

**RESULTS REVIEW
AND
RESOURCES REQUEST**

**USAID/Ethiopia
FY 2001**

Please Note:

The attached FY 2001 Results Review and Resource Request ("R4") was assembled and analyzed by the country or USAID operating unit identified on this cover page.

The R4 is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

Related document information can be obtained from:

USAID Development Experience Clearinghouse
1611 N. Kent Street, Suite 200
Arlington, VA 22209-2111
Telephone: 703/351-4006 Ext. 106
Fax: 703/351-4039
Email: docorder@dec.cdie.org
Internet: <http://www.dec.org>

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DATE: March 25, 1999

TO: Vivian Lowery Derryck
AFR/AA

FROM: David Eckerson
Acting Mission Director

SUBJECT: USAID/Ethiopia R4 Management Decision Memorandum

Despite the continuing conflict on the northern border of Ethiopia and a drawdown of USDH and contractor personnel, USAID continues to be successful in pursuing our development objectives in Ethiopia. As the attached USAID/Ethiopia 2001 R-4 submission indicates, our development partnership remains strong with the Ethiopian government and NGO partners. We are making a difference in improving the quality of life of millions of Ethiopian citizens.

USAID/Ethiopia requests Africa Bureau guidance on the following three issues that will affect our program performance over the next year.

1. Our ability to build on our successes and to continue to make meaningful progress against our strategic objectives is contingent upon adequate resources being made available to us.

USAID/ETHIOPIA feels strongly that it is imperative, regardless of the border situation, that we remain engaged and are provided resources to support our current programs. With a population of 60 million and still one of the poorest countries in the world, USG interests in Ethiopia are best served by continuing to improve basic education, primary and preventive health care, food security, and to thwart the impact of infectious diseases, particularly HIV/AIDS. We agree (and the GFDRE accepts) that NPA (or any other fungible resources) should not be disbursed until the border conflict has been resolved. However, our FY 1999 project assistance needs to be maintained, or we will destroy a trust that has taken three years to develop with our GFDRE partners, and lose significant return on our investments in health, education, food security, and governance.

2. USAID/ETHIOPIA requests that we take a different approach to our Strategic Plan Development than was agreed to just 5 months ago.

In November 1998, USAID/W approved strategic parameters for a new Country Strategic Plan (CSP) for Ethiopia. Accordingly, the Mission initiated plans to develop and submit a new CSP during the third quarter FY 1999. The Ethio-Eritrean border conflict, which began in May 1998, and escalated in February 1999, and collateral factors forced the Mission to reduce its American direct-hire presence and blocked our ability to obtain strategic planning assistance from outside the country, thereby slowing the Mission's strategic planning process. The lack of staff and the inability to compensate with TDY

support is a situation that we may have to deal with into the summer months, making a CSP submission during FY 1999 unlikely.

This puts us in a bind with regard to the portion of our portfolio dealing with food security, agricultural development, and basic education. We cannot halt negotiations started with the government on food security and agricultural development just when we seem to have reached an agreement on how to proceed. With regard to basic education, we are at a crossroads in that our technical assistance contract begins to phase down in September 1999, and, therefore, we must remain engaged in discussions on how to proceed in the future. In addition, the Mission could be called upon to operationalize the "border development fund" approved by USAID/W as a part of the Mission's strategic parameters sooner rather than later as the border conflict winds down.

Therefore, the Mission proposes developing a new CSP for Ethiopia in stages. We propose to concentrate our limited human resources first on developing strategic objectives, intermediate results, targets and activities in support of the development of national food and agricultural input markets, policy analysis, and the food security program for the Amhara region. We also propose to adjust our basic education program to ensure continued technical support to basic education within Ethiopia. Finally, we expect to operationalize the border development fund (objective, intermediate results, targets and activities). These design efforts will be completed and submitted for Washington approval during FY 1999. Then, during FY 2000, we would complete work on our democracy and governance, private sector enhancement and health and population activities and assemble a complete CSP for Africa Bureau review.

3. If USAID/Ethiopia is to improve building security this year, we will need more resources.

The Nairobi and Dar es Salaam bombings, along with the dramatic increase in the level of terrorist threats in general, has forever changed the way we look at security at all Missions around the world.

Diplomatic Security and AID/SEC have advised the Mission that the USAID compound does not meet the current setback standards for security. As a result, the Mission is actively exploring options to improve our security situation. One possibility is to co-locate our operations on an expanded Embassy compound. There is a 7.5 acre parcel of land immediately adjacent to the Embassy compound which has been offered as a leasehold with a fifty year term for approximately US \$5 million. Building costs for construction of a USAID office/warehouse complex on the site are estimated at approximately an additional US \$5 million. State FBO has refused the Embassy's request, apparently due to lack of funds, to lease this entire parcel. It has agreed to purchase a 100 foot setback along the contiguous wall. If USAID is to co-locate we will need USAID/W to pick up these leasing costs and agree to cover costs of a new building, a total cost of roughly US \$10 million.

We are also exploring less costly, but still effective, means to improve security for the USAID office complex. One option, proposed by the Mission EXO and supported by the AID/SEC officer who visited the Mission recently, is to lease properties adjacent to the main office building and create a 100 foot setback using those properties as a buffer. The useable buildings on the properties could be used for storage purposes. Preliminary estimates of the recurring costs of this option are about US \$50,000 per year. This is a less desirable and less secure option than co-locating on the expanded Embassy compound.

Another, but separate security issue, is the increasing likelihood that this Post will move from 12 hour security guard coverage to 24 hour coverage. This will require the Mission to add approximately 25 FSNPSC positions at an annual cost of between US \$60-70 thousand per year. This is a cost we cannot absorb within our present straight-lined OE budget. We also do not have the required FTE for these positions.

The past year was filled with challenges, some depressing and morale eroding, others exciting and rewarding opportunities. Through it all, Mission staff have shown incredible commitment to our development objectives in Ethiopia. Despite the fact that our USDH staff are split between Ethiopia and USAID/W, we remain virtually connected, working as a team to manage our development activities. Our FSN staff have been remarkable, stepping up to take on more responsibilities, and proving that they really are the most valuable resource in this Agency. We continue to see demonstrable progress from our efforts, and as the following pages will show, USAID commitment to development in Ethiopia can make a difference, if we stay the course.

USAID/Ethiopia FY 2001 R4

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OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

SUMMARY OF PROGRESS IN IMPLEMENTING CURRENTLY APPROVED STRATEGIC PLAN.

USAID/ETHIOPIA's development program showed remarkable resilience in the face of the eruption of a border conflict between Ethiopia and Eritrea in May 1998, and the escalation to war in February 1999 which continues to this day. Despite the GFDRE's preoccupation with the conflict, USAID was able to achieve significant results in education, health, democracy and governance, and the delivery of relief to the most vulnerable. Even in agriculture (SO1), a historically disappointing sector for USAID, there is now hope for a breakthrough for the design of a food security/agricultural program.

Under SO 1, significant results were achieved in developing cooperatives, liberalizing foreign exchange access to ensure private sector availability for fertilizer purchases, and improving the policy environment for micro-finance institutions. Also, the GFDRE made progress in discussions with donors, including USAID, on new food security initiatives. This led to USAID reaching preliminary agreement with the Amhara Region to collaborate on agricultural research, watershed and soil fertility management, cooperative development and credit, and with the federal government to develop a national program on food and agricultural inputs market development. Unfortunately, the SO suffered setbacks in performance due to the time it took to develop the food security program and disagreement on existing activities (i.e. the decision taken by the GFDRE to terminate the Michigan State University grain market research activity).

Non project assistance had a significant impact on policy in the health and education sectors. A Health Care Financing Strategy and a National HIV/AIDS Policy were developed and approved by the GFDRE setting the stage for mobilizing increased resources to the sector and for concerted effort in dealing with the AIDS epidemic in Ethiopia. The composition of the government budget has shifted significantly in favor of primary and preventive health care and basic education. Moreover, increased allocations to non-wage recurrent costs in the health and education sectors of USAID's focus regions can be observed. This should have a direct impact on quality of service delivery. Additionally USAID's basic educational services overhaul program has helped reduce female repetition rates, made school environments conducive to female students, and established closer relationships between participating schools and communities.

Under SO4 (Democracy and Governance), significant progress was made in the area of financial devolution. Good results were achieved in easing registration constraints for civil society organizations, and problems delaying the Mission's judicial training program have been resolved. Indigenous NGO capacity continued to be strengthened and more than 200 NGOs agreed upon a code of conduct that was strongly endorsed by the GFDRE.

In the area of food relief, the capacity of the Disaster Prevention and Preparedness Commission (DPPC) to respond more effectively to the needs of vulnerable areas of the country increased significantly. However, due to difficulties associated with the monetization of Title II commodities, performance of the Mission's special objective (enhanced household food security in target areas) was less than expected.

MOST SIGNIFICANT ACHIEVEMENTS.

As of February, 1998, the government removed the last price controls on fertilizer. As a result, the private sector imported five times more fertilizer in 1997/98 than it did in 1994/95. De-control of prices enabled USAID supported farmer cooperatives in the Oromiya region to purchase competitively from the private sector and save \$390,000 on the purchase of fertilizer in 1998 versus what they paid in FY 1997.

Steady progress in increasing the national contraceptive prevalence rate from 8% in FY 1997 to 10% was achieved in FY 1998. There was a 40% increase in Couple Years Protection generated (350,000 CYP) over last year. Also, over 90% of the targeted population for polio vaccinations was reached (more than 9 million children) in the 1998 National Immunization Days.

The government's financial allocation to education now comprises the largest share of its overall national budget, more than 15% in 1997/98, up from 14% in the previous year. Within the education budget, primary education has also continued to increase its share from 47% in the base year (1994/95) to 54% in 1997/98

In democracy and governance, Mission-supported technical assistance helped eliminate a backlog in finalizing government accounts at the federal level, and reduced the accounting backlog at the regional level from two years to 18 months by the end of FY 1998. A Public Investment Program was initiated at the federal level and preparations are underway for its devolution to the regions.

With Title II regular assistance, farmers in the food insecure regions of Tigray increased their use of fertilizer and improved seeds. DPPC activities, including identifying pilot areas for the development of vulnerability profiles, and identifying and assessing up to 74 specific indications of vulnerability, moved ahead smartly. In FY 1998, the Title II emergency program reached approximately 1.7 million Ethiopians.

COUNTRY FACTORS WHICH INFLUENCED PROGRESS MOST, ACCOUNT FOR POOR PERFORMANCE, OR WHICH WOULD ELIMINATE AN OBJECTIVE.

Drought and massive floods led to crop failure affecting 1.5 million people in 1997/98. The border conflict with Eritrea displaced 275,000 Ethiopians. Both events distracted the government **away** from development to crisis management. Nevertheless, USAID was able to stay the course and not abandon any of its development objectives. In health and education, the government's approval of new, multi-donor-supported sector development programs made it necessary for the Mission to adjust activities and intermediate results under SOs 2 and 3 to better align them with the objectives of the government's programs. The Mission also expects to adjust activities and intermediate results under SO 1 to reflect its new collaboration in food security and agriculture. Finally, the Mission and its cooperating sponsors will have to explore medium and longer term funding options should funding through monetization mechanisms continue to be problematic.

OVERALL PROSPECTS.

No discussion of future prospects can ignore the implications of a long and drawn out border conflict. The conflict has already had an impact on our program commitments and bi-lateral relationships. Approximately, \$15 million in NPA and Title III disbursements are currently on

hold. In addition, we understand that all FY 1999 funds for Ethiopia are being held back until the border situation becomes clearer. As a result, the challenge to the Mission has shifted from development to convincing the GFDRE that we are serious long-term partners. Needless to say, we are in a very difficult position as we negotiate future interventions in health, education and agriculture.

However, if we put aside the negative implications of the border conflict, the Mission remains optimistic about the prospects for achieving results in FY 2001. Continued increases in contraceptive prevalence, couple year protection, and national immunization rates are expected. Moreover, by FY 2001, the government's National HIV/AIDS policy will be in full implementation leading to increased community understanding of and responses to the prevention of HIV/AIDS. With regard to primary education, the government cemented its commitment to human resources development by continuing to increase its budget. In addition, the Mission expects the curriculum development work underway now to begin to pay real dividends through the expanded use of revised textbooks and instructional materials in the classrooms by teachers whose skills were enhanced by Mission-supported teacher training programs.

We are cautiously optimistic about being able to improve performance in the agricultural sector given the government's development of a National Food Security Strategy and ancillary regional Food Security Programs. Also encouraging is the Mission's agreement with the federal government and the Amhara region to work at both these levels. In addition, the government recently passed legislation which further expands opportunities for cooperatives to participate in the emerging market economy and better serve their members. The Mission intends to capitalize on its success in cooperative development activities by expanding to the Amhara, Tigray and Southern regions while also assisting the Amhara region in agricultural research and extension, watershed and soils management, rural financial services and human nutrition activities.

The Mission expects to have finished most of our financial devolution and judicial training by FY 2001. USAID support to strengthen the capacity of NGOs will soon bring many of these organizations to the point at which the Mission will be able to deal with them directly and involve them more in the achievement of the Mission's strategic objectives. In addition, national elections are scheduled for Ethiopia in 2000. These factors will be taken into consideration by the Mission as it designs new democracy and governance activities during FY 2000.

Finally, as part of its new strategy, the Mission is optimistic about further integrating Title II regular activities into its strategic objectives by concentrating these activities on advancing our health, family planning and food security programs. We believe this will be possible as the capacity of the national and regional governments to manage emergencies on their own increases.

STRATEGIC OBJECTIVE 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOODGRAINS

OVERALL PERFORMANCE ASSESSMENT: NOT MEETING EXPECTATIONS

SUMMARY

Performance toward's SO 1, "Increased availability of selected domestically produced foodgrains" was poor in FY 1998 due to the lack of agreement with the Ethiopian government on a major bilateral food security/agricultural program. However, the SO 1 team focused its efforts on working with the government and other donors to finalize Ethiopia's Food Security Program and, in early FY 1999, USAID reached agreement with the Amhara Regional Government on a set of activities within the Region's Food Security Program to be supported by USAID. SO 1 will be modified and presented for Washington approval.

USAID remains strongly committed to supporting a food security and agriculture program in Ethiopia, and SO 1 contributes directly to meeting the Mission Performance Plan goal of achieving sustainable economic growth in Ethiopia. It also contributes to the Agency's priority on promoting broad based economic growth and agricultural development. Food security is the highest priority for the GFDRE, given that Ethiopia is one of the most food insecure countries in the world. SO 1 is fully supportive of and consistent with the Greater Horn of Africa Initiative (GHAI) in its focus on food security, its adherence to the GHAI principles of African ownership and the importance of donor coordination.

As originally designed, SO 1 focused on the production, productivity and marketing of domestically produced foodgrains. These components are critical to achieving food security as they address availability (domestic production) and consumer access through increasing marketing efficiencies. These areas of emphasis are still valid, but USAID anticipates revising the SO to reflect evolving Ethiopian priorities and initial agreements the Mission has reached with the government and other partners. For example, there will likely be additional emphasis on environmental sustainability and diversification of agricultural production.

PERFORMANCE OVER THE PAST YEAR

Progress across this objective's intermediate results during FY 1998 was mixed and overall achievement failed to meet expectations. One serious blow to the program was the government's decision to terminate the Michigan State University (MSU) grain market research activity. While the government is interested in continuing the activity with another implementing agency, there has been no progress since August in identifying priority areas for new assistance in this broad area, and no consensus within the government about where such an activity should be housed. USAID has obtained verbal agreement that a continuation of this activity should be part of USAID assistance to the national Food Security Program.

On a positive note, the government now considers the Ethiopian Food Security Program (FSP) to be in the final stage for donor approval. The World Bank led a multi donor "pre-appraisal" mission in November 1998 to review the FSP. Pieces of the program are already being seriously considered by donors, including USAID, for immediate support. USAID has approval from the federal government to proceed with negotiations with the Amhara Region to support the region's

program, and design efforts are underway for an FY 1999 obligation. USAID assistance will also address national food markets, cooperative developments, information systems and policy formulation/analysis.

USAID's assistance has registered impressive progress in the cooperatives sector. Coops have formed unions, which reduced input prices to farmers significantly through bulk fertilizer purchasing. Farmer members in the Oromiya region saved \$390,000 on the purchase of fertilizer in 1998 over the prices they paid in 1997. As a result, USAID has been asked by two other regional governments to extend the VOCA cooperatives development program to their regions. This program has the potential for major expansion, and for changing Ethiopia's approach to cooperatives.

The Title III program for FY 1998 met all its policy agenda objectives on time, and we continue to see the impact of Title III's earlier policy changes. As of February 1998, the GFDRE lifted the last price control on fertilizer; now there is no GFDRE involvement in setting fertilizer prices or providing fertilizer subsidies. During 1997/98, the private sector imported 202,100 metric tons of fertilizer, an amount approximately five times greater than in 1994/95. Total fertilizer sales increased from 150,000 metric tons in 1992 to 279,685 metric tons in 1998. The Title III FY 1996 condition to reduce tariffs for grain imports from 30% to 5% made commercial imports profitable in 1998 when domestic shortfalls resulted in price increases. As a result, over 100,000 metric tons of grain were imported by the private sector last year. In response to Title III conditions of 1996, when the GFDRE issued a proclamation establishing a legal framework for the operation of microfinance institutions (MFIs), small borrowers have increased access to credit although some USPVOs have encountered problems in their credit activities. Nevertheless, overall results have been positive. As of October 1998, for example, Amhara region's MFI has a client base of 79,905 (50% women) and provides loans of up to approximately \$350; outstanding loans total \$4.1 million; reimbursement rate is 97.5%.

A USAID-supported program through VOCA to improve private sector retail sales of agricultural inputs reported 90% percent of the retailers trained use modern business practices as opposed to 24% before the training; 80% reported substantial reductions in storage losses after VOCA training (see Performance Date Table). USAID assistance to the Central Statistics Authority has allowed it to issue better quality agriculture production estimates that are now being used as input into the GFDRE's yearly analyses of food aid needs. Upon the GFDRE's request, USAID provided a critical one million dollar pledge and technical assistance towards a major pesticide disposal program in 1998 that is now supported by several donors.

