which supported the Emergency Recovery and Reconstruction Program (ERRP), and was incorporated into DCM Program conditionality under U.S. assistance. Although this has not been included as a program outcome in the revised statement of this SO, there has been considerable progress made in opening up the transport sector to free and open competition -- hopefully enhancing its efficiency and cost effectiveness.

When the TGE took over in early 1991, almost the entire transport sector was state owned, controlled and managed. The major exception was the considerable NGO trucking fleet that was built up, beginning in 1984, to handle relief shipments and distribution. All other road transport was largely under state corporations, with routing, management and costs all state controlled. A major concern of those involved in planning reconstruction assistance was the limited ability of the transport sector to move vast amounts of critical imports out of the port at Assab.

With urging from the U.S. and other major donors, the TGE has over the past three years dismantled most monopolies and removed constraining regulations on the ground transport sector. The state monopoly on non-relief transport has been lifted, and the private sector is now able to compete for business at market determined rates. This has rationalized prices and increased the capacity of the system. The monolithic Ethiopian Freight Transport Corporation has been split into six smaller parastatals which must compete at market rates without government subsidies (except for their inherited capital stock).

Significant opening up of access to foreign exchange and the dropping of almost all import restrictions has made it possible for the private sector to import trucks, spares and operating material at reasonable costs. This has allowed the private sector to build on the base of the 250 vehicles imported with ERRP assistance, some 65 of these from the U.S. with USAID funding.

The last major constraint on transport is the persisting *de facto* monopoly on freight clearing and forwarding. This has been a continuing struggle since 1992. Successive steps of policy pronouncements, legal steps to enact these pronouncements and licensing have dragged out over a two year period. It now appears that some 26 firms which have received licenses will soon be able to fully compete in this arena.

Target of Opportunity - Emergency Humanitarian Assistance to Most Vulnerable Groups Provided in a Timely Manner

As the effects of food shortages caused by man-made or natural crises begin to spread beyond groups still recovering from previous crises or living in marginal areas, emergency assistance becomes critical to enabling these people to survive shortages without eating or selling off their productive resources, suffering debilitating malnutrition, and ultimately migrating in search of food and work or dying. Emergency assistance is also important in helping perennially vulnerable groups to survive extended periods when normal, frequently marginal, productive activities do not yield enough to live from.

During the preparation and initial reviews of the USAID/Ethiopia strategy in 1993, there was skepticism expressed about the appropriateness of including a Target of Opportunity along with four development Sos. Our experience over the past two years has reinforced our belief that we must retain the ability -- working closely with supporting USAID elements in Washington -- to respond promptly and incrementally to humanitarian requirements in Ethiopia as they evolve. Beyond the direct suffering of the groups directly affected by drought and famine, any significant crisis quite rightly diverts attention of key government leaders, bureaucracies and the public at large from forward looking development efforts to relief and survival. The government's ability to respond promptly and appropriately, with the support and assistance of donors, is critical not only to minimizing the negative impacts on affected populations, but also to the survival and credibility of the government.

The relatively efficient and transparent response of the relief system in 1994 to the food shortages in Ethiopia demonstrated major progress on the part of all concerned in responding to weather caused shortages. Our ability to help the government respond quickly to need and still get on with its overall development agenda is absolutely critical to the integrity and potential success of our overall strategy.

Working through an increasingly well-managed crisis monitoring and response system managed by the TGE, with multi-donor technical and commodity assistance, we were able to respond quickly to rapidly changing food circumstances in Ethiopia in 1994. The U.S. was able to respond quickly and decisively to information that began to emerge in November 1993 on potential food shortages in 1994. **The overall TGE and donor response alleviated most of the serious effects of the food shortage, which on an absolute level equalled the 1984 famine, without any widespread deaths, virtually no relocation to camps or severe de-capitalization of rural producers. The 1 million deaths of 1984 dwarf the highest reports of possibly 5,000 lives lost last year.**

Our ability to respond to crises in Ethiopia has been significantly facilitated by our ability to draw on a range of resource channels, with the Title III program probably being the most flexible. Although Title III is not intended to be an emergency response program, it can with some flexible advance planning be used to augment food commodity stocks in a country, target the recipients of the commodities and be used as an incentive to negotiate needed policy changes from the government.

As previously mentioned, we anticipate considerable support and an additional regional

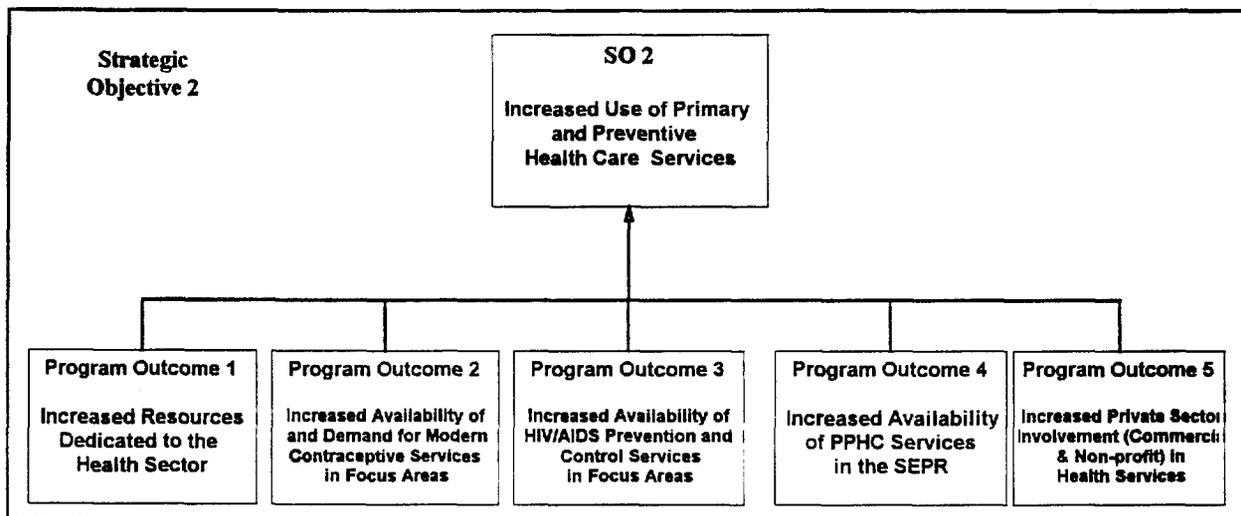
dimension of activity from the Greater Horn Initiative to help Ethiopians to overcome the vicious cycle of destabilizing drought initiated famines.

Strategic Objective 2 - Increased Use of Primary and Preventive Health Care Services

Since this Strategic Objective was established in early 1993 considerable effort has gone into working with the TGE, other donors and other participants in health care provision to define the most effective approach to bringing about fundamental improvements in health care services in Ethiopia. This will result in the Essential Services for Health in Ethiopia (ESHE) Program and Project, expected to be approved in March 1995. A framework for assessing the impact of this effort has evolved as the assistance approach has been developed, with final decisions on areas of program emphasis only recently completed.

The new ESHE program, however, builds on and will continue efforts initiated in 1992 under the USAID STAC I Project in AIDS control. USAID/Washington and limited bilateral funds have also supported start-up and bridging activities in family planning, community health, and other areas of health care since 1992. While these programs started in advance of a fully developed impact assessment framework, many have contributed to progress toward this Strategic Objective.

