



UNITED STATES  
DEPARTMENT OF STATE



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## ETHIOPIA

# U.S. FOREIGN ASSISTANCE PERFORMANCE PUBLICATION Fiscal Year 2009

### **FY 2009 FOREIGN ASSISTANCE GOALS**

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United States Government (USG) assistance to Ethiopia both capitalizes on the good work of the Ethiopian Government (GOE) – its poverty alleviation programs and basic services delivery are exemplary in Africa – and fosters the changes necessary to improve the lives and livelihoods of the Ethiopian people. Nevertheless, Ethiopia faces serious challenges. Its population of nearly 80 million people and increased risk of drought puts great pressure on natural resources and agricultural production, thus threatening the country's food security on a yearly basis. Last year's poor rains and predictions for future poor rains further exacerbate these problems. The global economic crisis severely impacted Ethiopia's export markets, which negatively affected all major export commodities, and caused the Central Bank of Ethiopia to direct private commercial banks to restrict loan amounts as one measure to control inflation and currency devaluation. Despite these hindrances, economic growth continued, though at a reduced rate (estimated at 6 percent by the International Monetary Fund, or IMF), and the GOE increased its delivery of basic services and focus on agricultural development.

The Ethiopia portfolio is one of the most complex in Africa, currently programming the Presidential Initiatives for African Growth and Competitiveness, Education, HIV/AIDS, and Malaria, and managing resources from the U.S. Agency for International Development (USAID)'s Office of Foreign Disaster Assistance and Office of Food for Peace, Title II emergency assistance.

### **HIGHLIGHTS BY PROGRAM OBJECTIVE**

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#### **Peace and Security**

Because Ethiopia remains a strong strategic partner in the region and is one of the largest contributors of troops to peacekeeping operations worldwide, U.S. assistance continues to focus on training the Ethiopian military to become a more capable and professional defense force, and giving the Ethiopian police the skills necessary to maintain security. The State Department and USAID focus on conflict prevention and resolution, and early warning and early response. In FY 2009, USG assistance:

- Provided equipment, training, and parts to maintain the Ethiopian Military's C-130 and L-100 aircraft, the core of its tactical airlift program used for peacekeeping deployments, which enabled the military to conduct nearly 30 sorties of peacekeepers totaling over 1,750 personnel, to the United Nations (UN) peacekeeping force in Darfur
- Trained over 1,600 key persons on crisis mitigation and resolution skills, including 185 women, which is significant because women in this culture are not traditionally considered mediators
- Funded conflict management training for students, and established mediation clubs at three universities, which will be expanded to two more universities
- Piloted a program that incorporates conflict management into humanitarian and development assistance, resulting in the first-ever inclusion of conflict analysis in a UN internally displaced persons (IDPs) assessment, the successful return of 20,000 IDPs, and the provision of standardized Do No Harm training for 1,000 GOE and non-governmental organization (NGO) staff
- With the Ministry of Federal Affairs, created a training package for core Ministry staff and regional and zonal officials. The package has modules on conflict analysis, conflict prevention and resolution, conflict early warning and response, developing a culture of peace, and conflict mediation skills.

### **Governing Justly and Democratically**

Despite the restrictions placed on opposition parties, civil society, and the media, as well as grave concerns that the national elections scheduled for May 2010 would not meet international standards, U.S. assistance laid the groundwork to help Ethiopia become a more accountable and better-governed state. In FY 2009, USG assistance:

- Provided the pre-eminent Ethiopian human rights NGO with software and training that enabled the protection of case files, along with additional training to investigate and document human rights abuses.
- Supported a countrywide assessment that identified institutional and geographic “hotspots” of human rights abuse that enabled more focused targeting of training programs for the police and the courts.
- Enabled advocacy efforts that contributed to pardons for 15,600 prisoners who were wrongly accused and languishing in one federal and six regional state prisons.
- Supported a program to increase local government capacity to deliver public services, foster economic growth, and engage citizens in identifying priorities and provision of services; build citizen and government leadership skills through on-the-job training; and build sustainable networks among local government professionals.
- Engaged with other donors to help local NGOs adapt to the GOE's new Charities and Societies Proclamation (CSP), which prohibits these NGOs from engaging in activities that promote democratic and human rights; the rights of children and the disabled; gender, religious, and ethnic equality; and conflict resolution and reconciliation. USAID took the lead on assessing how well local NGOs nationwide understood the provisions of the CSP,

and identified the types of assistance needed to comply with the CSP, completing a full package of materials for extensive training for 64 local NGOs in FY 2010.

### **Investing in People**

Ethiopia faces major health challenges. The fertility rate of 5.4 births per woman is one of the highest in the world; 93 percent of deliveries occur at home, causing 20,000 mothers to die each year. About 450,000 children die annually, mainly from preventable and treatable infectious diseases complicated by malnutrition. Approximately one-third of the population has tuberculosis (TB), and malaria and HIV/AIDS contribute to high mortality and morbidity rates. The underlying causes for these alarming statistics are poor health and human resource management, weak service delivery infrastructure, limited health financing mechanisms, deficient supply chain management and information systems, and overall weak governance structures. In response, the USG's integrated health program focuses on improving maternal and child health, family planning, and reproductive health; increasing prevention and control of infectious diseases (HIV/AIDS, malaria, and TB); and increasing access to clean water and sanitation. In FY 2009 USG assistance:

- For HIV/AIDS, expanded palliative care to reach 444,600 people, supported 554,786 orphans and vulnerable children, and provided antiretroviral therapy to 163,000 people. Under the Prevention of Mother-to-Child Transmission of HIV program, 436,732 pregnant women were tested for HIV, and 8,251 HIV-positive pregnant women received antiretroviral prophylaxis. Over 3.2 million people were tested at 1,006 voluntary testing and counseling centers and through mobile-, workplace-, and home-based testing services.
- Supported 4,317 service delivery points to provide facility-based family planning and reproductive health services, protecting almost 1 million couples from unwanted pregnancy
- Vaccinated nearly 850,000 children under 12 months of age against diphtheria, pertussis, and tetanus, and provided Vitamin A supplements to over 1.1 million children under five
- Procured 820,000 malaria rapid diagnostic tests, 1.6 million doses of artemisinin-based combination treatments, and 559,000 treated bed nets to combat malaria, one of Ethiopia's major causes of morbidity and mortality.
- Trained 3,398 health officers (1,967 of whom will graduate in 2010) and supported new financial systems at 66 government hospitals and 782 health centers, greatly improving the quality of services.

Over the past 13 years, primary education in Ethiopia has experienced unprecedented expansion. As access to education increased, the system became characterized by low quality and high gender and regional disparities. The USG's comprehensive education program addresses the fundamental need to increase the capacity of professionals in the education sector, including their ability to plan and manage, to provide educational leadership, improve equity, and increase quality. In FY 2009, USG assistance:

- Trained more than 8,500 primary school principals, community education and training board (KETB) members, and district education officers in educational planning and management, improving planning and management performance for 74 percent of district education officers, 79 percent of KETBs, and 69 percent of primary school principals.

- Enabled nearly 1.6 million children to enroll in school, more than 70,000 more than the previous year, and many in rural locations where previously no school had existed. The share of girls enrolled now stands at 48 percent, a one percent increase over last year, and now two percent more than the percentage of girls enrolled in non-U.S.-assisted schools.
- Reached more than 32,837 rural farmers and pastoralists, 65 percent of whom were women, with adult functional literacy programs, exceeding last year's adult literacy rate by 22 percent. After introducing new topics into the literacy training on economic activities and savings, female enrollment doubled – out of the 18,210 women attending the adult education program, 9,146 have now enrolled in the literacy program.

During FY 2009, the USG supported social services to some of Ethiopia's most vulnerable populations in urban and semi-urban areas: individuals and families suffering from the physical and psychological effects of HIV/AIDS, orphans and abandoned children, and people with disabilities. Providing for these highly vulnerable populations presents significant challenges since Ethiopia's urban population grows at six percent per year, and, if unchecked, could increase at a significantly greater rate in the coming decades. These urban migrants predominantly live on the streets and face increasing costs of living in town and high unemployment rates without a formal social safety net. In FY 2009, USG assistance:

- Helped more than 34,250 highly vulnerable people suffering from severe poverty, disease, and disabilities in 15 urban and semi-urban centers by providing food, shelter, medical refunds, home-based care, health education, hygiene and sanitation kits for families affected by HIV/AIDS, and educational and psychosocial support for their children.

### **Economic Growth**

State dominance over the economy severely limits access to credit, private land ownership, and agricultural inputs. Combined with restrictive telecommunications and banking policies, this dominance ultimately hampers the export potential needed to grow the economy beyond a subsistence base. Despite these impediments, USAID assisted the private sector and smallholder farmers to contribute to Ethiopia's solid economic growth rate (estimated at 6 percent by IMF and 10 percent by GOE). In FY 2009, USG assistance:

- Increased total agricultural exports by \$235 million, exports to the United States by \$8 million, and domestic smallholder dairy sales by \$2.1 million.
- Provided \$6 million in loan portfolio guarantees to three private commercial banks for them to lend to 40 small and medium enterprises (SMEs), with more than \$31 million loaned to 185 SMEs since 1999.
- Supported a side meeting on Ethiopia that included more than 150 private U.S. investors and Ethiopia's first major delegation of government officials and businesspersons at the Corporate Council on Africa Forum. Organizers and participants said this side meeting was one of the most productive interactions at the Forum, and one major U.S. company is already sending a delegation to Ethiopia to further explore the country's investment potential.
- Contributed to the GOE-multi-donor Productive Safety Net Program via food-for-work activities for poor farmers that resulted in the protection of 43,034 hectares of existing and 1,405 hectares of new area enclosures. These activities were a cost-effective and sustainable

means of rehabilitating large tracts of land and natural habitats; created fodder to maintain livestock even during droughts; and built income opportunities for ox-less farmers who can sell their fodder entitlement or access plough oxen in exchange for their share of fodder to ox owners. As women head 53 percent of these households, their contribution – not to mention the benefit to them – was tremendous.

### **Humanitarian Assistance**

The GOE is committed to monitoring and preparing for disasters in order to protect household livelihoods and assets and lessen the need for emergency food aid over the long term. However, despite improvements in its early-warning systems and response capabilities, the GOE tends to minimize the amount of humanitarian need, and restricts NGOs and UN agencies from conducting nutritional and other assessments that are vital to proper humanitarian response planning. The United States engaged with other donors and with GOE actors at all levels to improve humanitarian access in Somali Region and, while problems remain, made remarkable improvements this year. In FY 2009, USG assistance:

- Integrated livelihood baselines into regional and federal early warning systems.
- Established Ethiopia's first university Master of Science degree in Disaster Risk Science and Sustainable Development.
- Partnered with the U.S. Forest Service to improve the GOE's Early Warning Response Directorate.
- Helped successfully lobby for a World Food Program "hubs-and-spokes" approach to food-aid distribution system in Somali Region so more beneficiaries could access more food in a more timely fashion.