General trends in agriculture production continue to show upward movement, and a near record harvest is expected from the 1998/99 crop year just harvested. However, USAID has no program that directly impacts on agriculture production. The single activity that will directly contribute to agriculture production and productivity (IR 1), has only just established its baseline data and obtained the necessary governmental agreements to begin implementation in FY 1999.

EXPECTED RESULTS AND MANAGEMENT ACTIONS

SO 1, like all the Mission's program SOs, is predicated on strong partnership with and ownership by the government. The Mission expects this to have high pay off in the future, but recognizes that developing this partnership has meant delays in the short term. The pace of the design

process is dictated by the government agencies involved in defining mutually agreeable assistance packages. This past year has seen major government progress on developing the Ethiopia Food Security Program (FSP). Furthermore, USAID has gained agreement to move ahead on designing an assistance package even before all issues on the global program are ironed out. To date, the Mission has agreement with the Amhara Region to support five elements of the region's FSP: watershed and soil fertility management; agriculture research and extension; agricultural cooperatives; rural financial services; and nutrition. Many of these components will cover both the highly vulnerable areas of the region as well as address higher potential areas through watershed management, credit, and marketing via cooperatives. Less clear is the GFDRE's commitment for a design of USAID support for national food systems and marketing. Tentatively, our agreement with the government is to support market information systems and food security policy research, analysis and capacity building. USAID expects to be able to obligate funds under this SO through an agreement with VOCA by June 1999 for the cooperatives component. Depending on staff and technical assistance availability, designing regional and national FSP components of the SO will require more time, but we expect all obligations under the SO to be completed by late August 1999.

DCM project funding will be tapped to bridge into certain activities under the national FSP or other areas identified during the ISP process such as private sector enhancement. DCM still has funds available from the MSU activity that are available for support to grain market information systems development or other agreed upon activities under the national government food security program.

STRATEGIC OBJECTIVE 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS APPROVED: 12/94 COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR 1.2 Increased participation of ag. input retailers

INDICATOR: Increased number of private input retailers supplying inputs other than fertilizer

UNIT OF MEASURE: # of retailers

SOURCE: VOCA/Ethiopia

INDICATOR DESCRIPTION: Participating retailers have who diversified their business undertakings including handling of agrochemicals, fertilizer, seed, merchandize and grain.

COMMENTS: 344 private retail traders were trained as scheduled in Oromia, Amhara and Southern regions during the first 18 months of the project life. In the remaining 6 months additional 44 retail traders will be trained.

The reduction in storage loss is significant. It was reported that retailers were able to reduce the storage loss from **6.2% to 1.6%** in the past year. The figure shown here is the cumulative average of reductions in cereal losses that resulted from poor handling and pests.

Although it is difficult to obtain reliable figure on gross profit [hence indicator was dropped], retailers reported that their profit margins has **greatly improved** after they got training in modern business management. Separate indicators on the improvement of business skills such as retailers who practiced modern business techniques [the Generally Accepted Accounting Principles] and as a result the improvement in their business turnover will be tracked in the future.

** Phase I of the project ends in 3/1999. Targets will be filled out when project extension is granted to VOCA/ Ethiopia

YEAR	PLANNED	ACTUAL
1997(B)	210	0
1998	210	172
1999	388	
2000-01	NA	

STRATEGIC OBJECTIVE 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS APPROVED: 12/94 COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR 1.3 Policies & Regulations favorable to private sector involvement in input markets implemented.

INDICATOR 1: Timely allocation of foreign exchange for fertilizer import is ensured

UNIT OF MEASURE Yes/No

SOURCE: National bank of Ethiopia (NBE), National Fertilizer Industry Agency (NFIA)

INDICATOR DESCRIPTION: Allocation of FX for fertilizer importers to be used on first-come-first-served basis before August [when fertilizer prices are to be low]. Ensure equal access to FX by the government parastatals and private sector.

COMMENTS:

*Title III conditionalities are one time events. Once they are met, targets for future years are not set. Every year a new set of conditions are negotiated with the government. Currently the CP is under negotiation. However, the team ensures status is maintained in future years.

YEAR

PLANNED

ACTUAL

1996(B)

No

1997

Yes

No

1998

Timely allocation of FX

Yes, pooled account was established at NBE where all importers have access

1999-2001*

NA

STRATEGIC OBJECTIVE 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS **APPROVED:** 12/94 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

RESULT NAME: IR 1.3 Policies & Regulations favorable to private sector involvement in input markets implemented.

INDICATOR 2: Wholesale Price of Fertilizer deregulated

UNIT OF MEASURE : Yes/No

SOURCE: National bank of Ethiopia (NBE), National Fertilizer Industry Agency (NFIA)

INDICATOR DESCRIPTION: Administratively set wholesale price of fertilizer abolished and prices determined by the market

COMMENTS:

*Title III conditionalities are one time events. Once they are met, targets for future years are not set. Every year a new set of conditions are negotiated with the government. Currently the CP is under negotiation. However, the team ensures status is maintained in future years.

YEAR	PLANNED	ACTUAL
1996(B)		No
1997	Yes	No
1998	Yes	Yes
1999-2001*	NA	

STRATEGIC OBJECTIVE 1: INCREASED AVAILABILITY OF SELECTED DOMESTICALLY PRODUCED FOOD GRAINS APPROVED: 12/94 COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR 2.2 Policies and regulations favorable to increased efficiency of grain markets implemented

INDICATOR 1: Directives are issued to allow implementation of micro-financing institutions maintained

UNIT OF MEASURE: Yes/No	YEAR	PLANNED	ACTUAL
SOURCE: National Bank of Ethiopia (NBE), MEDAC			
INDICATOR DESCRIPTION:			
Directives that facilitate the operationalization of micro-finance institutions to provide financial services to rural areas	1996(B)		No
COMMENTS: Since Title III ends in FY 1998, the 2000 forecast is not shown in this report.			
So far 9 microfinance institutes already formed under the new proclamation and operational; additional 2 are in the registration process.	1997	Existing credit system studied & recommendations	Yes, Proc # 40/1966 legalized micro-finance institutions in Ethiopia.
In addition to results achieved in the area of MFIs, a number of improvement were made in the policy environment that contribute to the efficiency of grain markets. A new trade registration and licensing law that provides the legal framework and facilitates licensing of grain marketing has been enforced in past year. Capital budget allocation to rural roads has been continuously growing. In FY 1998 the target of 277 million birr was met.	1998	Implementation directives issued by NBE for micro-financing proclamation.	Yes
Title III conditionalities are one time events. Once they are met, targets for future years are not set. Every year a new set of conditions are negotiated with the government. Currently the CP is under negotiation. However, the team ensures status is maintained in future years.	1999-2001	NA	

STRATEGIC OBJECTIVE TWO: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE SERVICES (PPHC)

OVERALL PERFORMANCE ASSESSMENT: MET EXPECTATIONS

SUMMARY

SO 2 supports the Mission Performance Plan goal of promoting sustainable development in Ethiopia, and contributes to the U.S. national interest in and the Agency's goal of stabilizing world population and protecting human health. It consists of the four intermediate results (IRs) described below. Performance at the SO level and across the IRs was generally on track.

PERFORMANCE OVER THE PAST YEAR

As an indication of increased use of PPHC services, the SO 2 team has followed progress in the national contraceptive prevalence rate which has steadily increased to 10% in FY 1998, a 25% increase over the previous year. Furthermore, the GFDRE has put in place a \$600 million Health Sector Development Program (HSDP) that focuses on improving the quality of and increasing access to public sector PPHC services. USAID was an active partner in the combined donor/GFDRE teams that designed the HSDP, and has aligned its IRs and activities with the government's program. USAID continues to be involved and plays an active management role in HSDP implementation as a member of the Joint Review Mission team and a core member of the Joint Steering Committee, along with selected other donors and GFDRE officials. In addition to all this, a successful round of National Immunization Days vaccinated approximately 9 million children (90% of the target) against polio.

IR 1: Increased Resources Dedicated to the Health Sector (Particularly to Primary and Preventive Health Care): The GFDRE met its budgetary target and achieved an increase of allocations to PPHC as a percentage of the health sector budget reaching over 50% in FY 1998. The government is, furthermore, increasingly interested in considering alternative sources of health financing. A National Health Care Financing (HCF) strategy (that includes cost recovery practices such as fee structures, retention of fees at the facility level, increased private sector investment and private insurance programs) was approved. Four HCF studies have been completed and a seminar to disseminate the results of the studies has set the stage for more deliberate movement into this area in coming years.

IR 2: Increased Demand for and Access to Modern Contraceptives in Focus Areas: The Consortium for Family Planning/Pathfinder International (COFAP/PI) and Population Services International (PSI)/DKT generated a 49% increase in CYPs compared to FY 1997. COFAP/PI provided family planning services to over 50,000 new users and the number of NGO service delivery points grew to 107 (target: 104). Additionally, COFAP developed a standardized Service Delivery Protocol, and the Family Planning Guideline and Infection Prevention Manual and Training Curriculum are ready for printing. A National Community-Based Reproductive Health Management and Supervisory Checklist has been revised and is being translated into Amharic. COFAP trained over 1200 persons in management/supervision and the provision of contraception services.

The Social Marketing program, implemented by PSI/DKT, marketed over 35 million condoms (target: 36 million) and 600,000 cycles (target: 500,000) of oral contraceptives (OCs). Advertisements for condoms and OCs were placed on taxis and buses, and radio spots were heard

in several languages. Brand awareness of “Hiwot Trust” condoms has increased significantly. Condom sales were constrained by an inadequate supply of packaging (now resolved) and a delay in launching the new “Panther” condom (now set for Spring, 1999). There is a concern, however, that because of customer preference for coated pills, the FY 1999-2001 sales targets for the uncoated “Prudence” pill may not be met. Accordingly, these targets have been revised downwards. Through COFAP/PI and PSI/DKT, nearly 600,000 persons were informed about reproductive health benefits, and an estimated 20 million persons were reached with condom and OCs messages.

IR 3: Enhanced Response of the Ethiopian Society to Expand Access to and Use of STI/HIV/AIDS Services in Response to the Epidemic: A National AIDS Policy was endorsed, and an AIDS strategy developed at the regional level. Implementation of USAID's new HIV/AIDS results package is well underway through amendments to the cooperative agreement with Pathfinder International (PI). PI will provide financial and technical support on HIV prevention services through the NGO sector. Funding is also being provided to the Ministry of Health (MOH) AIDS Control Unit. HIV/AIDS activities undertaken in FY 1998 include: a revised AIDS Impact Model booklet; a high-level “AIDS Advocacy Luncheon” for GFDRE policy/decision makers hosted by the American Ambassador; and a radio IEC program reached over 4 million youth. A national KAP study showed that 90% of the sexually active population is aware of STI and HIV/AIDS. Most are aware of the effectiveness of condoms to prevent new infections, and among users, 50% of women, 80% of men, and 90% of CSWs stated they use condoms to protect themselves from STI/HIV infection. Recent interest in HIV/AIDS awareness by the Patriarch of the Ethiopian Orthodox Church, which represents 50% of the population, also offers an excellent channel to confront this problem.

IR 4: Increased Use of Integrated PPHC Services in the SNNPR: Overall progress on this IR is measured in terms of the proportion of children fully vaccinated in the Southern Nations, Nationalities and Peoples Region (SNNPR). Over the reporting period, the coverage rates for DPT3/OPV3 was about 68%, slightly lower than the target of 70%. Recognizing the need for systems strengthening in order to improve the quality of PPHC services, USAID efforts in the focus region, (SNNPR), have emphasized improving the capacity of the Regional Health Bureau (RHB) to plan and manage PPHC services; increasing the capacity of training institutions to provide PPHC training; improving logistics; improving availability of PPHC services in health delivery institutions; and, developing linkages between district health offices and five pilot communities. Activities in FY 1998 include the following.

A “Data for Decision making” manual was developed, training in its use was provided to 60 zonal and district offices and several follow-up supervision workshops were conducted. Health facilities supervision manuals were developed and are being tested in focus districts. A training of trainers (TOT) activity in health and financial management was conducted; and these trainees, in turn, have trained 90 accountants from health facilities, district and zonal offices. Support was provided to the Regional Training Center and Health Professionals Training Institute in curriculum and library development. TOT activities for over 700 persons from various zonal and district offices were held. USAID supported two long-term trainees in health planning and management. A grant was provided to WHO for the construction of a new Regional Training Center in the SNNPR, which we expect to be completed by summer, 1999. USAID supported the construction of a new RHB warehouse, which also contains a maintenance workshop for medical equipment. Operations Research on various topics (e.g., antenatal care, barriers to family planning, and traditional health practices) were conducted, and the results were disseminated through Ethiopian National Public Health Association workshops and seminars.

EXPECTED RESULTS AND MANAGEMENT ACTIONS

The delay in issuing an RFP for a follow-on institutional contractor will mean a hiatus in the continued implementation of a number of program activities, especially in the SNNPR. This will affect results under IRs 1 and 4. USAID and the SNNPR/RHB are exploring ways to cover the gap with local technical advisors to continue with strengthening capacity for health care provision at the focus region.

Regarding policy dialogue, because the HSDP focuses on promoting a favorable policy environment for PPHC, USAID's emphasis will be on institutional reforms that enable effective implementation of the HSDP. In collaboration with other donors, USAID will monitor the progress on HSDP implementation, as well as policy developments. As a partner in the HSDP, USAID is contributing to the development of instruments for more effective follow-up of the program.

The Mission expects that Congressional reluctance to use child survival funds for NPA will reduce the effectiveness of its policy dialogue with the government. However we will explore alternate uses of NPA funds with the government. We intend to hire an Ethiopian professional to work with the MOH to strengthen its budget and finance planning capabilities and to move forward on policy reform already achieved. This person will be an important addition to the SO team.

We expect that the success of the social marketing program and NGO participation in family planning/HIV/AIDS prevention will continue, provided we continue to obligate new funds into our private sector ("unilateral") activities. We also expect that these successes will be replicated in the public sector, as we move to strengthen GFDRE capacity to deliver modern family planning services. The Mission's HIV/AIDS prevention activities are underway and, with an increasingly positive policy environment, should continue to show forward movement. We expect to focus on the Family Life primary school curriculum program (highlighting the prevention of STI/HIV infections) and will seek an appropriate mechanism to support an MOH surveillance system. Through Pathfinder International, we expect to increase communities' capacity to manage the HIV/AIDS epidemic in selected urban and peri-urban areas.

Together with SNNPR's RHB chief, who has just returned from a long-term training program in the U.S., and other RHB partners, we consider that the time is propitious to move forward in a number of key areas in the SNNPR. It will be important to contract a follow-on institutional contractor with all due speed, assuming that the border hostilities will subside, such that the contractor is able to come to Ethiopia and begin implementation both at the national and focus region level.

STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES **APPROVED:** 11/08/1995 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

RESULT NAME: Increased use of Primary and Preventive Health Care (PPHC) services

INDICATOR: Contraceptive Prevalence Rate (CPR)

UNITS OF MEASURE: Percent	YEAR	PLANNED	ACTUAL
SOURCE: National Family Fertility Survey, DHS	1990 (B)		a) <1.4% b) <7.0% c) <2.0%
INDICATOR DESCRIPTION: Per cent of women of reproductive age who use modern contraceptives (Contraceptive Prevalence Rate) disaggregated by settlement ----- a) National; b) Urban c) Rural	1997	a) 1.8% b) 9.0% c) 2.4%	(a) 8%*
COMMENTS: * Until the completion of a Demographic and Health Survey in 1999, national service statistics will be used to reflect use of modern contraceptives.	1998	a) 2.0% b) 10.0% c) 2.6%	(a) 10%*
	1999	a) 2.5% b) 11% c) 2.9%	
	2000	a) 3.0% b) 12% c) 3.2%	
	EOP(T)	a) >4.0% b) 15.0% c) 4.0%	

STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES APPROVED: 08/11/95 COUNTRY/ORGANIZATION: USAID/Ethiopia

RESULT NAME: IR1 Increased Resources Dedicated to the Health Sector (particularly PPHC)

Indicator: \$ per capita expenditure in the health sector ----- **not measured in 1998**

IR 1.1 Government Allocations to Health (in general) and PPHC (in particular) increase

INDICATORS: 1. Government budget allocated to the health sector; 2 Government budget allocated to PPHC

UNIT OF MEASURE: 1) budgetary allocations attributable to health as a percent of the total government budget; 2) allocations to PPHC as a percent of total government budget attributable to health --- Budgetary allocation to health centers and health stations was taken as a measure of PPHC up to 1997. A more realistic measure defined as follows is used starting 1998. Health center and health stations sub-head; 90% of allocations to regional training centers; 50% of allocations to central training centers allocations to malaria control, family health, AIDS prevention control of communicable diseases, TB, IE&C programs and the nutrition institute. Figures in parenthesis indicate allocations to PPHC in 1993 to 1997 according to the new indicator.

SOURCE: Negarit Gazette; MOF & MEDAC budget documents

INDICATOR DESCRIPTION: Budgetary allocations indicate the government's commitment to provide resources to the sector.

COMMENTS: Targets on total allocations to the health sector are modified starting 1998. A review of the health sector budgets suggests that there are weakness in planning for resource allocations. To a large extent increases to the health budget have been driven by expansion of the sector; i.e., construction of new facilities. Such expansion is not accompanied by commensurate increases in recurrent expenditures. Moreover, there are critical absorption issues associated with the capital expenditures of the budget which continues to rise faster than the recurrent budget. Thus it was decided to support a slower rate of increase in the health budget while introducing more activities related to sectoral planning and budget development; particularly with regard to promoting a better balance between capital and recurrent budgets. Indeed, better planning will increasingly determine the extent to which resources to the sector can continue to grow in the future.