ESHE combines various levels of interventions to build an effective primary and preventive health care system in Ethiopia, which are reflected in the proposed measures of impact. A



national focus on policy support and facilitation will be initiated under ESHE, and will combine non-project assistance and projectized assistance at the national level. National focus is also on expanding urban/peri-urban³ access to and use of family planning through support of NGO family planning activities, commodity support to the public sector and expansion of a contraceptive social marketing program is also planned. National urban and peri-urban attention to HIV/AIDS prevention and control under STAC will be continued and expanded under ESHE. Improving rural PPHC service delivery is focused on the Southern Ethiopian Peoples Region, an area with an estimated population of 11-13 million. The overall program is based on the hypothesis that greatly expanding a sustainable delivery system of PPHC services will begin to meet the enormous

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Peri-urban is perceived as any town or village along a main road that has an elementary or secondary school and/or has a public or private sector fixed health facility.

basic health needs of Ethiopia, provide a base to meet urgent public health problems such as HIV/AIDS, and will give people access to family planning services which they will want and use. The outcomes and indicators identified below therefore stress measurement of the quantitative aspects of this process which are more easily defined and monitored than the qualitative improvements which will also take place.

All estimates agree that current standards of health and fertility in Ethiopia are among the poorest in Africa, although accurate records and statistics are limited. The first complete census of the country in 20 years was just completed with preliminary results to be available within the next three months. ESHE resources will supplement central USAID funds in supporting the first Demographic and Health Survey (DHS) in Ethiopia in early 1996. A second DHS is to be conducted in 2001. A number of project funded studies and surveys will also be carried out to track regional and national trends on an interim basis.

The two basic indicators identified below have been selected because they are discrete and quantifiable measures of progress toward the overall Strategic Objective. Additional indicators were considered at the SO level, but were rejected because they were too difficult to quantify

Strategic Objective/ Program Outcome	Baseline (1994)	Planned -> Actual		Sources/ Comments
		1995	2001	
SO 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES				
2.0.1: Increased Percent of Population using PPHC Services in Focus Areas	<i>National</i> = 20% - 40%		30%-50%	--National Census, DHS special surveys
2.0.2 : Increased Contraceptive Use in Focus Areas	<i>SEPR</i> = 20%-40%		50% - 60%	--DHS, national MIS, Project MER
	<i>National</i> = 4.8%		10%	--Nat. Family and Fertility Survey 1990
	<i>Rural</i> = < 2% (1990)		7% Rural (SEPR)	--DHS Surveys (1996 & 2001)
	<i>Urban</i> = 14% (1990)		20% Urban (nat.) 25% Urban (SEPR)	Project MER --as above

or they did not reflect an appropriate assessment of impact. We are currently prepared to commit ourselves to measurable increases in these indicators only in the focus areas receiving project assistance. National level figures will be tracked, but it is not clear if the accuracy of national data or the impact of our assistance over the coming years will reflect desired changes.

"Focus areas" under ESHE will include selected Zones of the SEPR and the urban and peri-urban areas receiving project assistance in family planning and HIV/AIDS control. The total population within these focus areas and the baseline levels of the current population using PPHC services will be better understood when project-funded baseline surveys are completed in 1996. Project resources will support periodic data collection efforts following up on the baseline survey, supplemented by more complete and reliable reporting by service units receiving project support.

Estimates of current contraceptive use (total and "modern") nationally and in the ESHE focus areas are based on a survey carried out in 1990. These Contraceptive Prevalence Rates (CPRs) are among the lowest in the world, and it is clear that changes in fertility rates and correspondingly population growth rates, will take years to achieve. Based on the experience of Zimbabwe and Kenya (both well advanced compared to Ethiopia), changes in fertility can take 10-20 years. The ESHE baseline survey(s) will provide a first round of data in late 1995 on contraceptive use and PPHC service delivery, followed by the 1996 DHS results. These will be updated by data obtained from project monitoring systems with national level data available again from the 2001 DHS. Interim surveys on maternal health and KAP studies will be conducted periodically over the LOP and financed under the project. A project-specific data set on health indicators will be available by the mid-term evaluation, scheduled for 1998.

Five program outcomes (POs) have been identified that are considered essential to achieving this Strategic Objective. Only one of these POs is dealt with at the national level, the other four focus on measuring changes in the focus areas throughout the country where project resources will be concentrated.

Strategic Objective/ Program Outcome	Baseline (1994)	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 1: Increased Resources Dedicated to the Health Sector				
2.1.1 Health Allocation in TGE National Budget Increases	5.8%	6.9%	9.0% (2000)	National Budgets, expenditure data and project Analyses
2.1.2 Increased percent of recurrent expenditures used for institutions providing PPHC	36%	36%	50%	"
2.1.3 Increased percent of Total Recurrent costs generated by cost recovery retained within in the Sector	≈ 8%	8%	20%	"

The current abysmal levels of health status and service provision in Ethiopia cannot be changed without more resources going into PPHC services. The indicators identified above have been selected to capture absolute increases in national budget resources devoted to the sector; the proportion of these resources going to Primary and Preventive Health Care (PPHC) services; and the amount of resources generated by fees for PPHC services.

While Indicator 2.1.2 will capture the relative amount of the increased resources going for PPHC services, as distinct from tertiary services and institutional overhead, it is also necessary to measure how much of these overall resources are directed to rural areas. This may require the addition of one more indicator to this set. However, by implication, tracking "institutions providing PPHC" (2.1.2) should provide an index of allocations/expenditures in rural areas.

Strategic Objective/ Program Outcome	Baseline (1994)	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 2: Increased Availability of and Demand for Modern Contraceptive Services in Focus Areas.				
2.2.1 Increase in number of Gov. and NGO Service Delivery Points (SDPs) providing FP Services	<i>TBD</i>			Project Baseline Studies
2.2.2 Increased number of Clients receiving modern FP Services. (to be gender disaggregated)	<i>20-40 % public cov. National CPR < 2% SEPR CPR < 2%</i>		40%-60% National CPR > 7% SEPR CPR > 10%-12%	Project Data Base (including DHS) as above
2.2.3 Increased volume of condoms and oral Contraceptives sold	<i>18 million condoms/Yr</i>	24 million condoms/Yr 300,000 cycles of orals	42 million condoms/Yr 3 million cycles of orals	PSI Reports and project data bases

The three indicators selected to assess this PO all capture intermediate outcomes which are known from experience in numerous other countries to indicate that family planning is moving toward its desired impact of reducing average family size and population growth.

The outcome of reducing population growth is not likely to occur in the five to seven year timeframe of this impact assessment. However, if there are changes in population growth it will be captured by the DHS and will be reported in subsequent APIs.

Strategic Objective/ Program Outcome	Baseline (1994)	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 3: Increased Availability of HIV/AIDS Prevention and Control Services in Focus Areas				
2.3.1 Increased Condoms sold through Social Marketing Program	18 M	24 M	45 M/Yr	PSI Quarterly Reports
2.3.2 Increased number of sites offering integrated HIV/AIDS Prevention and Control Services	0 (1992)	< 20 (1994-5)	40-50	National AIDS Control Program Monthly Reports
2.3.3 Increase in females receiving integrated HIV/AIDS P+C in Focus Areas	< 10 %		> 20 %	AIDSCAP Quarterly Reports
2.3.4 Increases in urban multi-partner sexual contacts (MPSCs) using condoms = safe sex				
total female				
male	< 10 %		> 25%	AIDSCAP Quarterly Reports

Current data do not allow us to measure direct impact on rate of incidence of HIV/AIDS. Data collection in the future may allow for more refined measures to be used, but for the time being the two direct indicators of progress above on this PO have been selected.

Impact of the Mission's STAC project since 1992:

- ▶ Condom promotion and sales through the Social Marketing Program have increased more than four fold since 1992.
- ▶ Focus Site Intervention Teams have been established in the four major regions of the country and serve to coordinate public and private sector interventions into HIV/AIDS prevention and control;
- ▶ The success of the social marketing program has led to the complete endorsement of a contraceptive marketing program by the TGE which will market oral contraceptives throughout the country for the first time.

Strategic Objective/Program Outcome	Baseline (1994)	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 4: Increased Availability of PPHC Services in the SEPR				
2.4.1 Increased number of rural health facilities providing satisfactory level of PPHC services ⁴	20% <i>in SEPR</i>	20% <i>in SEPR</i>	> 50% in SEPR	Project data base, National/Regional Statistics
2.4.2 Increased number of communities receiving appropriate, accessible and sustainable Health Services	< 10% <i>in SEPR</i>	< 10% <i>in SEPR</i>	> 40% in SEPR	Project data base, National/Regional Statistical Data Bank as above
2.4.3 Increased Use of PPHC Services in SEPR	20%	20%	> 40%	

The delivery of an appropriate package of primary and preventive health care (PPHC) services is at the heart of the ESHE Program/Project. In the SEPR, resources will be targeted to expand outreach and promote sustainable use of the PPHC services. Through project resources dedicated to the SEPR, and the implementation of national policy reforms in the Region (notably budget increases, shifts to PPHC and health care financing), the expansion of access to and use of PPHC services can be realized, eventually leading to declining trends in fertility, child mortality and sexually transmitted diseases.

⁴ A satisfactory level of PPHC services is defined as a package of essential services including family planning, appropriate management of the sick child, attention to maternal health, encouragement of breastfeeding and other nutritional guidance, and discouragement of adverse traditional practices.

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Strategic Objective/ Program Outcome	Baseline (1994)	Planned -> Actual		Sources/ Comments
		1995	2001	
PO 5: Increased Private Sector Involvement (Commercial and Nonprofit) in Health Service Delivery in Focus Areas				
2.5.1 Expansion of SDPs provided by NGOs and by Commercial Enterprises in Focus Areas	TBD by Baseline Survey	TBD	20% of total PPHC delivered by NGOs	Government Documents on improved legal climate. Project data base on SEPR

In addition to focusing on the sustainability of public sector health care services through higher budgets, and cost recovery measures, the longer-term sustainability and responsiveness of health care will also depend on increasing private sector involvement in the sector. Because of the potential problems and high costs of measuring private sector involvement in the sector nationally, the single indicator above has initially been selected to track for both profit-making and non-profit private sector involvement in services delivery (PPHC in SEPR, plus family planning and HIV/AIDS prevention and control in the focus areas). Although there is no current baseline data on this indicator, it is estimated that probably no more than 15% of services are supported by NGOs and/or the private sector. Better definition of the role of the NGO and for-profit sector will need to be derived and incorporated into the ESHE baseline study and subsequent surveys.

Highlights from Mission PHN activities between 1992 and the end of 1994

Health Care Financing - USAID/E has supported the development of the National Health Care Financing Strategy in collaboration with the MOH, and USAID/Kenya. This resulted in the draft national strategy moving from a focus on fee for service to a broader menu of strategic options which include fee retention policy issues, waiver policy issues, the establishment of a national HCF secretariat, the exploration of private and public insurance schemes and the privatization of tertiary care. Our assistance has been instrumental in shaping the national agenda relative to health care financing.

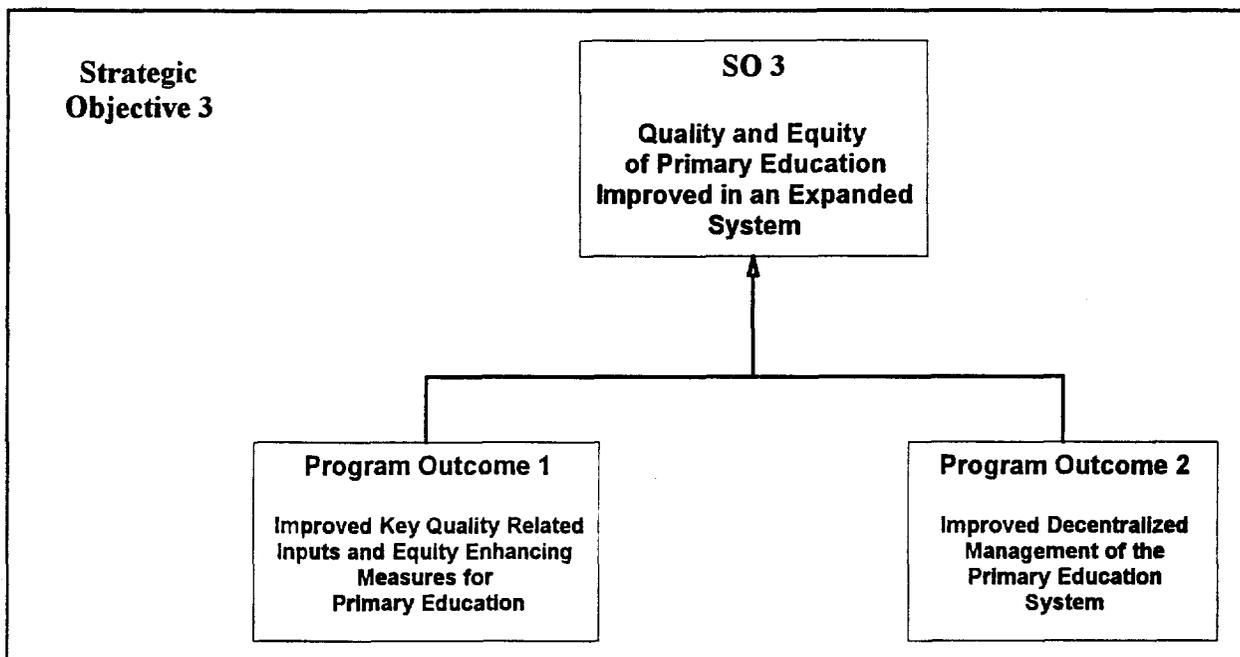
Donor Coordination - USAID/E was instrumental in initiating the PHN Donor Coordination Group in 1993, which meets monthly and includes all donors active in the sector. The Group is a collaborative forum by which technical issues and administrative programming can be addressed.

Advocacy for Family Planning - Support through the RAPID project has resulted in a nationally distributed report that graphically explains population issues and the National Population Policy. This report and accompanying slides and computer graphics package has been used to explain National Population Policy to decision makers at the central and regional levels.

Strategic Objective 3 -- Quality and Equity of Primary Education Improved in an Expanded System

Establishing effective and high quality basic education in Ethiopia is key to economic growth, overall development, and is linked to other critical social improvements. The design of an overall program of assistance in basic education has been completed, a coordinated program and project approved and obligated, and implementation is now just starting. During the process of program development USAID/E has developed a well informed understanding of how the sector works, and a set of valuable studies and analyses on key issues in primary education have been completed. We have also identified a comprehensive set of indicators to measure our overall progress toward our desired objectives. The primary challenge at this stage is to select a manageable set of indicators and establish baseline data upon which to measure our progress.