YEAR	PLANNED	ACTUAL
1) 1995 (B); 2) 1993		1) 5.8% 2) 31.5% (43%)
1996 1988EFY	1) >6% 2) >35%	1) 6.2% 2) 36.3% (49.2%)
1997 1989EFY	1) 6.2% 2) >35%	1) 6.2% 2) 35.1% (49.3%)
1998 1990EFY	1) ≥6.2% 2) 50%	1) 6.2% 2) 51.7%
1999 1991EFY	1) ≥6.2% 2) >50%	
2000 1992EFY	1) ≥6.5% 2) 55%	
2001 (T) 1993EFY	1) ≥7.0% 2) > 55%	

STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES **APPROVED:** 11/08/1995 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

RESULT NAME: IR2: Increased Access to and Demand for Modern Contraceptives in Focus Areas

INDICATOR: Number of Couple Years Protection (CYP) generated

UNITS OF MEASURE: Number	YEAR	PLANNED	ACTUAL
SOURCE: Pathfinder Quarterly and Annual Reports PSI/DKT Monthly, Quarterly and Annual Reports			
INDICATOR DESCRIPTION: CYP calculated as 14 OC = 1CYP 4 Depo = 1 CYP 1 IUD = 2.5 CYP 1 Norplant = 3.5 CYP 1 ML = 10 CYP 150 VFT = 1 CYP 150 condoms = 1 CYP	1995 (B)		105,000
	1996		214,000
	1997	312,316	244,567
COMMENTS: 1. The previous "new client" indicator has been dropped as it is felt that this indicator lacked precise definition since clients discontinue, then return or switch from one source to another. In addition to measuring couple years protection, periodic measures of changes in contraceptive prevalence in focus areas will be done at the SO level. Abandoning this indicator was also a "technical suggestion" during last year's R4 review in Washington. Data reported on previous Years for New Clients was	1998	400,000	364,362
	1999	600,000	
	2000	800,000	
1995 (B) --- 24,006 1996 --- 38,607 2. The number of CYP generated through COFAP/Pathfinder and contraceptive social marketing has been combined for reporting purposes. 3. Due to late start of the OC social marketing (December 1996), the first year project target has been moved to 1997.	EOP (T)	1,200,000	

STRATEGIC OBJECTIVE 2: INCREASED USE OF PRIMARY AND PREVENTIVE HEALTH CARE (PPHC) SERVICES APPROVED: 08/11/95 COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR4: Increased use of integrated PPHC delivery in SNNPR

INDICATOR: Proportion of children (12-23 months) fully vaccinated in SNNPR

UNIT OF MEASURE: Percentage of children aged 12- 23 months fully vaccinated	YEAR	PLANNED	ACTUAL
SOURCE: Regional Health Bureau (RHB) Annual Reports	1995		39%
INDICATOR DESCRIPTION: Fully vaccinated means Children age 12- 23 months who completed DPT3 and Measles vaccination	1996		45.7%
	1997	65%	61%
	1998	70%	67.8%
COMMENTS: Assumptions made include: a) that there is an adequate supply of essential commodities at Service Delivery Points in the SNNPR; b) that improved information leads to better decision making; c) SNNPR regional authorities endorse national health policies; and d) that increased availability and quality does lead to increased use.	1999	80%	
	2000	85%	
* the information is obtained from RHB and will be double checked when information from HMIS is available.	EOP (T)	90%	

STRATEGIC OBJECTIVE 3 - QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION

OVERALL PERFORMANCE ASSESSMENT: MET EXPECTATIONS

SUMMARY

This objective supports the emphasis in the Mission Performance Plan on achieving sustainable, broad-based economic growth, and contributes to the Agency strategic goal of expanding human capacity through education and training. It consists of five intermediate results which aim to: 1) improve the primary school environment and foster increased learning--particularly for girls; 2) provide more effective school-level inputs in a more efficient manner; 3) improve the quality and equity of pre-service teacher training; 4) strengthen the decentralized management and administration of primary education; and 5) improve sector financing through increased and better utilized budgets.

PERFORMANCE OVER THE PAST YEAR

Performance towards SO3 is on track. Enrollments in both target regions have increased. The quality of education, as measured by attrition in grades 1 and 4, also increased in Tigray, although provision of technical assistance to the Tigray Regional Board of Education was slowed by the Ethio-Eritrea border conflict, and held its own in SNNPR.

The Gross Enrollment Rate (GER) in Tigray grew by over 20% from 46% in 1996/97 to 56% in 1997/98, and included an increase of over 7% for females. The GER for SNNPR has also continued to increase, reaching 56% over the past year, with females registering a growth of 10%. The female share of grade 4 enrollment in Tigray grew to 47%, slightly ahead of the target of 46%. Absolute enrollment among girls in the SNNPR also increased, but the percentage share of 30% lagged behind the target of 34% due to a greater than expected increase in male enrollments. Enrollment growth in USAID's focus regions exceeded national enrollment increases.

IR1: Improved Quality and Equity of Primary School Environment: Key activities under this IR are the Community School Grants Program (CSGP) and the School Leadership Program (SLP). These programs support community-based efforts to (1) establish Female Education Advisory Committees in schools which receive CSGP grants; (2) institute female incentive and rewards programs; (3) encourage a more female-friendly school environment; and (4) sensitize the community and teachers to the importance of keeping girls enrolled in school. The 900 schools currently participating in the CSGP have reduced female repetition rates, made the school environment more open to girls, and improved school-community contacts.

Over the past year, CSGP grants have gone to 250 additional schools in Tigray, matching the target for the year. Similarly, in the SNNPR, 150 schools were added to the CSGP, meeting the target for this region. Further, the CSGP in the SNNPR targeted 35% of its schools to reduce female repetition rates in Grade 4 to less than 11%. Fifty percent of participating schools achieved such a reduction in female repetition rates in 1997/98, up from a baseline of 33% in 1996/97. Tigray also surpassed its target of schools reducing female repetition rates in grade 4, from 20% in the base year of 1995/96 to 50% in 1997/98.

IR2: Increased Pedagogical Effectiveness of Content and Quality of Educational Materials: Over the past year, efforts under this IR have focused successfully on increasing the involvement of Ethiopian educators in the preparation and dissemination of teaching materials. Activities initiated in FY 1998 to accomplish this result include: (a) the formation of teacher writer circles to increase their participation in the development of textbooks and readers; (b) the development of a first ever dictionary of Tigrigna, to standardize terms in math and science, (c) a new initiative in interactive radio instruction; and, (d) an increased emphasis on involving primary school teachers in research focused on improved educational materials.

IR3: Improved Performance and Equity of Teacher Training: While BESO supports three Teacher Training Institutes (TTIs), Awassa, Arba Minch and Adwa, the Arba Minch TTI registered the greatest progress towards the IR by getting over 12% of the female students on the distinction list, (from a baseline of 4% the previous year) and by undertaking new initiatives to adapt the teacher training curriculum to a more active-learning methodology.

In the Awassa TTI, male student achievement increased, with 53% scoring over a 2.75 GPA; well over the year's target of 45% (and baseline of 27% in 1996). Ten per cent of the female students earned a 2.75 GPA. While this is below the year's target of 12%, compared to the baseline of 6%, it is still a significant achievement.

IR4: Improved Decentralized Management and Administration of Primary Education: Last year, the Ministry of Education (MOE) made it clear that capacity building for policy and planning should encompass all functions within the MOE. Accordingly, a new BESO advisor designed a strategy of capacity building through the design and implementation of six critical educational studies involving all relevant departments and Agencies of the Ministry. These studies, covering student learning assessment; student retention; pre-service teacher training; monitoring educational progress; and planning models have progressed well. While the findings will support policy development, the process itself is specifically intended to contribute to increased capacity within the MOE and to improve its working relations with regional education bureaus.

The two focus regions have also undertaken continuous capacity building exercises in planning, educational information, budgeting and personnel administration. The computerization of the financial and personnel administration in the regional education bureaus is also going very well.

IR5: Increased and More Rational and Efficient Sectoral Financing: Non-project Assistance (NPA) has been the driving force behind important educational policy and budgetary reforms in the last three years. The most significant reforms entailed GFDRE financing of the education sector. The Government allocated 16.1% (original LOP target - 16%) of its national budget (minus debt payment) to education in 1997/98. The allocation to primary education is also steadily growing towards the original target of 60% by LOP. The focus regions have continued to place greater emphasis on the sector by allocating about a third of their overall budget to education with primary education sharing about three quarters of this amount. This past year, with the advent of the Education Sector Development Program (ESDP), the Government agreed to raise the national budget allocation to education to 19% by 2001, with primary education being allocated 65% of the education budget. BESO has amended its targets upwards to correspond with the ESDP.

II. EXPECTED RESULTS AND MANAGEMENT ACTIONS

Access to primary education will continue to expand given the ESDP. Resources to education and especially to primary education are expected to continue to grow in accordance with ESDP targets reaching 19% of the total budget and 65% of the education budget respectively. On the quality side, it is expected that CSGP schools will continue to reduce attrition in grades 1 and 4 by over 50% by

2001.

Due to the Ethio-Eritrean border conflict, the BESO technical advisors in Tigray were temporarily relocated to Addis Ababa, returning to Mekele (located near the border conflict) only on a limited basis. The coordinated utilization of these visits with Ethiopian partners have assured progress in planned BESO activities. In fact, this model of providing intermittent but timely assistance to a region could lead to utilization of a technical assistance team as a pool of experts stationed at the central Ministry to serve other regions as well.

A mid-term assessment of BESO was conducted last April. The assessment demonstrated progress in most intermediate results. Among its various recommendations, the evaluation team recommended a re-design of BESO in order to reflect a comprehensive strategic objective (with closer links between PA and NPA) and to better focus USAID support in education as part of the USAID Integrated Strategic Plan development for 2000 - 2007. This re-design is especially critical in view of the new Education Sector Development Program of Ethiopia.

BESO is the second largest program in Ethiopia to support basic education, after the World Bank's program. The BESO program provided important input to the development of the ESDP, and USAID has contributed material and manpower in monitoring the progress of ESDP implementation. The advent of the ESDP is perhaps the most significant event to affect the educational environment in Ethiopia, with some 14 donors working together with the government on a \$1.9 billion five year comprehensive development program. A recent donor-government Joint Review Mission which included USAID consultants assessed the progress of the ESDP. The Mission determined that while progress in the growth of the Gross Enrollment Ratio (GER) has been very encouraging, there remains an inadequacy of important educational inputs critical to improving educational quality. USAID has been instrumental in advocating higher quality, and will continue to do so, both as part of the support through SO 3 and through dialogue within the donor and government community.

STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION **APPROVED:** 29/09/1994 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

RESULT NAME: Quality and Equity Improved in an Expanded System of Primary Education

INDICATOR 1: Female Share of Grade 4 Enrollment

	YEAR	PLANNED	ACTUAL
UNIT OF MEASURE: Percent	1995		Tigray: 42.5%
SOURCE: Regional Education Bureaus	1996	NA	Tigray: 44.0% SNNPR: 30.0%
INDICATOR DESCRIPTION: Total Female enrollment in grade 4 divided by total grade 4 enrollment.	1997	Tigray: 45.0%	Tigray: 45.2%
	1998	Tigray: 46.0%	Tigray: 47.0%
	1999	Tigray: 48.0%	
	2000	Tigray: 49.0%	
COMMENTS: B = Baseline	2001	Tigray: 50.0%	

STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION APPROVED: 29/09/1994 COUNTRY/ORGANIZATION:USAID/ETHIOPIA

RESULT NAME: Quality and Equity Improved in an Expanded System of Primary Education

INDICATOR 2: Gross enrollment ratio of primary education (Grades 1-8) by gender

<p>UNIT OF MEASURE: Percent enrolled of all ages out of the total primary school age population</p> <hr/> <p>SOURCE: Regional Education Bureaus</p> <hr/> <p>INDICATOR DESCRIPTION: Gross Enrollment ratio = total enrollment of all ages (male/female) in primary education divided by the total school age(male/female) population. The school age for primary education in Ethiopia is considered to be between 7 and 14.</p> <hr/> <p>COMMENTS:</p> <p>M = Male; F = Female; T = Total B= Baseline</p>	<p>YEAR</p>	<p>PLANNED</p>	<p>ACTUAL</p>
	<p>1995 (B)</p>		<p>Tigray: M = 49.0% F = 38.0% T = 43.7%</p> <p>SNNPR: M 39.5% F = 17.4% T = 29.0%</p> <p>Ethiopia: M = 31.7% F = 20.4% T = 26.2%</p>
	<p>1996</p>		<p>Tigray: M = 49.2% F = 39.6% T = 45.0%</p> <p>SNNPR: M= 51.5% F = 23.0% T = 38.6%</p> <p>Ethiopia: M = 36.2% F = 22.3% T = 29.4%</p>
	<p>1997</p>	<p>Tigray: M = 50.0% F = 42.0% T = 46.0%</p> <p>SNNPR: M = 52.0% F = 25.0% T = 39.0%</p> <p>Ethiopia: M= 40.0% F = 25.0% T = 37.0%</p>	<p>Tigray: M = 50.0% F = 40.1% T = 47.0%</p> <p>SNNPR: M = 56.5% F = 24.5% T = 40.9%</p> <p>Ethiopia: M = 38.6% F = 23.9% T = 31.4%</p>

STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION APPROVED: 29/09/1994 COUNTRY/ORGANIZATION:USAID/ETHIOPIA

RESULT NAME: Quality and Equity Improved in an Expanded System of Primary Education

INDICATOR 2: Gross enrollment ratio of primary education (Grades 1-8) by gender

	1998	Tigray: M = 52.0% F = 44.0% T = 48.5% SNNPR: M = 53.0% F = 28.0% T = 42.0% Ethiopia: M = 42.0% F = 27.0% T = 34.0%	Tigray: M = 61.9% F = 50.2% T = 56.1% SNNPR: M = 75.8% F = 35.2% T = 55.7% Ethiopia: M = 52.0% F = 31.0% T = 42.0%
	1999	Tigray: M = 55.0% F = 46.0% T = 51.0% SNNPR: M = 54.0% F = 32.0% T = 43.0% Ethiopia: M = 45.0% F = 30.0% T = 37.0%	
	2000	Tigray: M = 57.0% F = 48.0% T = 52.0% SNNPR: M = 55.0% F = 34.0% T = 45.0% Ethiopia: M = 46.0% F = 31.0% T = 39.0%	
	2001	Tigray: M = 60.0% F = 50.0% T = 55.0% SNNPR: M = 60.0% F = 36.0% T = 47.0% Ethiopia: M = 47.0% F = 33.0% T = 40.0%	

STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION **APPROVED: 29/09/1994** **COUNTRY/ORGANIZATION: USAID/ETHIOPIA**

RESULT NAME: Improve quality and equity of primary school environment in Community School Grants Program (CSGP)

INDICATOR: Percent of CSGP assisted schools with female repetition rate less than 11%* in Grade 4

<p>UNIT OF MEASURE: Percent</p>			
<p>SOURCE: Regional Education Bureaus</p>			
<p>SOURCE: TDA & WLI</p>	1996		<p>Tigray: 20.0% SNNPR: **</p>
<p>INDICATOR DESCRIPTION: * 11% mark reflects national level repetition rate for Grade 4 in 1995/96</p>	1997	Tigray: 35.0%	<p>Tigray: 36.8% (B) SNNPR: 33.0%</p>
<p>COMMENTS: **Due to start-up delay with CSGP program in SNNPR, baseline data for SNNPR was unavailable until 1997 while Tigray's baseline was established in 1996.</p>	1998	Tigray: 38.0%	Tigray: 50.0%
<p>Targets for FY1999 onwards was adjusted upward based on progress made in the past FY.</p>	1999	Tigray: 53.0%	
<p>B = Baseline</p>	2000	Tigray: 60.0%	
	2001	Tigray: 70.0%	

STRATEGIC OBJECTIVE 3: QUALITY AND EQUITY IMPROVED IN AN EXPANDED SYSTEM OF PRIMARY EDUCATION **APPROVED:** 29/09/1994 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

RESULT NAME: IR5: Increased and more rational and efficient sectoral financing

INDICATOR : Share of national education budget out of total government budget

UNIT OF MEASURE: Percent

SOURCE: MOE/MOF

INDICATOR DESCRIPTION: Total national education budget divided by total government budget excluding debt.

COMMENTS:. The 19% target in 2001 coincides with the ESDP target for national education budget.

B* = Baseline

YEAR	PLANNED	ACTUAL
1995 (B)		13.1%
1996	14%	16.3%
1997	16%	16%
1998	16%	16.1%
1999	17%	
2000	18%	
2001	19%	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM

OVERALL PERFORMANCE ASSESSMENT: MET EXPECTATIONS

SUMMARY

Ethiopia's SO 4, "Increased Access to and Participation in a Democratic System" supports the high priority given in the Mission Performance Plan to strengthen democratic institutions and human rights. Over the year, USAID concentrated most of its resources in three ongoing activities: decentralization of government, strengthening the judiciary, and enhancement of civil society. USAID also participated in a multi-donor project coordinated by the United Nations Development Program to strengthen Parliament. The direct beneficiaries of USAID's activities under SO 4 are the governmental and civil society organizations receiving support. The ultimate beneficiaries are 60 million Ethiopian citizens who will benefit from a more open, democratic society.

Activities under SO 4 reinforce other strategic objectives. Capacity building activities target selected NGOs in health and education, as well as those active in democracy and human rights. Activities aimed at more effective decentralization of government complement SOs 2 and 3 since both PPHC and basic education are provided within a decentralized public service system. The US Mission Democracy and Human Rights Committee, composed of representatives from the Embassy, USIS, and USAID, ensured activities under the USIS International Visitors program and Democracy and Human Rights Fund Grants were complementary with SO 4 activities.

PERFORMANCE OVER THE PAST YEAR

Performance under the SO is on track in decentralization and strengthening civil society organizations. After exceeding expectations during the previous reporting period, judicial training did not meet expectations during FY 1998, but is poised to make up the lost ground in FY 1999.