The process of carrying out and discussing studies on key issues during design with the TGE appears to have already had a positive influence on ongoing policy, strategy and operational decisions. Changes already made in the curriculum and admission policies for women to Teacher



Training Institutes respond to changes recommended in USAID sponsored studies. Similarly, nation-wide improvements in teacher compensation and career opportunities go far in alleviating some key disparities identified in studies on the status and motivation of teachers. Over 70,000 teachers will receive increased salaries and enhanced career opportunities under this new policy.

The framework for performance measurement presented here is tentative, and experience during initial implementation is likely to lead to refinements in the indicators used. Program impact on direct indicators of success will take time, and the most accurate intermediate indicators will be sought. Assistance to basic education is being provided at different levels of the decentralized system in Ethiopia, and structure and scope of impact measures reflect this.

- ▶ Non-project assistance and technical support will be provided at the national level,
- ▶ Project assistance will be provided in two regions (Tigray and the Southern Ethiopian Peoples regions), directed at Teacher Training Institutes, local education administrative units and primary schools,

Strategic Objective/ Program Outcome	Baseline	Planned - > Actual		Sources/ Comments
		1995	2001	
SO 3: QUALITY AND EQUITY OF PRIMARY EDUCATION IMPROVED IN AN EXPANDED SYSTEM				
3.0.1 Improvement in primary examination results in selected regions (SRs)	TBD			Min of Education, Reg Educ Bureaus, School studies
3.0.2 Improvements in school quality and equity profiles in SRs	TBD			Composite Index to be defined.
3.0.3 Increase in percent female and rural enrollment, persistence and completion in SRs ⁶				
females - %	Reg1 = 33 %			MOE Statistics Reg. Educ Bureaus
P	SEPR = 13 %			MOE Statistics Reg. Educ Bureaus
C	TBD			
rural - %	TBD			
P	Reg1 < 39 %			TBD at time of BESO baseline
C	SEPR < 20 %			
3.0.4 Improvements in average primary school cycle costs in SRs	TBD			
	TBD			
	TBD			

⁶ Persistence refers to the average number of years completed by primary students; completion refers to percent of primary students able to continue until graduation (i.e., net of dropouts).

A detailed assistance strategy has been worked out, incorporating carefully selected indicators at all levels. The anticipated flow of management information from the program as it is implemented will allow for shifts or adjustments, as needed, in the indicators selected here for API and Mission management purposes.

The small number of indicators identified for assessing progress on this SO is misleading given their relatively complex nature. The types of changes and improvements to be made in the system, however, require qualitative measures. More details are summarized below, with final definitions of indicators to be worked out following the completion of baseline studies and survey work to construct operational indices to take place in the first phase of project implementation.

The validity of indicator 3.0.1 will be affected by improvements introduced in the examination system used at the primary level. There has already been a policy directive to make such changes, and when implemented will create a comparative data series to track this indicator.

A final definition of the "profile" under 3.0.2 needs to be agreed upon prior to completing the survey work in the selected regions that will establish baseline levels. Proposed factors for inclusion in this school profile include: percent of under-qualified teachers, percent of female students, an index of appropriate instructional materials, student/book ratio, student/teacher ratio, student/classroom ratio.

Both indicators 3.0.3 and 3.0.4 should be straightforward to define, and should be relatively easy to track assuming that school records and reporting allow for accurate calculations of persistence and completion data and enrollment rates (which are based on population data likely to change after the recently completed census). The percentage of girls not attending school in Ethiopia is extremely high, and progress on this indicator will be closely watched. Any problems in determining these statistics should be uncovered during the establishment of baseline levels this year, and adjustments can be made to allow for consistent tracking over the coming years.

Strategic Objective/Program Outcome	Baseline	Planned - > <i>Actual</i>		Sources/ Comments
		1995	2001	
PO 1: Improved key quality related inputs and equity enhancing measures for primary education				
3.1.1 Percent of TTI graduates scoring over X% (TBD) on completion exams in selected regions (SRs)	TBD			TTI records
3.1.2 Percent of female graduates from the TTI in SRs	TBD			TTI records
3.1.3 Improvements in performance measures of school management in SRs	TBD			BESO Information System (IS)
3.1.4 Indices on textbooks, furniture other key inputs being available at schools in a timely manner in SRs	TBD			MOE/BOE information, supp. by BESO IS

The indicators presented here are selected from a considerably larger set of potential indicators, many of which will be tracked by project information systems. This will allow for flexibility as impacts are measured to adjust and shift impact measurements where necessary.

The two indicators on Teacher Training Institute (TTI) graduates will provide a direct measure of the quality and composition of graduates over time. The intended improvement in tested performance of graduates should be reflected incrementally, and will have to be reviewed in terms of possible testing changes and bias. The proportion of female graduates is straightforward, and consideration will be given to a cross-checking measure of performance.

The indicator of management performance of schools will be a composite index reflecting the carrying out of basic and observable functions. This will be constructed prior to the carrying out of project baseline surveys.

Given the current dearth of equipment and materials in most primary schools, it will be important to measure progress not only in the actual increased supply of basic equipment, but in the performance of the relevant institutions within the primary system in ensuring that appropriate supplies are available promptly.

Strategic Objective/ Program Outcome	Baseline	Planned - > <i>Actual</i>		Sources/ Comments
		1995	2001	
PO 2: Improved Decentralized Management of the Primary Education System				
3.2.1 Key program area plans in place and being implemented in a timely fashion in SR	TBD			Regional Educ. Bureau documents, --- -SEPR & Tigray
3.2.2 Selected budget items being expended on schedule (within X% of plan?) in SR	TBD			--Regional Educ. Bureau documents, SEPR & Tigray
3.2.3 Increased level of regional primary education budget/ per student in SR	TBD			--Regional Educ. Bureau documents, SEPR & Tigray
3.2.4 Increased % recurrent budget allocated to non-salaries and wages	TBD			--MOE and Regional Educ. Bureau documents, SEPR & Tigray

The indicators selected for this program outcome area capture a range of factors at the regional and school level which will show whether resource flows are improving, are being allocated appropriately, and are being managed properly. The last three quantitative measures, once defined clearly, should not present problems in measurement or interpretation.

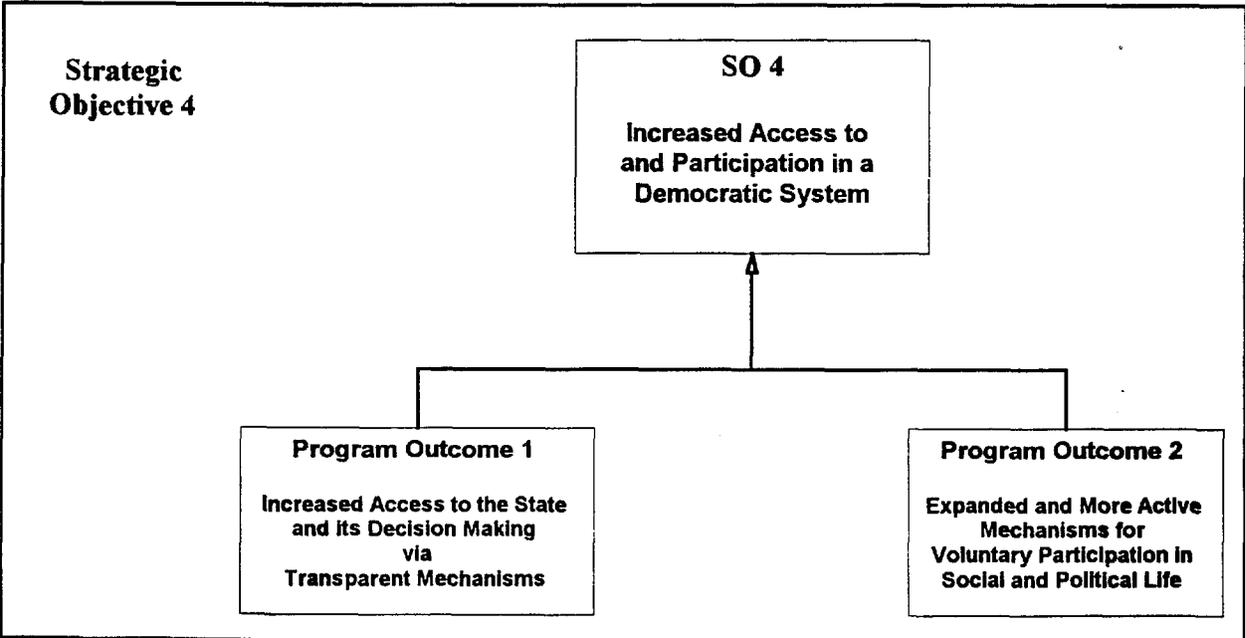
The first indicator on program area plans will require more careful definition prior to baseline and routine monitoring reviews to ensure that a consistent and replicable set of standards is identified.

Strategic Objective 4 - Increased Access to and Participation in a Democratic System

Support to democracy and governance was one of the first areas to receive project support in Ethiopia after the lifting of restrictions in 1992 on providing other than humanitarian assistance. Assistance to support the building, functioning and utilization of democratic institutions and processes responded to the immediate needs of Ethiopia. A good example was support for the election held in June 1992. This assistance also reflected the genuine concern of the United States Government that we would only be able to continue to provide general economic and social assistance in an environment of growing political freedom. As in other countries, the USAID program in democracy and governance is very much a U.S. Mission program, and a committee under the Ambassador provides oversight on this assistance program. The democracy and governance area is also one in which close coordination with, and often leadership in, the donor community has been of high priority.

Similar to the experience of other USAID democracy/governance programs, this has been a difficult program for which to formulate an impact monitoring framework. Our program of assistance is structured to achieve improvements in basic institutions and processes for which measurable, quantifiable indicators are difficult to identify, and people level impacts are difficult to capture. While the fundamental objectives of our assistance have remained relatively consistent, we have quickly learned that we must be flexible in the means that we use and the paths we support to reach objectives. This has led some critics to charge that the program is opportunistic, focusing on the same activities that other observers judge flexible and innovative.

The framework of indicators and program outcomes presented here is our fourth attempt to establish a framework which coherently structures our experience of the past 30 months, and lays down a framework of realistic measures against which we can assess progress over the coming years. Ethiopia in 1995 does not permit us to quantify this framework to the extent we would like, and large scale opinion surveys are not yet practical.



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In contrast with the previous attempts to lay out a large set of targets for assessing progress toward the SO, this structure identifies two major program outcomes toward which the various elements of our overall D/G activities contribute. Major program elements and proposed indicators for each are identified under each program outcome. Since most of these indicators are not quantitative, the normal format used for structuring indicators has been modified to better incorporate narrative content.

Strategic Objective/ Program Outcome	Indicators	Sources/Comments
SO 4 -- INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM		
No overall measures of SO agreed upon yet!		

SPO 4.1.1 Two sets of elections have been held in Ethiopia since the beginning of the Transitional period. Local and regional elections, held in June 1992, were marred by serious administrative defects (ballot distribution, registration problems, etc.), and escalating political/military conflict between EPRDF and OLF. Amid allegations of voter intimidation, the ruling party, the EPRDF, took a very large percentage of the vote nationwide. USAID funded observers contributed to the documentation of this election, and the National Democratic Institute (NDI) prepared a monograph on the conduct of the election with USAID funding.

At the urging of the donor community, the National Election Commission which administered the 1992 elections was dissolved and a new National Election Board was appointed in November 1993. In June 1994, elections were held for delegates to the Constitutional Assembly with the task of amending and ratifying the draft Constitution. Diplomatic observers found the administration of this election to be much improved over the 1992 exercise, although the OLF and other significant opposition parties did not participate. The EPRDF again took the lion's share of seats, but a number of independent candidates gained seats in urban areas. Voter intimidation at the time of the elections was not observed, and efforts were made to provide media access to all candidates. The newly ratified Constitution mandates national and regional elections every five years. The first of these is scheduled for May 7. The issue of serious opposition participation remains open at this time..

SPO 4.1.2 In August 1992, the Constitutional Commission was formed to draft a new Constitution to supersede the Transitional Charter. Composed of individuals appointed from labor and women's groups, several political parties, and the Council of Representatives, it began work in March 1993. The proceedings were open to the public. Over the next 18 months, USAID and other donors brought experts to Ethiopia to speak to the Commission on issues of federalism, women's rights, human rights, and other topics. These lectures were supplemented by a Constitutional Symposium, held in May 1993. In addition, the Commission organized *kebele* level (village or neighborhood groups) -- public discussions of an Issues Paper across the nation to gain an appreciation of public perceptions on selected constitutional issues. In April 1994, the Draft Constitution was discussed and approved in the Council of Representatives. In June,

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delegates to the Constitutional Assembly were elected. The Constituent Assembly convened in Addis Ababa in early November 1994 and ratified an amended draft on December 8.

Strategic Objective/Program PO Outcome	Indicators	Sources/Comments
PO 4.1 -- Increased Access to the State and its Decision Making via Transparent Mechanisms		
4.1.1 Broadly participatory and effectively administered elections held on a regular basis at national and regional levels.	Constitutional provision for regular elections implemented. Quality of election administration improves. % registered parties participating; # registered voters: male female urban rural % registered voters who vote; male female urban rural % vote won by non-incumbent parties or candidates <i># of opposition parties on ballot</i> <i># of opposition party candidates</i>	Embassy, Multi-donor and NEB reports
4.1.2 Constitution containing guarantees of basic rights, democratic processes drafted through participatory and transparent process, ratified, and effectively implemented;	Constitution contains guarantees; open, knowledgeable debate during drafting and ratification process; public opinion sought and taken into account; state actions constitutionally limited;	Embassy, USAID and consultant reports
4.1.3 Judicial structures function autonomously to guarantee impartial administration of justice and protection of constitutional rights	Constitutional provisions guarantee independent judiciary (mixed); alleged human rights violations independently investigated and violators prosecuted; judges develop professional capacity ; decrease in pending cases and backlogs; judges not dismissed outside regular channels; government loses court cases;	Embassy, USAID and NGO reports

Although the debates on the constitution were open to the public and were aired on television and radio daily, critics argue that Assembly members for the most part had no legal background and were not knowledgeable on the issues up for debate. One exception, however, was women's rights where substantial changes were made in the draft to better protect the rights of women. The Constitution contains broad guarantees for human rights and appears to provide a basis for future development in the direction of an increasingly open and democratic government.