IR 1: Effective and Participatory Decentralization: Significant achievements were made in decentralization. A backlog in finalizing government accounts at the federal level has been eliminated. At the regional level the accounting backlog was reduced from two years during FY 1997, to one and a half years during FY 1998. The GFDRE accounting system has been extensively reviewed and improved; a training program to implement the improved system was launched at three regional management training institutes and the Ethiopian Civil Service Training College. Regarding budget development, a Public Investment Program was initiated at the federal level at the end of FY 1998 and preparations are underway for its devolution to the regions. Results have been encouraging although some federal level policy decisions on the budget process were delayed by preoccupation with the border conflict with Eritrea. One expected outcome of the decentralization activity is the development of a macro-economic model for Ethiopia. Some progress has been made in developing the model, but to date there has been no decision on where it should be maintained in the government structure. Results under this IR are generally on target, although some delays have been caused by difficulties in recruiting

technical expertise in such areas as cash management.

IR 2: Strengthened Judicial System: After a successful initial training program for new judges during FY 1997, no judicial training took place during FY 1998. The year was taken up with evaluating the initial training, and negotiations with the GFDRE on the future of the program. A detailed evaluation questionnaire was completed by 222 of approximately 300 recipients of training. Seventy one percent of respondents reported that the training was "very helpful." 98.6 % reported that they had used legal materials received during training in their courtrooms, and 78.5 % said they had done so in "every case." Only 5 (2.2 %) respondents and 9 (3.2%) of the trainees were female. The evaluation data contain detailed information, broken down by the nine regions, on how entry level training can be improved and on what should be covered in advanced training. USAID sponsored meetings with the GFDRE Judicial Training Steering Committee (presided over by the Vice President of the Federal Supreme Court and consisting of the Presidents of every Regional Supreme Court) to attain consensus on the future direction of USAID judicial training assistance. USAID also convened the first ever meeting of donors involved with the judicial sector in Ethiopia to coordinate sectoral assistance. At year end, the path for the institutionalization of USAID judicial training under the Federal Supreme Court is clear and judicial training is expected to get back on track. Within the next three years, training will be institutionalized to focus on new entrants into the judiciary in the regions as well as to address continuing professional development of sitting judges.

IR 3: Organized Societal Participation to Advance Community Interests Increased: Substantial progress was made in realizing the key objective of improving the overall environment in which CSOs, both domestic and international, operate in Ethiopia. USAID's grantee, Pact, worked with Ethiopian NGOs on the preparation of an NGO Code of Conduct. Over 200 NGO representatives attended a consultative meeting in September which endorsed a final draft of the Code. Significantly, that meeting was addressed by the chairman of the parliamentary Legal Affairs Committee who affirmed the GFDRE's belief that "civil society organizations are essential to a democratic form of government" and promised that NGOs would be consulted on new NGO legislation currently being drafted. By year end, registration and re-registration of CSOs had become timely and routine whereas previously it had been common for the registration process to take over six months. In the course of the year Pact released a *Media Guidebook* for NGOs and conducted training on its contents. In November, the Ambassador noted at a meeting with US NGO representatives there had been a marked increase in favorable coverage of NGOs in the state-owned print media. This can be interpreted as evidence of both a more favorable attitude towards NGOs on the part of the GFDRE and the success of Pact's efforts.

A major focus of Pact's activities is building the capacity of Ethiopian NGOs. To that end, Pact/Ethiopia has pioneered an "Organizational Capacity Assessment Tool" (OCAT) which is used to identify the strengths and weakness of NGOs, providing a firm baseline for targeted training and assistance in such areas as financial management, strategic planning, and project design. In the course of the year, Pact assessed 26 new NGOs, compared to a target of 20. Pact assisted 22 CSOs in adopting strategic plans and 26 CSOs in adopting financial systems. Forty NGOs benefited from Pact training and mentoring in project design. At the end of the reporting period, Pact was developing activity grants for specific projects proposed by its "graduate grantees", although it was discovered that the concept of "graduate" needed more refining than previously realized. NGOs discovered that the Pact OCAT is a "bankable asset" with other donors. At least seven NGOs were able to obtain outside funding on the strength of

their capacity development work with Pact. Pact commenced working with 15 NGOs in the health sector, in addition to on-going work with education and development NGOs, re-emphasizing the cross sectoral importance of civil society. Specific examples of cross-sectoral cooperation, and cooperation between Pact-supported CSOs and government included Amhara Region's use of the facilities of the Jerusalem Associated Childrens' Homes for agricultural demonstration activities, and Oromia Region's work with Rift Valley Children and Women's Association in piloting programs for non-formal education.

EXPECTED RESULTS AND MANAGEMENT ACTIONS

Judicial strengthening assistance will shift from a second wave of ad hoc training to the creation of a sustainable training program which will cater to the needs of both new recruits to the judiciary and the continuing professional development of serving judges in an evolving legal system. In strengthening civil society organizations, the Mission will explore means for making direct grants to CSOs, focusing in part but not exclusively on "graduates" of Pact's institutional capacity building program. Decentralization activities will focus on advancing budget and accounts reform and training activities, further developing the Public Investment Plan (PIP) process, and the development of a macro-economic model for Ethiopia. National financial reporting systems will be strengthened to respond to donor reporting requirements. National elections are scheduled for 2000 and USAID expects to join other partners in helping build the GFDRE's capacity to conduct free and fair elections.

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM APPROVED: 05/1992
COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR1: Effective & Participatory Decentralization

INDICATOR : Effective & transparent resource allocation & management systems functioning at federal & regional levels.

UNIT OF MEASURE: An analysis of	YEAR	PLANNED	ACTUAL
<p>SOURCE: HIID</p> <hr/> <p>INDICATOR DESCRIPTION: Degree to which systems governing resource allocation & management at the federal and regional levels function effectively and transparently</p>	1995-96(B)		<p>1.1 Budget: Poor expenditure composition; dual budgets(separation of capital & recurrent); off budget financing; budgets not linked to plans; uncertainty in externally financed capital budget; poor budget structures & expenditure codes, inadequate training.</p> <p>1.2 Accounts: Substantial backlog, inadequate procedures; poor definition of responsibilities; rote understanding of functions/lack of conceptual understanding; not management oriented; ineffective as control mechanism due to delays in closing/auditing accounts, inadequate training.</p> <p>1.3 PIP: Existing system merely listing of projects with one year horizon; projects not related to sectoral strategies; planning not done within a macro or sectoral resource envelope; link between PIP & budget unclear, not used for aid management.</p>
<p>COMMENTS:</p> <p>PIP = Public Investment Programs</p> <p>PEP = Public Expenditure Plan</p> <p>* Full implementation of the PIP system at the regional level will require amendment to regional financial regulations.</p>	1997	<p>1.1. Budget: Improved line-item budget(codes, chart of accounts, budget calendar, budget preparation) developed and implemented;</p> <p>1.2. Accounts: Reduced backlog; improved procedures (efficient/timely reporting; efficient book-keeping) developed and implemented;</p> <p>1.3. PIP: Conceptual awareness of what a PIP is (briefing papers, seminars) delivered. Design of procedures, calendar of implementation for PIP completed. Implementation of PIP started.</p>	<p>1.1 Budget: Budget manual, budget policy paper, budget issues paper prepared and under review.</p> <p>1.2 Accounts: Backlog reduced from 4 years to 2 years. Procedural reforms team formed and planning reform process. Development of an in-service training strategy and work on training materials.</p> <p>1.3 PIP: Design of PIP, manual, policy paper, issues paper completed.</p>

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM APPROVED: 05/1992
COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR1: Effective & Participatory Decentralization

INDICATOR : Effective & transparent resource allocation & management systems functioning at federal & regional levels.

	1998	<p>1.1. Budget: Improved line-item budget (budget classification, expenditure codes, formats). Development of budget training.</p> <p>1.2. Accounts: Reduce backlog; review of accounts system; development & delivery of specialist capacity training, accounts policy and issues paper.</p> <p>1.3. PIP: Implementation of PIP at federal level. Development of PIP data base. Design of PIP pilot for regions.</p>	<p>1.1 Budget: Improved line-item budget developed, including budget classification, new expenditure codes, and format.</p> <p>1.2 Accounts: Backlog at federal level eliminated and further reduced to an estimated average of 1.5 years in the regions. Accounts system comprehensively reviewed and documented. The resulting "Description of the Ethiopian Government Accounting System" served as a basis for a comprehensive list of recommended improvements. Accounting training commenced at Ethiopian Civil Service College and regional management training institutes.</p> <p>1.3 PIP: First PIP launched at federal level. PIP data base developed. Preparation for second federal PIP. PIP pilot for regions under design.*</p>
	1999	<p>1.1. Budget: Improved line item budget (implementation, organization, staffing, management, work plans, unit costs, budget norms). Improved aid management. Delivery of specialist budget training.</p> <p>1.2. Accounts: Backlog eliminated. Design of the expanded accounts system. Development & delivery of expanded accounts training.</p> <p>1.3. PIP: Implementation of pilot PIP in 2 regions. Design and delivery of PEP at federal level. Development of planning training program.</p>	
	2000	<p>1.1. Budget: Strengthen line item budget. Consolidate recurrent & capital budgets. Introduce activity based budgeting.</p> <p>1.2. Accounts: Development of self accounting procedures. Develop training in self accounting.</p> <p>1.3. PIP: Extend PIP to all regions. Develop PEP design for regions.</p>	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM

APPROVED: 05/1992 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA

RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased

INDICATOR 1: Increase in the Number of CSOs* registered & re-registered

UNIT OF MEASURE: Number	YEAR	PLANNED	ACTUAL
<p>SOURCE: Pact annual report and MOJ</p> <p>INDICATOR DESCRIPTION: Number of CSOs registered & re-registered with MOJ</p> <p>COMMENTS: Baseline based on Pact "Ethiopian NGOs Needs Assessment"</p>	1995 (B)		Registration of NGOs moved from DPPC to Ministry of Justice (MOJ). No clear procedures developed or published, MOJ provides no clear guidance to NGOs regarding registration process. NGOs applying for registration receive inconsistent treatment.
<p>* - Although CSOs are broadly defined, available data on the number of CSOs registered only includes NGOs. In the future, we will try to collect data on the entire CSO community, if data sources permit.</p>	1996	50 new NGOs registered	80 new NGOs registered
	1997	<ul style="list-style-type: none"> - 100 new NGOs registered - Re-registration to be routine for all NGOs registered in 1996. 	<p>Numbers available for July-Dec 1997 (6 months).</p> <p>Of a total of 184 new NGOs requesting MOJ registration :</p> <ul style="list-style-type: none"> - 95 approved by MOJ for registration and 7 rejected - Breakdown of 95 (42 registered and 53 approved by MOJ waiting final registration) - 63 of 80 NGOs (registered in 1996 for 1 year) were re-registered routinely

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM**APPROVED:** 05/1992 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA**RESULT NAME:** IR3: Organized Societal Participation to Advance Community Interests Increased**INDICATOR 1:** Increase in the Number of CSOs* registered & re-registered

This is down from the initial target of 100, set several years ago. Sheer number of new NGOs by itself signifies little. More significant is that with the major exception of the Ethiopian Human Rights Council (EHRCO), which has long been at loggerheads with the government, virtually all NGOs which have sought registration or re-registration have obtained it.	1998	- Additional 100 new NGO registered - Re-registration routine for all NGOs	- 70 plus new NGOs registered - Re-registration routine for all NGOs
	1999	Registration & re-registration routine for all NGOs, following clear, transparent, published registration procedures.	
	2000	Registration of NGOs no longer an issue or a target, has become completely routine.	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM **APPROVED:** 05/1992

COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased

INDICATOR 2: Increased Number of CSOs with effective strategic plans and financial & management systems

UNIT OF MEASURE: Number	YEAR	PLANNED	ACTUAL
SOURCE: PACT, OCAT-Organizational Capacity Assessment Tool	1995 (B)		Limited number of CSOs with effective strategic & management plans/systems. No CSOs found to have effective financial systems.*
INDICATOR DESCRIPTION: Increase in the number of CSOs working with PACT with effective strategic & management plans & financial management capacity as measured by the OCAT-assessment tool which measures 7 levels of institutional capacity	1996	Increased number of NGOs with effective strategic & management plans /systems & financial systems.*	PACT/OCAT surveys indicate of 35 NGOs surveyed all need major assistance with management practices & financial practices & systems.
	1997	15 of the 35 NGOs assessed using OCAT with effective strategic & management plans/systems & financial systems.	17 of the 35 have effective strategic management plans/systems in place. 16 have improved financial systems. OCAT conducted on additional 20 NGOs & training and mentoring begun.

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND PARTICIPATION IN A DEMOCRATIC SYSTEM **APPROVED:** 05/1992
COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR3: Organized Societal Participation to Advance Community Interests Increased

INDICATOR 2: Increased Number of CSOs with effective strategic plans and financial & management systems

<p>COMMENTS:</p> <p>*No targets on the number of NGOs was set as Pact was just starting the activity.</p> <p>**No results are reported on Pact "graduates" because the concept of "graduate" turned out to be far more complex than anticipated. There can be different levels of graduation. Does being a graduate mean that all ties are severed? The concept was being unpacked at the end of the year.</p>	1998	Additional 20 NGOs assessed using OCAT, increasing total NGOs to 70. 40 have improved strategic plans and management systems & improved financial systems operational. 30 NGOs fully graduate from Pact assistance.	Additional 26 new organizations assessed using OCAT, well above target. 22 NGOs have strategic plans and 26 developed financial systems. No NGOs reported to have been fully graduated from Pact assistance.**
	1999	Additional 15 health NGOs assessed using OCAT increasing total NGOs to 90. All 90 have participated in full range of training/mentoring. 50 NGOs graduated	
	2000	All 90 NGOs have effective strategic and management plans operational & have effective financial management capacity.	

SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS

OVERALL PERFORMANCE ASSESSMENT: NOT MEETING EXPECTATIONS

SUMMARY

In FY 1998, the United States provided over 35,000 metric tons of commodities, valued at \$16.0 million, from Title II non-emergency resources to approximately 900,000 Ethiopians in the country's chronically food insecure regions. The program also provided emergency humanitarian assistance, valued at \$34.0 million to Ethiopians affected by drought or floods or displaced by the current border conflict between Ethiopia and Eritrea. Through the Strengthening Ethiopia's Emergency Response Abilities (SERA) project, assistance has also been provided to the Disaster Prevention and Preparedness Commission (DPPC) to improve the GFDRE's capabilities in responding to emergencies, to better target vulnerable populations, and to reduce vulnerability.

PERFORMANCE OVER THE PAST YEAR

Achievement of the SPO experienced significant difficulties and delays in FY 1998 due primarily to the inability of Title II partners to monetize a sufficient quantity of commodities within Ethiopia to support their programs financially. Moreover, the bureaucratic process of securing regional project agreements was extremely ponderous and delayed calls forward and food distributions. Consequently, targets were not met in most activities. Nonetheless, some Title II partners did report progress and overall trends remain positive. Concern has been raised regarding the future of the current Title II development programs in Ethiopia, since monetization continues to be the only option for funding local currency costs. On a positive note, the SERA program is progressing well and is viewed as contributing significantly to the capacity of the DPPC to respond more effectively to the needs of Ethiopia's vulnerable population.

Resource shortages also reduced the results of FY 1998 emergency programs. The GFDRE had appealed for 573,000 MT of emergency food aid to meet the needs of over 4.2 million people over a period of nine months. However, donor pledges, including USAID's 75,000 MT, met only 58% of the appeal. In addition, 44,000 MT of the U.S. donation was blocked in Eritrea when the port of Assab was closed as a result of the Ethiopia/Eritrea border conflict. Eritrea kept this food; it never reached Ethiopia. Together, these factors reduced the number of people reached by emergency assistance by nearly 50%.

A key objective of USAID's emergency assistance to drought affected populations is to avoid negative coping mechanisms, e.g., moving permanently or selling productive assets. However, because less than half of the estimated shortfall in food availability was covered by food aid, affected populations did not receive assistance as planned and most likely were obliged to utilize severe coping mechanisms. Reports indicate that laborers from drought affected areas remained

away from their families for longer periods of time and earned less money because wages dropped by more than one-third. The consumption of wild plants, considered to be a measure of last resort, was very common in the highland areas. Farmers' indebtedness increased and, because of poor nutrition, the incidence of death and disease, particularly from malaria, increased significantly. The issue of "not enough" was constantly mentioned when USAID assessed the impact of emergency assistance provided to those displaced by the Ethiopian/Eritrean border conflict. Although the timeliness and targeting of aid has been effective, the number of displaced has grown to 350,000, more than double the 150,000 people for which the assistance was provided. At this time the conflict continues, raising fears that the displaced population may require long-term assistance since their ability to manage on their own will remain severely limited as long as they cannot return to their homes and farms.

IR 1: Increased Agricultural Production: SPO partners reported mixed performance over the past year depending on the extent to which their activities were affected by funding constraints. One NGO reported that the proportion of households using fertilizer increased from 0 (baseline) to 14% in FY 1997 and dropped to 8% in FY 1998. On the other hand, another NGO reported that fertilizer use increased from 27% (baseline), to 61% in FY 1997, to 97% in FY 1998. Aggregated figures for all NGOs is slightly over the target. Similarly, the increase in the proportion of area irrigated varies significantly from one NGO's area of operation to the other. One reported an increase from 6% (baseline) to 28% in FY 1997 to 60% in FY 1998, while another NGO reported that the percentage increase in irrigated area fell short of the target. Overall, aggregated figures showed an increasing trend. Use of improved seeds for all target areas surpassed its target. Achievements under this IR were significant given the funding constraints of FY 1998.