SPO 4.1.3 Since 1992, proclamations have established an independent **judicial administration**, central and regional First Instance, High, and Supreme Courts, restructured the Ministry of Justice, and consolidated the Attorney General's Office within the Ministry. The new Constitution mandates a judiciary independent of government interference. Evidence of interference with judicial decisions and of periodic intimidation/arrest of judges exists in some Regions. This has sometimes resulted in the dismissal of the offending authorities. The operational capacity of the judiciary, particularly at the regional level, remains limited. Efforts to recruit and train additional judges and prosecutors are proceeding, including the establishment of a new Civil Service Staff College to carry out legal and economic training of current officials.

Ethiopia is attempting to deal in a transparent manner with the human rights violations committed by the previous regime -- and has begun what may be the biggest "war crimes" trials since Nuremberg. The Office of the Special Prosecutor was formed in 1992 to deal with human rights and war crimes prosecution of officials of the former regime. The first indictments in this process were handed down against 67 individuals formerly in policy-making positions, including former President Mengistu, in November, 1994. The beginning of trials was delayed until March 1995 by the Central High Court to allow defense attorneys to better prepare.

One of the major constraints on setting quantitative measures under this SO is the need to carefully distinguish the qualitative characteristics of the types of behavior being measured. Under the Derg, there was a high level of participation in various types of "democratic" actions, but very little of it was voluntary. There is considerable anecdotal evidence that there may be considerable non-attendance and non-participation in many types of current political activities simply because it is not compulsory nor are strong sanctions levied against individuals who do not participate.

SPO 4.2.1 In contrast with the experience of many countries undergoing democratic transitions, only a limited number of civic **NGOs** have emerged over the past 3 years. Very few of these NGOs have the administrative capacity sufficient to handle the everyday affairs of an organization, and even fewer have the necessary financial backing to begin special projects. Many still have only vague notions of what civic area they wish to focus on, and how specifically they intend to work in that area. One notable NGO has worked very closely with a US NGO on administrative matters, and is now up to the financial and administrative standards required by USAID and other donor organizations. They are thus able to spread their civic education program to other regional centers. Another legal defense group has reached similar administrative and financial standards on its own, and has shown a knowledgeable capacity in their focus area, but still lacks in know-how where their strategies for advocacy are concerned.

Where there was probably only one civic organization with any real administrative or programmatic capacity when the project began, there are presently as many as 4 [IAG, EHRPC, APAP, ABUGIDA]. Several others appear to be emerging. In addition, several nascent networks of civic NGOs have been formed that could further enhance the capacities of civic NGOs. Local service oriented organizations are much more numerous, but many are still in their infancy, needing to develop membership bases, internal organizational structures, accountability and clear objectives. Past limited efforts to strengthen these capabilities through an umbrella organization will be expanded in the future.

SPO 4.2.2 In the June, 1992 elections, literally hundreds of **political parties** were in existence, most with very little following outside their founding members, and with very little to offer as far as an issues-based platform. No official registration was necessary to participate in these elections, so a true number is difficult to come by. Arguably the most important of the opposition parties, the OLF, boycotted the 1992 election, as did a number of smaller, largely Addis-based, parties.

In early 1994, a simple and effectively administered party registration process was put in place by the NEB. At the time of the June 1994 Constituent Assembly elections, roughly 45 parties were registered; by February 1995, the figure stood at 60. Of these, 7 are national and

Strategic Objective/Program Outcome	Indicators	Sources/Comments
PO 4.2 -- Expanded and More Active Mechanisms for Voluntary Participation in Social and Political life		
4.2.1 NGOs are able to be formed, legally registered and function in a wide variety of subject matter areas	# NGOs registered by the TGE; civic service # NGOs with adequate internal administrative procedures (TBD);	Contractor, grantee program evaluations NGO reports
4.2.2 Political parties formed and develop capacity to articulate and promote constituent interests	parties demonstrate increased capacity to articulate and communicate issue-based platforms; parties demonstrate ability to mobilize mass following ruling party allows for open opposition organization and campaigning # sizable non-governmental demonstrations held;	pre-election and election observer reports (DEU) NGO observer reports NEB statistics press reports
4.2.3 Voluntary associations, both political and non-partisan are able to form, meet and carry out their objectives without harassment or co-option by the State	TBD	press reports
4.2.4 Citizens gain increased understanding of rights and obligations, and the ability to articulate needs to influence public policy	TBD	Focus groups (on limited basis)

the rest regional in character. This figure includes a variety of parties strongly opposed to the TGE, including the All Amhara People's Organization and Joint Political Forum. The OLF, along with a few other ethnic-based parties, have not registered. Virtually all of the registered parties, and some not registered, have attended workshops given by the USAID funded National Democratic Institute (NDI) where issues of campaigning, organizing, opposition, etc. were addressed. One-on-one work with party representatives and organizers from other countries has also taken place with various parties here. Some opposition parties have said publicly that they

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would participate in the elections coming in May -- until then, determination of whether and how parties compete, and any improvement over the past, is not possible.

SPOs 4.2.3 and 4.2.4 to be dealt with in future APIs.

Section IV - Progress on USAID Priority Areas

USAID/E's strategy developed by June 1993 includes Strategic Objectives which fall in three of the four priority areas articulated later in 1993 by Administrator Atwood. The fifth priority area of Humanitarian Response has been a major priority in Ethiopia for ten years, and has needed attention in recent years in terms of how to better integrate the various elements of USAID assistance in Ethiopia. Our efforts in environmental protection are focused on careful attention to the environmental impacts of our other programs, and to providing serious attention to the environmental aspects of agricultural programs. Current planning for approaches to increasing domestic grain production will take environmental effects into careful consideration and include farm and higher level environmental mitigation concerns.

Title II programs have supported a range of locally requested natural resource activities for several years, generating a quantitatively impressive list of outputs in terms of tree planting, erosion control, checkdams and similar activities. An evaluation of these activities carried out last year by the Mission questioned the longer term environmental value of much of what was being supported, and these activities are being reviewed to arrive at improved selection criteria.

NGO Support and Promotion: There are a number of areas where PVOs and NGOs have been mentioned in this report, most prominently in connection with the significant -- perhaps indispensable - role they play in Title II programs. The mission is also in the process of awarding a cooperative agreement to provide institutional support and advice to local NGOs which will contribute to the role NGOs play across our portfolio, both as partners, implementors and independent players in civic and service provision arenas. NGO support activities are included in all of our Strategic Objectives, with slightly different approaches, depending on the history of NGOs in each sector and their relative maturity and capacity. We anticipate being able to report on the overall success of these efforts in relation to each SO in the next several years.

Humanitarian Response: The slogan that suggested itself to many in 1991 was that we now had an opportunity to move from relief to development in Ethiopia. We have quickly realized that the realities of food insecurity in Ethiopia do not permit us or the government to leave relief considerations behind. What is required, and has largely taken place, is that the government with the continuing support of donors and NGOs is taking advantage of the peaceful conditions to streamline and increase the efficiency of the warning, distribution and relief targeting systems so that vulnerable groups can be provided for as needed, in their communities before they suffer debilitating starvation and hardship. This is an essential part of creating and maintaining an environment in which "development" efforts can take hold and bring about the longer term changes and improvements.

USAID/E looks forward to continuing to work with the Greater Horn of Africa Initiative in developing a regional dimension to support and reinforce national and local efforts to turn around the long downward trends in this region.

Annex A

Introduction

This annex is normally used for a brief review and explanation of the changes made in the API framework at various levels since previous submissions. Since this is USAID/Ethiopia's first API and covers a multiyear reporting period, this section provides general background on how the mission has developed its M&E system over the past two years. We feel this experience offers important lessons for other USAID units going through the development of new programs and management systems.