IR 2: Increased Household Income in Target Areas: Overall improvements as measured by IR2's proxy indicators were not encouraging. Although there were improvements with livestock holdings [aggregated for all NGOs], achievements on an individual NGO basis varied significantly. In some areas livestock holdings decreased significantly, presumably because of drought conditions. The physical status of households was not improved in most of the target areas which pulled the average down. Overall, NGOs implementing activities under this IR reported the lack of funds for credit activities and, most importantly, the lack of clarity regarding the Government of Ethiopia's new micro-financing requirements, as constraints to reaching targets.

IR 3: Improved Health Status of Households in Target Areas: A review of NGO reports show progress under this IR in all program operation areas. Prevalence of diarrheal diseases among children between 0 and 60 months decreased from 22.2% to 16% [in areas where this indicator was measured]. Immunization rates of children and the proportion of children using weaning foods increased respectively from 57.7% to 88%, and 16% to 34%. While it was reported that protected water usage has increased in several target areas, the overall average slightly missed the target.

IR 4: Natural Resource Base Maintained: Overall implementation of Natural Resource Management activities has increased. Achievements however appear to be below target. The indicator – annual soil loss reduction in metric tons per hectare measured by the Universal Soil Loss Equation (USLE) – was found very complicated and dropped by NGO partners as a measure

of the impact of NRM interventions. It is proposed to use a more simplified method that is less time consuming and less technical than the USLE. Using more qualitative assessments, NGOs reported that in FY 1998 soil loss estimates compared with those of FY 1997 showed reductions ranging from 63% to 65% for the same project areas. In other project areas, poor management of unprotected sites, and free grazing were apparent with no reduction of soil loss. The target on the other indicator 'increase in area of communal land protected' was almost fully met.

IR 5: Emergency Capacity Maintained: The majority of the partners were involved in local area nutritional and/or agricultural assessments to estimate relief needs. Due to the increased capacity of Regional Disaster Prevention and Preparedness Bureaus, SPO partners were not, for the most part, involved in direct emergency activities during FY 1998. Two exceptions were SAVE/US and REST.

The SERA project had a successful start up year, and is in the process of refining targets for project implementation. Four regions of Ethiopia were identified for project implementation and 18 districts selected for the development of vulnerability profiles. In each area, government and/or non government agencies have been selected as lead agencies to conduct relevant vulnerability research and special studies on the root causes of vulnerability.

EXPECTED RESULTS AND MANAGEMENT ACTIONS

Amendments to SPO partner programs are required as a result of reductions in resource levels experienced this past year, and further reductions are likely to continue. With monetization of commodities no longer budget driven, NGO partners will need to seriously revise budgets (and targets) downward.

As part of USAID's strategic planning for the next five years, the expanded SPO team engaged in a review of food assisted programs and nutrition. The team suggested that more focused nutritional programming may be a more appropriate use of Title II resources. Partners are currently exploring programming options and entering into discussion with regional government counterparts. It is expected over the course of the next year, that decisions will be made regarding the Title II programming in Ethiopia, which may lead to narrowing the range of activities of the SPO.

SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS			
APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA			
RESULT NAME: IR1: Increased Agricultural Crop Production			
INDICATOR - (Proxy 1): Increase in the proportion of households using fertilizer			
UNIT OF MEASURE: Percent	YEAR	PLANNED	ACTUAL
SOURCE: Cooperating sponsors baseline surveys and annual results reports	1996 (B)		20.0%
	1997(1)	22.0%	23.5%
INDICATOR DESCRIPTION: Increase in fertilizer use includes chemical fertilizer only.	1998 (2)	30.2%	32.5%
COMMENTS:	1999	31.5%	
- The 1997 figure for this indicators was aggregated from data obtained from three cooperating sponsors (FHI, CRS and CARE)	2000	33.0%	
- Performance data for 1998 include all cooperating sponsors excluding SCF which doesn't have agricultural activity [CARE, CRS, REST, WVI, FHI & EOC]	2001 (T)	35.0%	

SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS			
APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA			
RESULT NAME: Increased Agricultural Crop Production			
INDICATOR-(Proxy 2) : Increase in the proportion of households using improved seeds			
<p>UNIT OF MEASURE: Percent</p> <hr/> <p>SOURCE: Cooperating sponsors baseline surveys and annual results reports</p> <hr/> <p>INDICATOR DESCRIPTION: Increase in percentage of HHs using improved seeds (high yielding varieties) promoted by the title II partners</p> <hr/> <p>COMMENTS: Data aggregated for all cooperating sponsors [CARE, CRS, REST, WVI, FHI & EOC]</p> <p>Although performance on this indicator surpassed the target, the team opted for not adjusting the targets for future years, since activities were not carried out as planned both in the past and current years due to the monetization problem. Frankly, we are not sure whether these achievements could totally be attributable to our activities given the lag in implementation.</p> <p>The other significant indicator , proportion of irrigated area, in the target area did not meet the target. [3.4% as opposed to the planned 10%].</p>	YEAR	PLANNED	ACTUAL
	1996 (B)		2.8%
	1997	5.0%	12.9%
	1998	7.9%	14.0%
	1999	9.2%	
	2000	10.7%	
	2001 (T)	11.5%	

SPECIAL OBJECTIVE 1 : ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS
APPROVED: 14/02/97 COUNTRY/ORGANIZATION: USAID/ETHIOPIA

RESULT NAME: IR2: Increased Household Income in Target Areas

INDICATOR (Proxy): Increase in the average number of livestock owned by target households

UNIT OF MEASURE: Number

SOURCE: Cooperating sponsors baseline surveys and annual results reports

INDICATOR DESCRIPTION: A standard conversion factor is used to calculate livestock unit equivalent.

COMMENTS: Although this indicator showed improvement over the past year and in fact surpassed the target, there wasn't equal improvement in the physical status of households which is the other important proxy indicator for increase in household income. Last year only 6.8% of the households improved the physical status of their household as opposed to the 10% target. However, there was an improvement when compared to the 5% achievement in FY97.

YEAR	PLANNED	ACTUAL
1996 (B)		1.66
1997	1.70	1.63
1998	1.79	2.1
1999	1.81	
2000	1.84	
2001 (T)	1.90	

SPECIAL OBJECTIVE 1: ENHANCED HOUSEHOLD FOOD SECURITY IN TARGET AREAS**APPROVED:** 14/02/97 **COUNTRY/ORGANIZATION:** USAID/ETHIOPIA**RESULT NAME - IR3:** Improved Health Status of Households in Target Areas**INDICATOR (Proxy):** Increase in the proportion of households using protected water sources**UNIT OF MEASURE:** Percent**SOURCE:** Cooperating sponsors baseline surveys and annual results reports**INDICATOR DESCRIPTION:** Protected water sources include tap water, springs, wells and ponds that are protected for human consumption**COMMENTS:**

- 1997 data is an adjusted figure including those cooperating sponsors which reported late in the past year.

-Given the monetization problem and anticipated slow down of activities, targets are adjusted from 1999 onwards.

YEAR	PLANNED	ACTUAL
1996 (B)		26.9%
1997	32.0%	25.2%
1998	35.0%	26.2%
1999	30.0%	
2000	35.0%	
2001	40.0%	

SUPPLEMENTAL ANNEXES

- I. Environmental Compliance**
- II. Greater Horn of Africa Initiative (GHAI)**
- III. Macro-Economic Update related to Non-Project Assistance in Ethiopia**
- IV. Results Frameworks**

I. Environmental Compliance

Environmental Review Issues: The most significant activity requiring attention to environmental issues is the Title II Regular program (\$25 million per year; 8 cooperating sponsors (CSs) which over the past year have had their IEEs approved by the BEO for BHR). Most of these IEEs had deferrals related to small scale irrigation (SSI) activities. One CS, CRS, financed a Programmatic Environmental Assessment on SSI, the findings of which will now become the base of IEE amendments in FY 99. The CSs have successfully complied with Reg 16, and, in many cases, are moving beyond compliance. Each of the 8 CSs put in enormous amounts of professional staff time and resources into training for the IEE and into the IEE writing and approval process. The REO, AFR/SD, BHR BEO and the Mission MEO made tremendous contributions to this process, with the first 3 persons conducting three formal training programs in Africa solely for Title II CSs in the region, and the REO and MEO doing long hours of "on the job" training with each CS.

USAID/Ethiopia has approved IEE training for 2 FSNs from the Mission on USAID's environmental requirements this March. One FSN will become the "Co-MEO" for the Mission. This should facilitate continuity of monitoring compliance within the Mission, and help the Mission to continue moving beyond compliance. There is also a filing system set up which contains in one place all IEEs for all Mission activities.

The new food security/agricultural program is just being defined, and is expected to include watershed and soil fertility management/land use planning; agricultural cooperative development, rural financial services, agriculture research and extension and human nutrition and education. The approach to watershed management will be community based for several components and will likely focus on sustainable agricultural production; this will contribute positively to environmental issues. Other functional elements of the SO 1 have had IEEs done for each of the cooperative agreements, and the EMPOWER project promises to address directly some elements of agricultural sustainability in the coming year. VOCA's agriculture input retailers training activity is being extended for 3 years after an excellent start concerning the active pursuit of the IEE findings. VOCA hired an IPM expert to develop training modules concerning IPM and agricultural chemicals use. He was then hired to conduct the training of trainers for the activity. The mid-term evaluation found that retailers identified agricultural chemical handling training as one of the most enlightening in which they gained important new knowledge. Many had no idea of the hazards of handling these chemicals improperly. The disappointment has been that under the Development of Competitive Markets (DCM) project, there have been no proposals submitted for approval that deal with environmental issues. It should be recalled that DCM sub-grants are a demand driven activity, over which the Mission has little control in determining the content. The Mission is also cooperating with the US Embassy Environmental Hub Officer and his FSN assistant. The REO has been particularly helpful in identifying useful contacts for both these persons, and keeping in contact with them as appropriate.

Upcoming Activities: A summary table below provides information on the status, by SO, on environmental compliance. It is understood that no irreversible commitment of resources is to occur for programs or activities by the Mission before the results of an environmental review have been considered in activity design and implementation (ADS 204.5.3).

USAID/Ethiopia: Environmental Review Process, Status and Schedule FY 1999

ASSISTANCE ACTIVITIES	Environmental Review Completed/Expected	
	FY 99	Comments/Issues
SO 1 Increased Availability of Selected Domestically Produced Food Grains		
Development of Competitive Markets - Project	IEE amendment approved to include umbrella environmental reviews for activities to be defined under sub-grant facility.	2 subgrant Env. Reviews done, 3 more needed.
Michigan State University	MSU coop agr. terminated. If activity continued later, will be under Mission's new Food Security program, with IEE needed.	IEE approved 8/97 for MSU stand alone grant
Resources for Development of Agriculture -Umbrella		
EMPOWER (Winrock) Coop Agr.	Only activities defined to date are training and scholarships. Will need to review IEE once activities on farm are clearly defined (in 4 mo) to determine if it will need revision/update for ag. inputs section.	IEE approved in 5/97 for training and IEE ips. 84.74 m±tra .92 387.6 6 (and*6 trainire±¼f*±¼BT79.76 0.72 -92.16 re±¼ .92 387re±¼

SO 2 Increased Use of Primary and Preventive Health Care Services		
New AIDS activity	Activity may be funded under existing ESHE program, whose IEE would have to be amended to include analysis of new activity relative to current IEE. If not under ESHE, may need a stand alone IEE (9/99).	Details of design still to be determined. Once finalized, will be reviewed for environmental concerns (biological waste management).
ESHE Regional Incentive Funds (RIFs)	To date no use of RIF by SNNPR. If/When region determines what it will do with these funds, an environmental examination will be required (6/99). If RIF implemented, ESHE IEE will likely need to be revised to set up an umbrella/environmental review process for these RIF activities.	RIF activities are yet to be determined and are financed from ESHE NPA.
SO 3 Quality and Equity Improved in and Expanded System of Primary Education		
BESO Regional Incentive Funds (RIFs)	BESO has RIF funds available for 2 regions - Tigray and SNNPR. IEE needs to be amended to set up an umbrella Environmental Review process for RIF funded activities. (5/99)	RIF activities financed by BESO NPA have been carried out without environmental review process in place.
SO 4 Increased Access to and Participation in a Democratic Society		
Redesign of D/G activity	In compliance with IEE	IEE was reviewed during redesign (6/97). No new activities added to D/G program. IEE therefore did not require amendment.
Revised and extended grant to PACT	PACT has not submitted any sub-grants for ER.	IEE Amendment approved 6/98 to allow environmental screening to be used for sub-grant activities whose designs are not yet determined.

SPO 1 Enhanced Household Food Security in Target Areas		
Strengthening Ethiopia's Response Abilities (SERA)	Study on environmental effects of potable water activities to be finished by 5/99 (funded through EPIQ).	Categorical Exclusion was approved 7/97. Some studies will be undertaken that relate to environment/sustainable agricultural production.
Title II regular program implementation	6 CSs will amend their IEEs incorporating PEA for Small Scale Irrig. findings. ERs required for 1 CS road construction. All FY 99 IEE amendments due to BHR 5/99 with PAAs/DAPs. 1 CS will amend IEE for all FY 00 activities (5/99); 1 CS will amend IEE for FY 01 bush clearing activity (5/00).	IEEs approved for all 8 CSs in FY 98. PEA on Small Scale Irrigation to be approved by BHR 3/99.

II. Greater Horn of Africa Initiative (GHAI)

The GHAI objectives most relevant to the Ethiopia program are to strengthen African capacity to enhance regional food security and to strengthen African capacity to prevent, mitigate and respond to conflict in the Greater Horn. Under S.O. 1, "Increased Availability of Selected Domestically Produced Food Grains", and the SPO, "Enhanced Household Food Security in Target Area", USAID's program is fully supportive of and consistent with the GHAI in its focus on food security, and its adherence to the GHAI principles of African ownership, promoting stability, and linking relief to development.

Bi-lateral programs: Through assistance from USAID, the Strengthening Emergency Response Abilities (SERA), an activity with the Disaster Prevention and Preparedness Commission (DPPC), completed a series of "Vulnerability Profiles". These profiles identify the areas and population groups vulnerable to particular hazards/risks and the reasons for such vulnerability, and provide information to be used in development planning. This DPPC effort is considered by FEWS as a model for other countries in the region to follow. The Government of Ethiopia aims to develop vulnerability profiles for the most disaster prone areas of the country. This is directly related to the GHAI principle of linking relief and development.

Ethiopia's Title II Programs have an Intermediate Result, "Maintaining Emergency Response Capacity", which captures the linkage between relief and development and the need to maintain cost effective preparedness for emergency responses.

Under SO 1 the Grain Market Research Project has conducted action-oriented research in line with the Government's priorities to establish a nation-wide grain market information system where farmers, traders, policy makers and international organizations have price information for their decision making. This is critical to the overall GHAI program in that food security emergency situations tend to develop quickly and frequently in the region. Without information on price trends (an indicator of food availability in markets), governments and donors are left in the dark until the situation becomes a serious emergency.

The VOCA Cooperatives Development Activity focuses on cooperatives development as viable competitive businesses which act in the economic interests of individual farmers who otherwise would be unable to take advantage of private sector services. The development of member-oriented, democratically inspired coops is critical to the sustainable development of agriculture in Ethiopia and to improving the food security situation of the country. Ultimately, via coops, food prices will become more stable as coops provide storage and sales facilities for individual producers. As prices climb, coops sell and farmers benefit from higher end prices. Coops have also enhanced farmer incomes by reducing the cost of some inputs, especially fertilizer.

The GHAI goal of improving food security is supported by the Winrock implemented EMPOWER Activity through its focus on the role of women in agricultural production, processing and harvesting. Understanding the constraints women face in carrying out their responsibilities of providing food security to their household will go a long way to achieving this goal on a sustainable basis in Ethiopia.

The Ethiopian Agricultural Research Organization (EARO) activity aims at assessing the impact of maize technologies developed by the Ethiopian agricultural research system on production and productivity of the agricultural sector. The overall effect of technology packages on producers, consumers and the national economy will be evaluated. The study will critically evaluate the technology transfer and adoption process.

Regional Perspective: On a regional level, USAID/Ethiopia has been working on a more active participation in GHAI Programming. In pursuit of a regionally coordinated approach to development, the Inter-Governmental Authority on Development (IGAD), through assistance from USAID, wrote a Food Aid Code of Conduct which engages beneficiary governments, bilateral or multilateral donors, and NGOs to work together on periodic food assessments. These assessments are to be consistent with the policies of the respective countries and donors and are to ensure that sound allocation decisions are made on the basis of reliable information and realistic forecasts, particularly on food deficits and surpluses in the sub-region.

The Mission was part of a comparative analysis of inter and intra-country transport costs for cargo movement in the Northern Tier countries for the sub-region (Sudan, Eritrea, Ethiopia, Djibouti, and Somalia). The study indicated that in the past, poor transport infrastructure and facilities coupled with limited capacity adversely affected food distribution from the ports and surplus regions to the food deficit/consumption areas. This distorted food prices and availability, even within neighboring regions or countries.

Looking Forward: USAID/Ethiopia's Integrated Strategic Plan process is identifying practical, on-the-ground activities which link relief to development and support conflict prevention, mitigation, and response, specifically cross-border conflict prevention activities. Ethiopia is currently experiencing border conflict on three sides. To the north with Eritrea, to the east with Somalia, and to the south with Kenya.

The border areas in question are among the least developed in each country and as a result have become the focus of long-term relief efforts, particularly food aid. Creating incentives for all governments to focus on addressing the development needs of the people in these areas could help to mitigate the conflicts, give the governments reasons to collaborate, and promote the U.S. national interests in achieving regional stability in the Greater Horn of Africa. The Mission will pursue discussions on an approach to ease border tensions in collaboration with USAID/Eritrea, USAID/Kenya and USAID/Somalia, the GHAI and the Governments of Ethiopia, Eritrea and Kenya.

USAID Ethiopia is currently looking at activities involving livestock and pastoralists in the border regions. Livestock is an important income source for Ethiopians in pastoral areas, areas which border Kenya and Somalia. Periodic drought on either side of the border, causing water to be unavailable for livestock, often results in conflict with neighboring countries as the pastoralists wander across the borders. Such natural disasters result in large drops in income resulting in the need to supply food aid to affected populations. In addition, disease control and eradication becomes complicated by the cross border nature of pastoral livestock production, making it difficult for individual countries to take rational and efficient actions to control or

eradicate important livestock diseases. The management of the natural resource base requires a regional approach.

Frustrations: USAID Ethiopia is interested in working with other Missions in the Greater Horn and tapping into the GHAI Quick Response Fund and the Conflict Pilot Activity Fund. However, to date neither of these funds has been launched. Also, under the Horn of Africa Support Project (HASP), the Institutional Strengthening Grant Mechanism, a new \$10 million project to fund African NGOs to work under the GHAI has not been finalized. Knowing that the office is just starting up, USAID/Ethiopia would like to know when it can expect to submit a proposal for assistance.

III. Macro-Economic Update related to Non-Project Assistance in Ethiopia

Assumptions underlying USAID's NPA program: USAID/Ethiopia provides NPA under two sectoral programs (BESO # 630-0014 & ESHE # 630-0016) in education and health. A major assumption underlying these Programs is that increased budgetary resources will be made available for expenditure in the two sectors. Given limitations on the budgetary deficit dictated by the GFDRE's prudent fiscal policies,¹ the increases in budgetary allocations to the two sectors require shifts in the composition of the overall budget. Shifts within the budget are possible only to the extent that expenditure is discretionary. One important expenditure that is non-discretionary is debt repayment which continues to demand over a billion birr per year. Debt payments for 1998/99 are budgeted at 1.6 billion birr (216 million USD). By partially (somewhat below 10%) covering the GFDRE's non-discretionary obligations towards debt repayment, USAID\Ethiopia seeks to provide resources that can be allocated according to the government's development priorities which include improved quality and increased coverage of health and education services. Resources are made available to the government without a prescription on how this is to be used. Sectoral support is assumed based on a consideration of the government's development priorities.

Over the past five years there have been significant shifts in the composition of the government budget to allow for increased allocations to the social sectors. Thus the share of the total budget allocated to the education sector has increased from 8 percent in 1992/93 to 14 percent in 1997/98 and from 3 percent to around 6 percent to the health sector over the same time period. These shares have increased to 15 percent for education and maintained at around 6 percent for health in the 1998/99 budget. Moreover, as a means of redirecting the limited public resources to critical spending needs, the GFDRE has put into place Sector Development Programs for priority expenditures (roads, health and education sectors). Following the outbreak of a border conflict with Eritrea, military spending increased significantly, with the preliminary expenditure figures for 1997/98 indicating defense expenditures equivalent to 4.7 percent of GDP (as compared to a previous 2.5 percent) or 18 percent of total expenditure.² Nevertheless, deterioration in the overall fiscal position seems to be averted because of substantial underspending of the capital budget during 1997/98 owing to on-going constraints in implementation of the Government's investment programs.³ It is also to be noted that the share of education and health in actual expenditures for 1997/98 has been maintained at 14 percent and

¹ The overall deficit (i.e., including grants) is estimated at a manageable 3.5 percent of GDP. This is financed by concessionary borrowing. Domestic bank borrowing continues to be zero.

² It is to be noted that there has been significant off budget expenditure on the war effort; the financing of which is not fully transparent.

³ Measures towards resolution of such constraints in the health and education sectors are being considered jointly with the donor community under the SDPs.

6 percent respectively. Thus increased military expenditures have not been at the expense of the social sectors. Nevertheless, if military action continues, it is likely that government expenditure in economic and social activities including the SDPs will be cut back this year (1998/99). If the situation deteriorates even further and military action is protracted, the GFDRE will be unable to maintain fiscal restraint as presently indicated in the budget out turn .

A second assumption is that, given Ethiopia's development efforts and limited exporting capability, the current account deficit will remain significant in the short run though improving with development in the foreign trade sector. Also, Ethiopia is a highly indebted country and debt servicing continues to exert a continuing burden on the country's balance of payments position with servicing currently registered at about 45 percent of total earnings from export and non-factor services. Thus USAID\Ethiopia's NPA programs provide resources for debt repayment as a means of alleviating short term balance of payments constraints. Over the past year, export earnings increased only slightly from 604 million USD in 1996/97 to 610 million USD in 1997/98. Unlike the previous year, imports have outstripped export earnings and the current account deficit (excluding official transfers) has consequently widened as a percent of GDP, albeit by only 0.5 percent. This, together with the continued debt burden and with a weakening in the capital account due to lower than expected foreign assistance levels, resulted in a decline in the gross official foreign reserves to an estimated 3.0 months of imports of goods and non-factor services.

Progress on policy reform in the foreign trade sector is mixed. The Ethiopian Birr has been allowed to depreciate in the foreign exchange auction vis-a-vis the US dollar in real effective terms (currently trading at 7.5 birr per US dollar as opposed to about 6.5 birr per US dollar in 1997). Furthermore, measures allowing commercial banks to freely buy and sell foreign currency on their own account to fulfill demand of clients were introduced in May, 1977 and subsequently deepened. Despite these steps, liberalization of the foreign exchange system is lagging behind the anticipated time frame of the reform agenda. While foreign exchange bureaus have been established within private banks, they are restricted to transactions for advertisements, business and holiday travel, medical treatment and the purchase of publications. On the other hand, retention, conversion and surrender provisions for export proceeds and private remittances remain and have proved cumbersome. Further liberalization would have entailed a phased relaxation of the foreign exchange surrender requirement and elimination of exchange controls on payments for services transactions. This has been stalled in light of a weakening in the balance of payments position of the country.⁴ It is expected that remaining restrictions on external current

⁴ GDP growth in 1997/98 is estimated at 0.5 percent as a consequence of the adverse effects of El Niño on the agricultural sector which dominates the Ethiopian economy. Agricultural performance dropped by 7.6 percent. With the shortfall in basic food crops, the inflation rate rose to 2.33 percent from -6.4 percent in the previous year. Nevertheless, the full inflationary effects were mitigated by buffer stocks and extraordinary food imports. The decline in domestic production, the necessity for increased food imports, and a relatively low level of foreign direct assistance resulted in a weakening of the balance of payments position. Although information in connection with the Eritrean border conflict is not readily available, there is anecdotal evidence of significant arms purchases from abroad. This would further weaken the

account transactions will be eliminated under the current phase of the economic reform program.

Increasing Government Assumption for the Financial Burden of its Development Efforts:

In accordance with the NPA supplementary guidance, STATE 14969, this section seeks to provide an update on the GFDRE's efforts to assume increasing responsibility for the financial burden of its development efforts.

Government Revenue: Government revenue has continued to increase rising from 7.8 billion birr in 1996/97 to over 8 billion birr in 1997/98 and is projected to be around 9.5 billion birr in the 1998/99 budget. External grants add a further 1.5 to 2 billion birr. The share of grants has steadily declined from about 20 percent at the outset of the current economic reform program to 15 percent in 1997/98 but budgeted at around 17 percent for 1998/99. Thus a larger share of government expenditures is financed by domestic revenue. The prospects for the future are positive. As has already been discussed in last year's macro-economic assessment, the GFDRE has committed itself to tax reforms that should enhance revenue generation capacity.

An overall deficit, covered by concessionary borrowing nevertheless persists and has risen from 1.3 percent of GDP to an estimated 3.5 percent over the past year. Moreover, investment in health and education are expected to increase significantly in the coming years under the Health and Education Sector Development Programs. This is to be financed by the increase in domestic revenue, shifts in the composition of the budget in favor of these sectors, foreign grants, and concessionary borrowing (the GFDRE is presently processing loans of about 200 million USD in health and education from IDA and negotiating a loan of about 100 million for the two sectors from the ADB). It is not expected that increased expenditures in health and education will result in domestic borrowing. About 73 percent of the Education SDP and 57 percent of the Health SDP is to be covered from the government's own revenue. This is a shift from past expenditure patterns, where donors contributed all of the capital budget and some recurrent expenditures.

Foreign Exchange Earnings and the Balance of Payments: The extent to which the fiscal deficit is sustainable depends on whether the resulting increases in debt servicing requirements are sufficiently below growth in export earnings as well as government revenue generation capacity to allow a steady reduction in the debt servicing burden. As indicated above, significant progress is evident in relation to government revenue generation. Growth in export earnings is, however, still tenuous with the increase in export earnings last year under 1 percent. Earnings from coffee exports continued to increase, rising from 355 million USD to 410 million USD. Exports of non-traditional products are less buoyant and non-coffee exports actually declined from 249 million USD to 199 million USD. Nevertheless, recent government strategy (PFP for the period 1998/99 to 2000/01) focuses on the development of the foreign trade sector. Thus prospects for the future are good.

In the short term, the current account deficit is likely to increase. Indeed, as a percentage of GDP, the current account deficit rose from 3.5 percent in 1996/97 to an estimated 3.7 percent in 1997/98 and is projected to rise to 4.5 percent over the next two years. USAID\Ethiopia believes that given the country's development requirements maintenance of a growing current account deficit is justifiable. Nevertheless, the situation is unstable, particularly since the current account

balance of payments position in 1998/99.

deficit may increase significantly with increased imports of armaments due to the conflict with Eritrea. Debt servicing at an estimated 45 percent of export and non-factor services continues to account for a significant portion of the deficit. This is a slight increase over the previous year (42.4%). The debt servicing ratio is also projected to increase in the short term reaching an onerous 60 percent in 1998/99 but expected to start declining in 1999/2000.⁵

In sum, it is clear that the GFDRE has assumed increasing responsibility for financing its development efforts, relying less on foreign assistance and loans as increasing government revenue is generated. This is expected to continue in the future unless the border conflict with Eritrea turns into protracted warfare. Availability of foreign exchange, however, may become a constraint. The balance of payments position indicates a continued current account deficit, and a serious debt burden. The situation is unlikely to improve, in the short term, and may worsen as imports increase with the purchase of weapons. In previous analyses, we have shown that, given the GFDRE's debt management strategy and its external policies, the debt servicing ratio as well as the current account deficit will decline in the long run. Such policies were maintained in 1997/98, and are expected to be intensified in the future. In the short to medium term, however, assistance in terms of budgetary support as well as in terms of balance of payments support (particularly in relation to alleviation of the debt burden) is crucial. USAID's NPA is aimed towards this. As information becomes available, USAID will monitor closely the effects of the war with Eritrea, particularly with regard to Ethiopia's balance of payments position.

⁵ This includes ruble denominated debt and debt service to Russia.

IV. Results Framework

Strategic Objective 1: Increased Availability of Selected Domestically Produced Food Grains

IR1: Increased Production and Productivity of Selected Domestically Produced Foodgrains

IR1.1: Increased Adoption of Improved Foodgrain Packages in Target Areas

IR1.2: Increased Private Sector Participation in the input Market

IR1.3: Policies and Regulations Favorable to Private Sector Involvement in input Markets Implemented

IR2: Increased Efficiency of Grain Markets

IR2.1 Increased Private Sector Participation in Grain Markets

IR2.2 Policies and Regulations Favorable to Increased Efficiency of Grain Markets

Strategic Objective 2: Increased Use of Primary and Preventive Health Care (PPHC) Services

IR1: Increased Resources Dedicated to the Health Sector (Particularly to PPHC)

IR1.1: Government Budgetary Allocation to Health (and PPHC) Increases

IR1.2 Increased Proportion of Public Health Expenditure Covered Through Cost Recovery and Retention within the Sector

IR1.3 Increase Capacity for Resource Management

IR1.4 Increased Private (NGO & for profit) Sector Investment in PPHC Service Delivery

IR2: Increased Access to and Demand for Contraceptive Services in Focus Areas

IR2.1: Increase Availability of Family Planning Service Supported through COFAP/Pathfinder

IR2.2 Expanded Condom Social Marketing

IR2.3 Increased Knowledge of Modern Contraceptives

IR2.4 Increased Government Capacity to Deliver FP Services

IR3: Enhanced Capacity of Ethiopian Society to Expand Access & Use of STI/HIV/AIDS Services in Response to the Epidemic

IR3.1 Technically Correct National STI/HIV/AIDS Policies and strategies developed and Implemented

IR3.2 Increased Capacity, Access to and Use of the Public and Private Sectors for Delivery of Quality STI/HIV/AIDS Services

IR3.3: Increased Community Involvement In the STI/HIV/AIDS Prevention and Mitigation

IR3.4: Increased Awareness and Reduced Behavior for STI/HIV/AIDS among Youth, especially among young women

IR4: Increased Use of Integrated PPHC Delivery in SNNPR

IR4.1 Regional Government's Capacity for Service Delivery Enhanced

IR4.1.1 Health Planning and Management Improved

IR4.1.2. Increased Regional Training Capacity

IR4.1.3. Increased Resources & Improved Utilization

IR4.1.4: Improved Availability and Quality of Services in Health Facilities

IR4.1.5: Logistics Improved

IR4.2 Community Health Services Revitalized

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

IR1: Improved Quality and Equity of Primary School Environment

IR1.1: Increased Community Involvement in Primary Education

IR1.2: Improved School Leadership and Management

IR2: Increased Pedagogical Effectiveness of Content and Quality of Educational Materials

IR2.1: Improved Technical Capacity of Regions to Develop Curriculum, Education Materials and Mass Media Programs

IR2.2: Established Institutional Mechanism & Technical Capacity to Promote and Evaluate the Cost-Effectiveness of Quality Services

- IR3: Improved Performance and Equity of Teacher Training
 - IR3.1: Better Qualified Entrants into Teacher Pre-service Training Recruited
 - IR3.2: Increased # of Female Entering and Completing Pre-service Teacher Training
- IR4: Improved Decentralized Management and Administration of Primary Education
 - IR4.1: Strengthened Institutional Capacity of Educational Management (Planning, Policy Analysis and Formulation, Information Processing, Analysis and Use) of the MOE
 - IR4.2: Improved Key Management (Planning, Budgeting , Information System, M&E) Functions of Tigray and SNNPR
- IR5: Increased and More Rational and Efficient Sectoral Financing
 - IR5.1: Increased Availability of Non-salary Resources for Primary Education
 - IR5.2: More Cost-Effective and Efficient Use of Resources within the Education Sector

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

- IR1: Effective and participatory Decentralization
- IR2: Strengthened Judicial System
- IR3: Organized Societal Participation to Advance Community Interests Increased

Special Objective 1: Enhance Household Food Security in Target Areas

- IR1: Increased Agricultural Production
- IR2: Increased Income of Households
- IR3: Improved Health Status of Households
- IR4: Natural Resources Base Maintained
- IR5: Emergency Response Capacity Enhanced

RESOURCE REQUEST

Summary Requests: FY 2001 is to be the kick-off year for USAID Ethiopia's new Integrated Country Strategic Plan. The resource parameters approved by Washington for this plan include straight-lined program levels with a slight increase for operating expenses and workforce in the initial years of the new strategy. Accordingly, USAID/Ethiopia requests a minimum of \$12.2 million from the Development Fund for Africa (DFA) or the Development Assistance account, a minimum of \$25.6 million from the Child Survival and Diseases (CSD) account; and a minimum of \$38.1 million in P.L. 480 Title II resources. To manage its new strategic plan, the Mission also requests operating expense (OE) funds in the amount of \$3.1 million and a workforce of 98; including 12 U.S. direct-hires; 4 U.S. PSCs; 2 locally recruited, OE-funded direct-hires; 62 locally recruited, OE-funded non-direct-hires, and 18 locally recruited, program-funded non-direct hires.⁶ In addition, the mission is requesting one fellow in family planning. The mission's resource requests do not constitute significant changes in the proposed levels or funding accounts for USAID/Ethiopia.

Pipeline Assessment: At the end of FY 1998, the mission faced a pipeline problem with each of its objectives. The average months of forward funding across all objectives was 24 months. The pipeline for SO 1 presents 34 months of forward funding. This reflects delays in reaching agreement with the government on appropriate activities and, most recently, the abrupt termination of the Michigan State University work on food grain markets. However, expenditures increased for the support to agricultural data and small grants components of the Developing Competitive Markets Project, and the Mission expects accelerated expenditures for the EMPOWER program since Winrock International recently signed its implementation agreement with the Southern region. The Mission also anticipates signing an amendment to the successful VOCA cooperative restructuring activity which will expand it to three additional regions and increase disbursements significantly. The Mission expects the SO 1 pipeline to comply with Agency standards by 2001.

The SO 2 pipeline is 22 months long, in large part, to the termination of the program's major technical assistance contract. However, expenditures steadily increased over FY 1998, led by the objective's NGO reproductive health programs. To better balance this pipeline, the mission will allocate increased levels of FY 1999 funds to "unilateral" programs and reduce planned levels for activities implemented by the Ministry of Health. Expenditures are expected to increase significantly when a new technical assistance contractor comes on-board in FY 1999.

The project assistance portion of the SO 3 pipeline is about 12 months long, short by Agency standards. However, because of Congressional concerns related to the use of Child Survival funds for non-project assistance (NPA) and the Ethio-Eritrean border conflict, approximately \$15 million in NPA may not be disbursed in FY 1999 as planned, creating a pipeline problem. Nevertheless, these funds will be disbursed as soon as Congressional concerns are resolved.

The pipeline in SO4 is mainly associated with the financial devolution activities being carried out by the Ministry of Finance and the Harvard Institute for International Development (HIID). Given the current, accelerated pace of this activity, no pipeline problem is anticipated in the

⁶The mission's approved parameters included 17 rather than 18 program-funded staff and one TACCs advisor. Subsequently, the mission opted for an additional locally-recruited, program funded staff member.

future. The slow start up of activities with the Disaster Prevention and Preparedness Commission (DPPC) under SPO1 resulted in the relatively high (20 months) accumulation of pipeline. However, expenditures are expected to accelerate in FY 99 and FY 2000 as the activity approaches its completion.