USAID assistance to the Transitional Government of Ethiopia was initially guided by an emergency assistance strategy developed by a team from the Africa Bureau in Washington and in-country USAID staff in September/October 1991. This strategy was translated into assistance activities during 1992, all of this before USAID/E developed the longer term strategy on which this API is based. There have been four major stages in the development of impact measurement for the Strategic Framework of the USAID/Ethiopia Assistance Program over the past 18 months.

1. USAID/E Concept Paper, "*Back to The Future*", June 1993
2. Program Performance Monitoring and Evaluation Plan, USAID/Ethiopia, April 1994
3. USAID/Ethiopia -- FY 96 Action Plan, July 1994
4. Consultancy on the Assessment of Program Impact, by Keith Brown, 12/94

Each of these occasions has seen the review and selective refinement of the overall Strategic Framework, with attempts to clarify and improve the measurability of overall and specific program impact. The first and second phases of formulation involved consulting teams from Washington, and considerable involvement of most of the USAID/E professional staff. The process of formulating a completely satisfactory framework is not yet complete. Major assistance programs are now underway in two of the four SOs (3 and 4), an assistance program about to be initiated in one additional SO (2), and a fourth major program in SO 1 is still some 7 - 8 months in the future.

Chart A-1 depicts the changes that have taken place down to the Strategic Objective level over the past two years. This generally supports the conclusion that there have not been major changes at this level since early 1993.

Lessons Learned

As part of the increasing emphasis on managing for results, Washington guidance has stressed the need to identify objectives and impact measurement frameworks as early as possible in their strategy formulation. The potential advantages of the early establishment of impact frameworks, at least down to the indicator level, needs to be weighed against the problems this presents where detailed design has not been completed. USAID/Ethiopia's strategy was basically formulated more than a year before two of the major assistance programs needed to implement it were designed in detail. Efforts to specify indicators and the details of measurement

frameworks prior to the completion of design were difficult, at times contentious, and made little contribution to the subsequent design efforts.

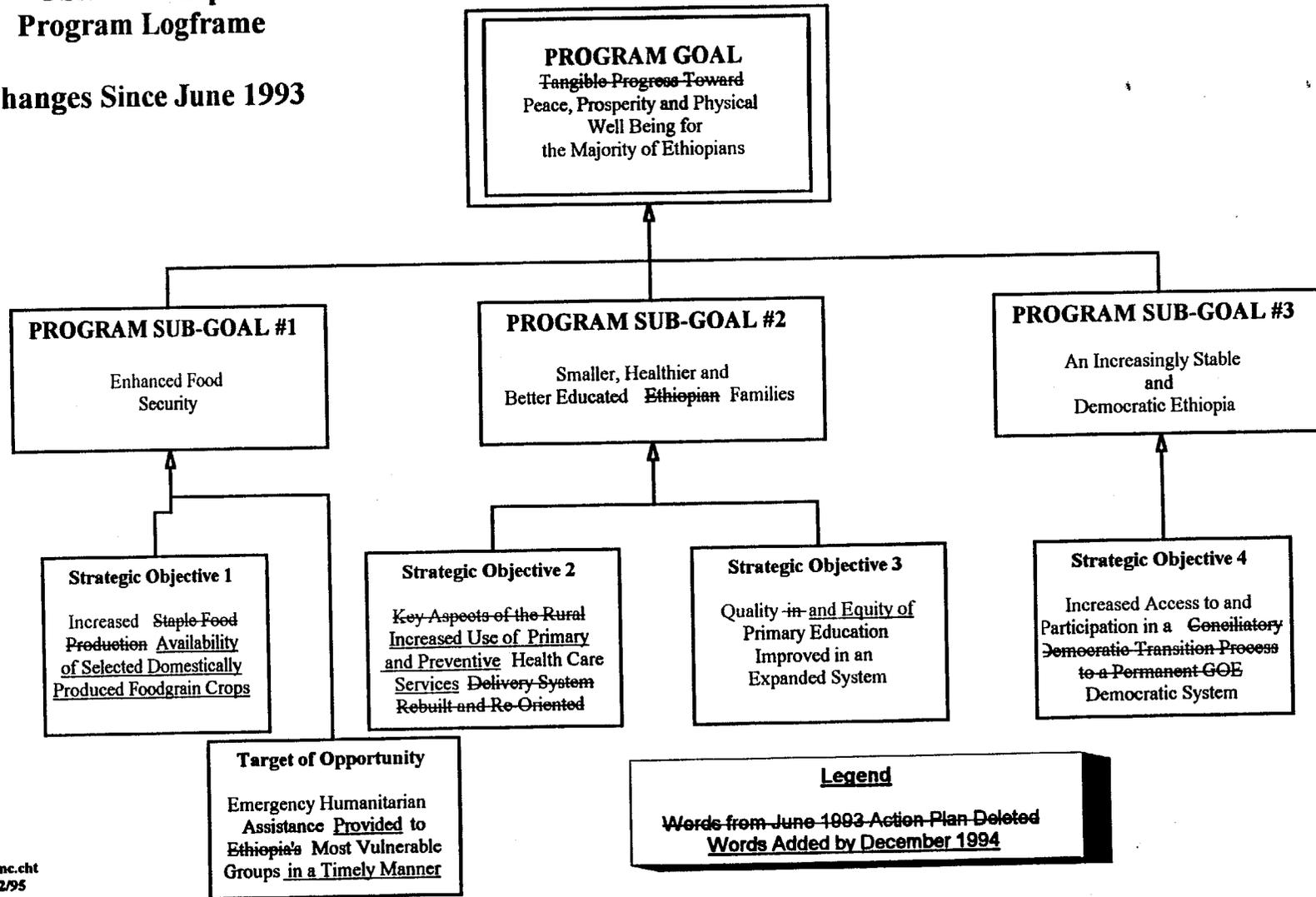
Improvements and streamlining of design processes planned under reengineering may shorten these lag times somewhat, but it is still likely that sectors will be selected by Missions for inclusion in strategies before the details of interventions are known. Until some details and selection of interventions are worked out, it is difficult and of questionable value to try to identify detailed indicators and detailed data collection plans. It is constructive to go through an objective tree exercise prior to having detailed assistance activities designed. The outcomes and time devoted to such an exercise, however, should not get out of balance with the knowledge and information base at the time they are conducted. In our own experience, trying to push technical officers to levels of detail below the target level met considerable resistance, and lessened their enthusiasm for subsequent work on impact measurement. There was strong concern on their part that details once stated could not subsequently be changed. It would be far better to move to the framework at an appropriate design stage, when there is more detail available, and when emphasis can more convincingly be put in terms of how such a system will help structure management and reporting of results.

The Mission's decision last year to not submit an API was wise. As can be seen, this year's submission is just on the border to laying out clear indicators and impact can still be shown only in a few areas.

Chart A-1

**USAID/Ethiopia
Program Logframe**

Changes Since June 1993



logfrmc.cht
2/12/95

The Logframe Evolution:

SO 1: Increased Availability of Selected Domestically Produced Foodgrain Crops

While the general substance of SO 1 was identified at an early point, the details of how it would be achieved have evolved and sharpened over the almost two year period that it has been under discussion. The chart below summarizes the changes that have taken place.