LOP Funding Issues: LOP amount of the SO 2 has exceeded the original budget level. This is in addition to the planned extension of the LOP, primarily due to the inclusion of Global Field Support Resources (earlier considered as additive to the Mission OYB) into the Missions OYB from FY 97 onwards. Similarly, extension of the LOP has been planned for the BESO program because of the inclusion of new components for a girls education initiative, distance education and in-service teacher training. Because of this, the mortgages at the end of FY 2001 for both SOs exceed the levels as per original LOP funding.

Operating Expenses: The mission's request for a 3% increase in its OE funds for FY 2001 reflects a trade-off among savings achieved through reduced residential rents and maintenance costs, the loss of trust funds for office rent and maintenance, and anticipated increases due to improved compensation levels for the mission's Ethiopian employees, inflation and increased ICASS costs.

During FY 1998, the mission took advantage of a sharp decline in residential rents to renew leases at lower rates and acquire less expensive properties. Barring unforeseen events, the resulting reduced housing costs should be stable for the next five years. To further reduce housing costs, the mission withdrew from ICASS residential maintenance services. Together with reduced participation in other select ICASS areas, the mission reduced its ICASS bill by approximately 40 percent. Through the use of commercial contracts for maintenance and cleaning services, the Mission will spend less than half of what was previously being spent for these services under ICASS. However, costs for the remaining ICASS services used by the Mission are expected to continue to escalate in the absence of competition and compelling pressure from other USG agencies at Post to reduce costs.

FY 2000 marks the final year for which trust funds are available to support recurring office rent and maintenance costs. Over the past five years, trust funds have represented approximately 10% of the Mission's total OE budget. Approximately 70% of the requested increase in O.E. dollar resources for FY 2001 is due to the need to replace trust funds. Compensation levels for the Mission's Ethiopian employees have been unchanged since 1996. The FY 2000 OE request includes funds for a 10% increase in salary and benefits payments up to and including FY 2001. The mission continues to accrue FSN Separation Trust Fund liabilities of approximately \$12,000 annually. Barring unanticipated and large increases in the local compensation plan, these liabilities will be fully covered at existing budgetary levels.

Finally, the mission expects annual inflation rates in Ethiopia to increase at 3.5%-4% annually and has factored these increases into its requests.

FY 1999 Budget Request by Program/Country

Program/Country: Ethiopia

06-Apr-99
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Approp Acct: DA/CSD
Scenario

S.O. # , Title		FY 1999 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 99
		Bilateral/Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ		
SO 1: Increased Availability of Selected Domestically Produced Food Grains																
	Bilateral	7,400	0	5,500	0	0	0	0	0	0	0	0	1,900	0	1,850	12,950
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		7,400	0	5,500	0	0	0	0	0	0	0	0	1,900	0	1,850	12,950
Title III																
	Bilateral	5,700			5,700											
	Field Spt	0			0											
		5,700	0	0	5,700	0	0	0	0	0	0	0	0	0	0	0
SO 2: Increased Use of Primary and Preventive Health Care Services																
	Bilateral	8,850	0	0	0	0	0	1,450	4,200	500	2,105	595	0	0	17,679	18,136
	Field Spt	8,465	0	0	0	0	0	2,300	2,730	0	3,435	0	0	0	10,990	2,623
		17,315	0	0	0	0	0	3,750	6,930	500	5,540	595	0	0	28,669	20,759
SO 3: Quality and Equity Improved in an Expanded System of Primary Education																
	Bilateral	12,200	0	0	0	12,200	0	0	0	0	0	0	0	0	22,592	14,106
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		12,200	0	0	0	12,200	0	0	0	0	0	0	0	0	22,592	14,106
SO 4: Increased Access to and Participation in a Democratic System																
	Bilateral	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	7,010	4,162
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	7,010	4,162
SPO 1: Enhanced Household Food Security in Target Areas																
	Bilateral	1,000	0	0	300	0	0	0	200	0	0	0	500	0	900	1,930
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		1,000	0	0	300	0	0	0	200	0	0	0	500	0	900	1,930
Title II- reg																
	Bilateral	30,912			30,912											
	Field Spt	0			0											
		30,912	0	0	30,912	0	0	0	0	0	0	0	0	0	0	0
SO 6:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SO 7:																
	Bilateral	0														
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Bilateral		31,450	0	5,500	300	12,200	0	1,450	4,400	500	2,105	595	2,400	2,000	50,031	51,284
Total Field Support		8,465	0	0	0	0	0	2,300	2,730	0	3,435	0	0	0	10,990	2,623
TOTAL PROGRAM		39,915	0	5,500	300	12,200	0	3,750	7,130	500	5,540	595	2,400	2,000	61,021	53,907

FY 99 Request Agency Goal Totals	
Econ Growth	5,800
Democracy	2,000
HCD	12,200
PHN	17,515
Environment	2,400
Program ICASS	0
GCC (from all Goals)	0

FY 99 Account Distribution (DA only)	
Dev. Assist Program	13,950
Dev. Assist ICASS	13,950
CSD Program	25,965
CSD ICASS	25,965

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

Notes: PL 480 Title II and Title III are shown under "Other Growth" category.
Years of final obligation for SOs 2, and 3 are assumed to be extended.

FY 2000 Budget Request by Program/Country

Program/Country: Ethiopia

06-Apr-99
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Approp Acct: DA/CSD
Scenario

S.O. #, Title	FY 2000 Request														Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 00	
	Bilateral/Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G			
SO 1:																Year of Final Oblig:	
Bilateral	3,500	0	3,000	0	0	0	0	0	0	0	0	0	500	0	6,650	13,300	
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	3,500	0	3,000	0	0	0	0	0	0	0	0	0	500	0	6,650	13,300	
SO 2:																Year of Final Oblig:	
Bilateral	8,770	0	0	0	0	0	6,000	2,470	800	2,175	0	0	0	0	14,276	12,630	
Field Spt	8,730	0	0	0	0	0	2,675	2,730	0	3,325	0	0	0	7,619	3,734		
	17,500	0	0	0	0	0	8,675	5,200	800	5,500	0	0	0	21,895	16,364		
SO 3:																Year of Final Oblig:	
Bilateral	13,350	0	0	0	13,350	0	0	0	0	0	0	0	0	0	14,305	13,151	
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	13,350	0	0	0	13,350	0	0	0	0	0	0	0	0	14,305	13,151		
SO 4:																Year of Final Oblig:	
Bilateral	2,400	0	0	0	0	0	0	0	0	0	0	0	0	2,400	6,029	533	
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	2,400	0	0	0	0	0	0	0	0	0	0	0	0	2,400	6,029	533	
SPO 1:																Year of Final Oblig:	
Bilateral	300	0	0	0	300	0	0	0	0	0	0	0	0	0	1,500	730	
Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	300	0	0	0	300	0	0	0	0	0	0	0	0	1,500	730		
Title II-reg																	
Bilateral	38,100				38,100												
Field Spt	0				0												
	38,100	0	0	0	38,100	0	0	0	0	0	0	0	0	0	0	0	
SO 6:																Year of Final Oblig:	
Bilateral	0																
Field Spt	0																
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SO 7:																Year of Final Oblig:	
Bilateral	0																
Field Spt	0																
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Bilateral	28,320	0	3,000	300	13,350	0	6,000	2,470	800	2,175	0	500	2,400	42,760	40,344		
Total Field Support	8,730	0	0	0	0	0	2,675	2,730	0	3,325	0	0	0	7,619	3,734		
TOTAL PROGRAM	37,050	0	3,000	300	13,350	0	8,675	5,200	800	5,500	0	500	2,400	50,379	44,078		

FY 00 Request Agency Goal Totals	
Econ Growth	3,300
Democracy	2,400
HCD	13,350
PHN	20,175
Environment	500
Program ICASS	0
GCC (from all Goals)	0

FY 00 Account Distribution (DA only)	
Dev. Assist Program	12,200
Dev. Assist ICASS	0
Dev. Assist Total:	12,200
CSD Program	24,850
CSD ICASS	0
CSD Total:	24,850

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

Notes: PL 480 Title II request is shown under "Other Growth" category.
Years of final obligation for SOs 2, and 3 are assumed to be extended.

FY 2001 Budget Request by Program/Country

Program/Country: Ethiopia

06-Apr-99

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Approp Acct: DA/CSD
Scenario

S.O. #, Title	FY 2001 Request														Est. S.O. Expenditures	Est. S.O. Pipeline End of FY 01	Future Cost (POST-2001)		
	Bilateral/Field Spt	Total	Micro-Enterprise	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Other Health	Environ	D/G					
SO 1:																	Year of Final Oblig: 04		
	Bilateral	7,000	0	5,000	0	0	0	0	0	0	0	0	2,000	0	7,600	12,700	33,905		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
		7,000	0	5,000	0	0	0	0	0	0	0	0	2,000	0	7,600	12,700	33,905		
SO 2:																	Year of Final Oblig: 02		
	Bilateral	2,950	0	0	0	0	0	500	1,050	800	600	0	0	0	8,830	6,750	35,036		
	Field Spt	6,300	0	0	0	0	0	1,900	1,000	0	3,400	0	0	0	5,549	2,985	0		
		9,250	0	0	0	0	0	2,400	2,050	800	4,000	0	0	0	14,379	9,735	35,036		
SO 3:																	Year of Final Oblig: 01		
	Bilateral	15,000	0	0	0	15,000	0	0	0	0	0	0	0	0	15,400	13,401	29,950		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
		15,000	0	0	0	15,000	0	0	0	0	0	0	0	0	15,400	13,401	29,950		
SO 4:																	Year of Final Oblig: 02		
	Bilateral	4,800	0	0	0	0	0	0	0	0	0	0	0	4,800	3,825	1,475	1,200		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
		4,800	0	0	0	0	0	0	0	0	0	0	0	4,800	3,825	1,475	1,200		
SPO 1:																	Year of Final Oblig: 01		
	Bilateral	900	0	0	300	0	0	0	200	0	0	0	400	0	1,000	630	0		
	Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
		900	0	0	300	0	0	0	200	0	0	0	400	0	1,000	630	0		
Title II-reg																			
	Bilateral	38,100			38,100														
	Field Spt	0																	
		38,100	0	0	38,100	0	0	0	0	0	0	0	0	0	0	0	0		
SO 6:																	Year of Final Oblig:		
	Bilateral	0																	
	Field Spt	0																	
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
SO 7:																	Year of Final Oblig:		
	Bilateral	0																	
	Field Spt	0																	
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Bilateral		30,650	0	5,000	300	15,000	0	500	1,250	800	600	0	2,400	4,800	36,655	34,956	100,091		
Total Field Support		6,300	0	0	0	0	0	1,900	1,000	0	3,400	0	0	0	5,549	2,985	0		
TOTAL PROGRAM		36,950	0	5,000	300	15,000	0	2,400	2,250	800	4,000	0	2,400	4,800	42,204	37,941	100,091		

FY 01 Request Agency Goal Totals	
Econ Growth	5,300
Democracy	4,800
HCD	15,000
PHN	9,450
Environment	2,400
Program ICASS	0
GCC (from all Goals)	0

FY 01 Account Distribution (DA only)	
Dev. Assist Program	14,900
Dev. Assist ICASS	
Dev. Assist Total:	14,900
CSD Program	22,050
CSD ICASS	
CSD Total:	22,050

Prepare one set of tables for each appropriation Account
Tables for DA and CSD may be combined on one table.
For the DA/CSD Table, columns marked with (*) will be funded from the CSD Account

Notes: PL 480 Title II request is shown under "Other Growth" category.
Years of final obligation for SOs 2, and 3 are assumed to be extended.

GLOBAL FIELD SUPPORT

Objective Name	Field Support: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)					
				F Y 1 9 9 9		F Y 2 0 0 0		F Y 2 0 0 1	
				Obligated by:		Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
S.O.2: Increased use of PPHC	936-3079 FHI	High	4 years (1997-00)	0	350	0	350	0	0
S.O.2: Increased use of PPHC	936-3052 PCS	High	6 years (1997-02)	0	300	0	300	0	350
S.O.2: Increased use of PPHC	936-3046 POLICY	High	5 years (1997-01)	0	250	0	250	0	250
S.O.2: Increased use of PPHC	936-3038 FPLM-JSI/CDC	Medium-High		0	0	0	0	0	0
S.O.2: Increased use of PPHC	936-3057 Contraceptive Procurment	High	5 years (1997-01)	0	4535	0	5000	0	5000
S.O.2: Increased use of PPHC	936-3070 WC Fellows	High	5 years (1997-01)	0	200	0	0	0	200
S.O.2: Increased use of PPHC	Global AIDS Mechanism	High		0	100	0	100	0	0
S.O.2: Increased use of PPHC	POLIO	High		0	2730	0	500	0	500
GRAND TOTAL.....				0	8465	0	6500	0	6300

Operating Expenses

Org. Title: USAID/ETHIOPIA		Overseas Mission Budgets														
Org. No: 663 OC	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request			
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	
Org. Title: USAID/ETHIOPIA		Overseas Mission Budgets														
Org. No: 663 OC	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request			
	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	

Operating Expenses

Org. Title: USAID/ETHIOPIA		Overseas Mission Budgets														
Org. No:	OC	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
663		Do not enter data on this line														
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	9.0		9.0	9.8		9.8	9.8		9.8	10.3		10.3	10.3		10.3
	Subtotal OC 11.1	9.0	0	9.0	9.8	0.0	9.8	9.8	0	9.8	10.3	0	10.3	10.3	0	10.3
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH	2.3		2.3	2.3		2.3	2.3		2.3	2.4		2.4	2.4		2.4
	Subtotal OC 11.5	2.3	0	2.3	2.3	0	2.3	2.3	0	2.3	2.4	0	2.4	2.4	0	2.4
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	10.0		10.0	10.0		10.0	10.0		10.0	10.0		10.0	10.0		10.0
11.8	FN PSC Salaries	298.3	45.0	343.3	328.2		328.2	328.2		328.2	344.6		344.6	344.6		344.6
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0			0			0
	Subtotal OC 11.8	308.3	45.0	353.3	338.2	0.0	338.2	338.2	0.0	338.2	354.6	0.0	354.6	354.6	0.0	354.6
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	165.0		165.0	231.0		231.0	231.0		231.0	242.6		242.6	242.6		242.6
12.1	Cost of Living Allowances			0			0			0			0			0
12.1	Home Service Transfer Allowances	9.0		9.0	10.0		10.0	10.0		10.0	9.0		9.0	9.0		9.0
12.1	Quarters Allowances			0			0			0.0			0.0			0.0
12.1	Other Misc. USDH Benefits	2.6		2.6	3.9		3.9	3.9		3.9	3.0		3.0	3.0		3.0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH	1.0		1.0	1.2		1.2	1.2		1.2	1.2		1.2	1.2		1.2
12.1	Other FNDH Benefits	2.0		2.0	2.2		2.2	2.2		2.2	2.2		2.2	2.2		2.2
12.1	US PSC Benefits			0			0			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC	10.0		10.0	11.0		11.0	11.0		11.0	11.6		11.6	11.6		11.6
12.1	Other FN PSC Benefits	41.6		41.6	44.4		44.4	44.4		44.4	46.3		46.3	46.3		46.3
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0			0			0
	Subtotal OC 12.1	231.2	0	231.2	303.7	0	303.7	303.7	0	303.7	315.9	0	315.9	315.9	0	315.9
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH			0			0			0			0			0
13.0	Other Benefits for Former Personnel - FNDH			0			0			0			0			0
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs			0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

Operating Expenses

Org. Title: USAID/ETHIOPIA		Overseas Mission Budgets														
Org. No:	663	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
21.0	Training Travel	45.0		45.0	62.0		62.0	62.0		62.0	62.0		62.0	62.0		62.0
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field	52.0		52.0	62.4		62.4	62.4		62.4	54.6		54.6	54.6		54.6
21.0	Assignment to Washington Travel	2.6		2.6	0		0	0		0	0		0	0		0
21.0	Home Leave Travel	27.7		27.7	55.9		55.9	55.9		55.9	56.5		56.5	56.5		56.5
21.0	R & R Travel	44.1		44.1	31.5		31.5	31.5		31.5	52.9		52.9	52.9		52.9
21.0	Education Travel	14.0		14.0	4.9		4.9	4.9		4.9	4.9		4.9	4.9		4.9
21.0	Evacuation Travel	226.9		226.9	17.9		17.9	17.9		17.9	17.9		17.9	17.9		17.9
21.0	Retirement Travel			0			0			0			0			0
21.0	Pre-Employment Invitational Travel			0			0			0			0			0
21.0	Other Mandatory/Statutory Travel			0			0			0			0			0
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel	20.0		20.0	20.0		20.0	20.0		20.0	20.0		20.0	20.0		20.0
21.0	Site Visits - Mission Personnel	23.0		23.0	23.0		23.0	23.0		23.0	23.0		23.0	23.0		23.0
21.0	Conferences/Seminars/Meetings/Retreats	15.0		15.0	50.0		50.0	50.0		50.0	50.0		50.0	50.0		50.0
21.0	Assessment Travel			0			0			0			0			0
21.0	Impact Evaluation Travel			0			0			0			0			0
21.0	Disaster Travel (to respond to specific disasters)			0			0			0			0			0
21.0	Recruitment Travel			0			0			0			0			0
21.0	Other Operational Travel	20.0		20.0	20.0		20.0	20.0		20.0	20.0		20.0	20.0		20.0
	Subtotal OC 21.0	490.3	0	490.3	347.6	0	347.6	347.6	0	347.6	361.8	0	361.8	361.8	0	361.8
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight	166.5		166.5	177		177	177		177	154.9		154.9	154.9		154.9
22.0	Home Leave Freight	19.9		19.9	39.8		39.8	39.8		39.8	29.3		29.3	29.3		29.3
22.0	Retirement Freight			0			0			0			0			0
22.0	Transportation/Freight for Office Furniture/Equip.	37.3		37.3	34.9		34.9	34.9		34.9	28.5		28.5	28.5		28.5
22.0	Transportation/Freight for Res. Furniture/Equip.	47.0		47.0	33.0		33.0	33.0		33.0	70.7		70.7	70.7		70.7
	Subtotal OC 22.0	270.7	0	270.7	284.7	0	284.7	284.7	0	284.7	283.4	0	283.4	283.4	0	283.4
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space			190.0			190.0			190.0			190.0			190.0
23.2	Rental Payments to Others - Warehouse Space			35.0			35.0			35.0			35.0			35.0
23.2	Rental Payments to Others - Residences	261.8		261.8	261.8		261.8	261.8		261.8	261.8		261.8	261.8		261.8
	Subtotal OC 23.2	261.8	225.0	486.8	261.8	225.0	486.8	261.8	225.0	486.8	486.8	0	486.8	486.8	0	486.8
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	13.0		13.0	13.0		13.0	13.0		13.0	13.0		13.0	13.0		13.0
23.3	Residential Utilities	21.8		21.8	22.7		22.7	22.7		22.7	23.8		23.8	23.8		23.8
23.3	Telephone Costs	58.0		58.0	63.0		63.0	63.0		63.0	63.0		63.0	63.0		63.0
23.3	ADP Software Leases			0			0			0			0			0
23.3	ADP Hardware Lease			0			0			0			0			0
23.3	Commercial Time Sharing			0			0			0			0			0
23.3	Postal Fees (Other than APO Mail)			0			0			0			0			0
23.3	Other Mail Service Costs			0			0			0			0			0
23.3	Courier Services	2.0		2.0	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0
	Subtotal OC 23.3	94.8	0	94.8	101.7	0	101.7	101.7	0	101.7	102.8	0	102.8	102.8	0	102.8