June 1993 Strategy	April 1994 MER Version	December 1994 SO 1
SO = Increased availability of staple foods with emphasis on domestic production	SO = Increased availability of staple foods with emphasis on domestic production.	SO = Increased availability of selected domestically produced foodgrain crops.
	NEW --->	Program Outcome 1.1: Increased use of improved on-farm production technologies.
Target 1: Increased supply and distribution of fertilizer.	----->	Program Outcome 1.2: Increased access to/use of fertilizer
Target 2: Improve policies in agricultural marketing, transport and related areas.	Target 1.2: Liberalized output markets for major cereals.	Program Outcome 1.3: Increased efficiency of grain markets.
Target 3. Enhance analytic capability to support sustainable food production	Target 1.3: Liberalized transport services.	Focus on Transport Dropped.
Target 4. Increase incomes for targeted groups from productive employment.	----->	Program Outcome 1.4: Stabilized productive capacity of target groups

The major change from earlier targets is the introduction of the program outcome dealing with improved on-farm technologies. During the design of the proposed new agriculture program and project it was recognized that the narrow focus on policies and physical inputs as ways to increase food security was unlikely to succeed. The inclusion of technological inputs recognizes the reality that small-scale Ethiopian farmers need new ideas and approaches as well as access to inputs and credit to increase their production. The measurement of the types of technology adoption changes called for here will have to be dealt with during program design, and funds allocated during project implementation to ensure that adequate survey research is conducted to capture changes in these patterns.

The earlier target which cautiously focused on fertilizer supply and distribution has been replaced by more direct measures of access and use. Access begins to go beyond supply and local availability to incorporate having the resources to purchase or borrow fertilizer. The inclusion of use moves further on the charting of preferences to capture whether everything has come together to allow the farmer to actually buy and apply fertilizer. Collecting the data for

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those indicators will not be easy.

The program outcome on increased efficiency of grain markets goes beyond the earlier target of improving policies and liberalizing markets to specify an efficiency measure for the further development of increasingly private sector grain markets. The indicator level of this new outcome also incorporates what was initially Target 3 on enhanced analytic capacity. It also establishes useful criteria for assessing the qualitative aspects of the increasingly private sector grain markets.

While USAID reforms under DCM contributed to liberalization of the transport sector, this target has been dropped from the impact framework. This was based on the Mission's view that much has already been accomplished in liberalization as earlier indicated. Several other donors, such as the European Union and World Bank, will be financing significant investments in this sector.

SO 2: Increased Use of Primary and Preventive Health Care Services (PAAD/PP 2/95)

All but two words in this Strategic Objective have changed since the Concept Paper, with most of this occurring since the MER during the final design stages of the program. The major shift has been the introduction of "use" along with rebuilding the system, and then subsequently the specification of the type of services that would be used -- primary and preventive. This later qualification was not included at all in the original formulation of the SO.

The first program outcome previously identified, dealing with increased resources flowing to the health sector has remained the same. The other three have been significantly modified to focus on three types of basic health care that will be promoted: family planning; primary and preventive care; and HIV/AIDS prevention and control. Previous targets which focused on the availability of commodities and the expansion of private sector health care have been captured at the indicator level within the new program outcomes. This is consistent with the overall shift to the use and delivery of services, rather than focusing on the various elements that add up to effective services.

Concern has been expressed about the lack of qualitative elements in the impact framework for this SO, as compared to other SOs. The thesis of the health program is that the primary problem in health services is the lack of reasonably accessible, useful health care. Quality is recognized as important, but not as urgent as reasonably accessible, properly equipped facilities to provide the types of health services most required.

SO 3: Quality and Equity of Primary Education Improved in an Expanded System (AP 7/94)

This SO has undergone the least modification of the four since its inclusion in the Concept Paper in 1993. The discussion in the MER document almost a year ago accurately identifies the minor changes that had taken place since the Concept Paper. The major change which had been made before the MER was the inclusion of "equity" along with quality as aspects of an expanded school system.

During the subsequent development of the assistance program it was possible to further refine possible indicators of progress on the two major program outcomes associated with this SO. The current API presents a selected subset of these indicators based on this additional

experience. The complexity of several of these indicators may require modification if experience shows that they are difficult to track or that the combination of elements within the indicator does not prove workable.

SO 4: Increased Access to and Participation in a Conciliatory Democratic Process (KB 12/94)

The first attempt to formulate a detailed structure of impact indicators for this Strategic Objective was during the MER exercise carried out in November 1993. Attempts to come to agreement on a framework for capturing this difficult objective continued without complete success through the final drafting of the MER report in April 1994. At that point a framework was developed which used the major components of the Support to Democracy/Governance project as targets and worked out a hierarchy of subtargets with associated indicators to measure progress toward the targets. The April 1994 MER document presents the details of what was worked out then.

There were fundamental problems in the formulation of an impact measurement framework for this SO. The first is the opportunistic nature of the overall D/G support activity. Several monitoring experts have come away from their examinations of the Support to D/G project with the conclusion that it does not clearly identify its objectives, and is in fact a set of activities and resources which appear desirable at a given time. It is now reasonably clear that some of the objectives firmly identified in 1992 were probably not realistic, cannot in fact be achieved either in the time frame planned, and are difficult to attribute to USAID or U.S. Mission actions.

The second continuing problem has been the establishment of objectively measurable or easily quantifiable indicators. There is still little quantified data on many of the aspects of political and social behavior that could be tracked to assess progress. Much of the quantified data that is available is not a reliable without qualifying information. A number of the indicators proposed earlier have been difficult to get agreement on interpretation -- they have been too subject to partisan political factors to be objective.

The wording of the Strategic Objective has been modified to reflect the longer term nature of this objective, which is expected to extend beyond the formal transition period and focus on achieving a qualitatively better political system under the new "permanent" Ethiopian Government.

The reformulation of the SO presented here has attempted to reduce the number of target level factors being tracked, and to group "results" or indicators within the newly identified program outcomes in such a way that they can be more flexibly interpreted. The intent is not to change assessments on the directions of trends toward these program outcomes, but to allow for a judgement across a range of indicators to be taken into account in assessing progress on the outcome.

TO : Emergency Humanitarian Assistance Provided in a Timely Manner to Most Vulnerable Groups (MER 4/94)

Overall quantitative data on the import, distribution and use of humanitarian assistance has improved in recent years from both government and NGO sources. The increasing transparency of operations of the TGE authorities responsible for relief and rehabilitation concerns, combined with the ability of cooperating PVOs and NGOs to better focus on management and reporting during relatively low crisis years has made for better data reported more frequently.

There are still no easy ways to objectively measure the "timeliness" of food aid, other than the obvious negative indices of relocation and deaths. If there are known to be food shortages, and large numbers of people do not die or move to other locations temporarily or permanently, it can be assumed that they received assistance in a relatively timely manner. By these simple standards, USAID and most elements of the overall relief community in Ethiopia performed well last year in the face of serious, potentially dangerous food shortage.

Coverage of the FY 1994 USAID/Ethiopia Assessment of Program Impact Report

Strategic Objectives\Years	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001		
SO 1			Transition Program ----- ▶			Food Security Program ----- ▶								
including TO 1	P.L. 480 Title II (Emergency & Regular) + Title III -----▶ ? ? ? ?													
SO 2			STAC I ----- ▶				----- ▶ ESHE Program ----- ▶							
SO 3					BESO Program -----▶									
SO 4			Support to D/G Project -----▶						FY 95 - NGO Support Project ----->					

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