Operating Expenses

Org. Title: USAID/ETHIOPIA		Overseas Mission Budgets														
Org. No: 663 OC		FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
24.0	Printing and Reproduction	7.4		7.4	7.4		7.4		7.4	7.4		7.4		7.4		7.4
	Subtotal OC 24.0	7.4	0	7.4	7.4	0	7.4	7.4	0	7.4	7.4	0	7.4	7.4	0	7.4
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services	0.0		0.0	0.0		0.0		0.0	0.0		0.0		0.0		0.0
25.1	Engineering & Technical Services			0			0			0			0			0
	Subtotal OC 25.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	50.0		50.0	55.0		55.0	55.0		55.0	55.0		55.0	55.0		55.0
25.2	Residential Security Guard Services	52.8		52.8	55.4		55.4	55.4		55.4	58.2		58.2	58.2		58.2
25.2	Official Residential Expenses			0			0			0			0			0
25.2	Representation Allowances	1.2		1.2	1.2		1.2	1.2		1.2	1.2		1.2	1.2		1.2
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees			0			0			0			0			0
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts	10.0		10.0	10.0		10.0	10.0		10.0	10.0		10.0	10.0		10.0
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services	40.0		40.0	40.0		40.0	40.0		40.0	40.0		40.0	40.0		40.0
25.2	Staff training contracts	45.0		45.0	50.0		50.0	50.0		50.0	50.0		50.0	50.0		50.0
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	199.0	0	199.0	211.6	0	211.6	211.6	0	211.6	214.4	0	214.4	214.4	0	214.4
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	255.0		255.0	255.0		255.0	255.0		255.0	255.0		255.0	255.0		255.0
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	255.0	0.0	255.0	255.0	0.0	255.0	255.0	0.0	255.0	255.0	0.0	255.0	255.0	0.0	255.0
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	27.0	30.0	57.0	32.0	81.0	113.0	32.0	81.0	113.0	32.0	0	32.0	32.0	0	32.0
25.4	Residential Building Maintenance	50.0		50.0	50.0		50.0	50.0		50.0	50.0		50.0	50.0		50.0
	Subtotal OC 25.4	77.0	30.0	107.0	82.0	81.0	163.0	82.0	81.0	163.0	82.0	0	82.0	82.0	0	82.0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0			0			0
25.7	Storage Services			0			0			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance	7.0		7.0	7.0		7.0	7.0		7.0	7.0		7.0	7.0		7.0
25.7	Vehicle Repair and Maintenance	8.0		8.0	8.0		8.0	8.0		8.0	8.0		8.0	8.0		8.0
25.7	Residential Furniture/Equip. Repair and Maintenance	10.0		10.0	10.0		10.0	10.0		10.0	10.0		10.0	10.0		10.0
	Subtotal OC 25.7	25.0	0	25.0	25.0	0	25.0	25.0	0	25.0	25.0	0	25.0	25.0	0	25.0

Operating Expenses

Org. Title: USAID/ETHIOPIA		Overseas Mission Budgets														
Org. No:	OC	FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total												
25.8	Substance & spt. of persons (by contract or Gov'l.)			0			0			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26.0	Supplies and materials	152.2		152.2	247.2		247.2	247.2		247.2	247.2		247.2	247.2		247.2
	Subtotal OC 26.0	152.2	0	152.2	247.2	0	247.2	247.2	0	247.2	247.2	0	247.2	247.2	0	247.2
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0	Purchase of Residential Furniture/Equip.	85.0		85.0	45.0		45.0	45.0		45.0	90.0		90.0	90.0		90.0
31.0	Purchase of Office Furniture/Equip.	55.0		55.0	45.0		45.0	45.0		45.0	90.0		90.0	90.0		90.0
				45.0			45.0			45.0			45.0			45.0

Organization: 663.0

Foreign National Voluntary Separation Account									
Action	FY 1999			FY 2000			FY 2001		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	11.0	2.0	13.0	12.2	2.5	14.7	13.8	3.0	16.8
Withdrawals	4.0	1.5	5.5	4.0	2.0	6.0	4.0	3.0	7.0

Local Currency Trust Funds - Regular			
	FY 1999	FY 2000	FY 2001
Balance Start of Year	206.0	106.0	0.0
Obligations	300.0	306.0	0.0
Deposits	200.0	200.0	0.0
Balance End of Year	106.0	0.0	0.0

Exchange Rate _____

Local Currency Trust Funds - Real Property			
	FY 1999	FY 2000	FY 2001
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

Exchange Rate _____

Controller Operations

Org. Title: USAID/ETHIOPIA														
Overseas Mission Budgets														
Org. No: 663														
OC														
FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total

Org. Title: USAID/ETHIOPIA														
Overseas Mission Budgets														
Org. No: 663														
OC														
FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total

Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets														
		FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total												
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	4.5		4.5	4.9		4.9	4.9		4.9	5.2		5.2	5.2		5.2
	Subtotal OC 11.1	4.5	0	4.5	4.9	0	4.9	4.9	0	4.9	5.2	0	5.2	5.2	0	5.2
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3		0	0		0	0		0	0		0	0		0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH	1.1		1.1	1.2		1.2	1.2		1.2	1.3		1.3	1.3		1.3
	Subtotal OC 11.5	1.1	0	1.1	1.2	0	1.2	1.2	0	1.2	1.3	0	1.3	1.3	0	1.3
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries			0			0			0			0			0
11.8	FN PSC Salaries	52.9		52.9	58.2		58.2	58.2		58.2	61.1		61.1	61.1		61.1
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0			0			0
	Subtotal OC 11.8	52.9	0	52.9	58.2	0	58.2	58.2	0	58.2	61.1	0	61.1	61.1	0	61.1
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances			0	23.1		23.1	23.1		23.1	23.1		23.1	23.1		23.1
12.1	Cost of Living Allowances			0			0			0			0			0
12.1	Home Service Transfer Allowances			0			0			0			0			0
12.1	Quarters Allowances			0			0			0			0			0
12.1	Other Misc. USDH Benefits			0	2.3		2.3	2.3		2.3			0			0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH	0.5		0.5	0.6		0.6	0.6		0.6	0.6		0.6	0.6		0.6
12.1	Other FNDH Benefits	1.0		1.0	1.1		1.1	1.1		1.1	1.1		1.1	1.1		1.1
12.1	US PSC Benefits			0			0			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC	3.4		3.4	3.6		3.6	3.6		3.6	3.6		3.6	3.6		3.6
12.1	Other FN PSC Benefits	7.5		7.5	8		8	8		8	8.3		8.3	8.3		8.3
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0			0			0
	Subtotal OC 12.1	12.4	0	12.4	38.7	0	38.7	38.7	0	38.7	36.7	0	36.7	36.7	0	36.7
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FNDH			0			0			0			0			0
13.0	Other Benefits for Former Personnel - FNDH			0			0			0			0			0
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs			0			0			0			0			0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets															
		FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request			
		Dollars	TF	Total													
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
21.0	Training Travel	0		0	7.5		7.5	7.5		7.5	7.5		7.5		7.5		
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
21.0	Post Assignment Travel - to field			0	10.4		10.4	10.4		10.4		0			0		
21.0	Assignment to Washington Travel			0			0			0		0			0		
21.0	Home Leave Travel			0	2.2		2.2	2.2		2.2		12.6		12.6	12.6		12.6
21.0	R & R Travel	2.1		2.1			0			0		8.8		8.8	8.8		8.8
21.0	Education Travel			0			0			0				0			0
21.0	Evacuation Travel	1.4		1.4	1.5		1.5	1.5		1.5		1.6		1.6	1.6		1.6
21.0	Retirement Travel			0			0			0				0			0
21.0	Pre-Employment Invitational Travel			0			0			0				0			0
21.0	Other Mandatory/Statutory Travel			0			0			0				0			0
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
21.0	Site Visits - Headquarters Personnel			0			0			0				0			0
21.0	Site Visits - Mission Personnel	1.0		1.0	1.0		1.0	1.0		1.0		1.0		1.0	1.0		1.0
21.0	Conferences/Seminars/Meetings/Retreats	0		0	7.8		7.8	7.8		7.8		7.8		7.8	7.8		7.8
21.0	Assessment Travel			0			0			0				0			0
21.0	Impact Evaluation Travel			0			0			0				0			0
21.0	Disaster Travel (to respond to specific disasters)			0			0			0				0			0
21.0	Recruitment Travel			0			0			0				0			0
21.0	Other Operational Travel	9.5		9.5	9.5		9.5	9.5		9.5		9.5		9.5	9.5		9.5
	Subtotal OC 21.0	14	0	14	39.9	0	39.9	39.9	0	39.9	48.8	0	48.8	48.8	0	48.8	
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
22.0	Post assignment freight			0	29.5		29.5	29.5		29.5				0			0
22.0	Home Leave Freight			0	1		1	1		1		14.1		14.1	14.1		14.1
22.0	Retirement Freight			0			0			0				0			0
22.0	Transportation/Freight for Office Furniture/Equip.	6.5		6.5	6.1		6.1	6.1		6.1		5.1		5.1	5.1		5.1
22.0	Transportation/Freight for Res. Furniture/Equip.	7.6		7.6	5.6		5.6	5.6		5.6		11.9		11.9	11.9		11.9
	Subtotal OC 22.0	14.1	0	14.1	42.2	0	42.2	42.2	0	42.2	31.1	0	31.1	31.1	0	31.1	
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
23.2	Rental Payments to Others - Office Space			18.0			18.0			18.0		18.0		18.0	18.0		18.0
23.2	Rental Payments to Others - Warehouse Space			3.4			3.4			3.4		3.4		3.4	3.4		3.4
23.2	Rental Payments to Others - Residences	12.5		12.5	12.5		12.5	12.5		12.5		12.5		12.5	12.5		12.5
	Subtotal OC 23.2	12.5	21.4	33.9	12.5	21.4	33.9	12.5	21.4	33.9	33.9	0	33.9	33.9	0	33.9	
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
23.3	Office Utilities	1.2		1.2	1.2		1.2	1.2		1.2		1.2		1.2	1.2		1.2
23.3	Residential Utilities	1.8		1.8	1.9		1.9	1.9		1.9		2.0		2.0	2.0		2.0
23.3	Telephone Costs	5.4		5.4	6.0		6.0	6.0		6.0		6.0		6.0	6.0		6.0
23.3	ADP Software Leases			0			0			0				0			0
23.3	ADP Hardware Lease			0			0			0				0			0
23.3	Commercial Time Sharing			0			0			0				0			0

Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets														
		FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total												
23.3	Postal Fees (Other than APO Mail)			0			0			0			0			0
23.3	Other Mail Service Costs			0			0			0			0			0
23.3	Courier Services	0.3		0.3	0.3		0.3		0.3	0.3		0.3	0.3		0.3	0.3
	Subtotal OC 23.3	8.7	0	8.7	9.4	0	9.4	9.4	0	9.4	9.5	0	9.5	9.5	0	9.5
24.0	Printing and Reproduction	0.7		0.7	0.7		0.7		0.7	0.7		0.7	0.7		0.7	0.7
	Subtotal OC 24.0	0.7	0	0.7	0.7	0	0.7	0.7	0	0.7	0.7	0	0.7	0.7	0	0.7
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0			0			0
25.1	Management & Professional Support Services	0		0	0		0		0	0		0	0		0	0
25.1	Engineering & Technical Services			0			0			0			0			0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	4.8		4.8	5.2		5.2	5.2		5.2	5.2		5.2	5.2		5.2
25.2	Residential Security Guard Services	4.4		4.4	4.6		4.6	4.6		4.6	4.9		4.9	4.9		4.9
25.2	Official Residential Expenses			0			0			0			0			0
25.2	Representation Allowances			0			0			0			0			0
25.2	Non-Federal Audits			0			0			0			0			0
25.2	Grievances/Investigations			0			0			0			0			0
25.2	Insurance and Vehicle Registration Fees			0			0			0			0			0
25.2	Vehicle Rental			0			0			0			0			0
25.2	Manpower Contracts			0			0			0			0			0
25.2	Records Declassification & Other Records Services			0			0			0			0			0
25.2	Recruiting activities			0			0			0			0			0
25.2	Penalty Interest Payments			0			0			0			0			0
25.2	Other Miscellaneous Services	6.8		6.8	6.8		6.8	6.8		6.8	6.4		6.4	6.4		6.4
25.2	Staff training contracts			0			0			0			0			0
25.2	ADP related contracts			0			0			0			0			0
	Subtotal OC 25.2	16.00	0	16.00	16.6	0	16.6	16.6	0	16.6	16.5	0	16.5	16.5	0	16.5
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	43.4		43.4	43.4		43.4	43.4		43.4	43.4		43.4	43.4		43.4
25.3	All Other Services from Other Gov't. accounts			0			0			0			0			0
	Subtotal OC 25.3	43.4	0	43.4	43.4	0	43.4	43.4	0	43.4	43.4	0	43.4	43.4	0	43.4
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	2.6	2.9	5.5	3.0	7.8	10.8	3.0	7.8	10.8	3.0		3.0	3.0		3.0
25.4	Residential Building Maintenance	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0	3.0		3.0
	Subtotal OC 25.4	5.6	2.9	8.5	6.0	7.8	13.8	6.0	7.8	13.8	6.0	0	6.0	6.0	0	6.0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs			0			0			0			0			0

Controller Operations

Org. Title: USAID/ETHIOPIA Org. No: 663 OC		Overseas Mission Budgets														
		FY 1999 Estimate			FY 2000 Target			FY 2000 Request			FY 2001 Target			FY 2001 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.7	Storage Services			0			0			0			0			0
25.7	Office Furniture/Equip. Repair and Maintenance	1.4		1.4	1.4		1.4		1.4	1.4		1.4	1.4		1.4	1.4
25.7	Vehicle Repair and Maintenance	1.0		1.0	1.0		1.0		1.0	1.0		1.0	1.0		1.0	1.0
25.7	Residential Furniture/Equip. Repair and Maintenance	1.0		1.0	1.0		1.0		1.0	1.0		1.0	1.0		1.0	1.0
	Subtotal OC 25.7	3.4	0	3.4	3.4	0	3.4	3.4	0	3.4	3.4	0	3.4	3.4	0	3.4
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0			0			0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26.0	Supplies and materials	21.8		21.8	37.9		37.9	37.9		37.9	37.9		37.9		37.9	37.9
	Subtotal OC 26.0	21.8	0	21.8	37.9	0	37.9	37.9	0	37.9	37.9	0	37.9	37.9	0	37.9
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0	Purchase of Residential Furniture/Equip.	6.8		6.8	3.6		3.6	3.6		3.6	7.2		7.2	7.2		7.2
31.0	Purchase of Office Furniture/Equip.	8.8		8.8	7.7		7.7	7.7		7.7	13.6		13.6	13.6		13.6
31.0	Purchase of Vehicles	0		0	4.3		4.3	4.3		4.3	13.8		13.8	13.8		13.8
31.0	Purchase of Printing/Graphics Equipment	0.8		0.8	0.9		0.9	0.9		0.9	1.7		1.7	1.7		1.7
31.0	ADP Hardware purchases	12.4		12.4	5.2		5.2	5.2		5.2	8.5		8.5	8.5		8.5
31.0	ADP Software purchases	3.4		3.4	1.3		1.3	1.3		1.3	3.3		3.3	3.3		3.3
	Subtotal OC 31.0	32.2	0	32.2	23	0	23	23	0	23	48.1	0	48.1	48.1	0	48.1
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)			0			0			0			0			0
32.0	Purchase of fixed equipment for buildings			0			0			0			0			0
32.0	Building Renovations/Alterations - Office			0			0			0			0			0
32.0	Building Renovations/Alterations - Residential			0			0			0			0			0
	Subtotal OC 32.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42.0	Claims and indemnities			0			0			0			0			0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		243.3	24.3	267.6	338	29.2	367.2	338	29.2	367.2	383.6	0	383.6	383.6	0	383.6

Additional Mandatory Information

Dollars Used for Local Currency Purchases

Exchange Rate Used in Computations

1USD = BIRR7.50

7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
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** If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.

On that form, OE funded deposits must equal:

3.9	4.2	4.2	4.2	4.2
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Workforce Tables

Org USAID/Ethiopia End of year On-Board									Total	Org.	Fin.	Admin.	Con-	All	Total	Total	
FY 1999 Estimate	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	SO/SpO	Mgmt.	Mgmt	Mgmt	tract	Legal	Other	Mgmt.	Staff	
OE Funded: 1/																	
U.S. Direct Hire	2	1	1					5	4	1	1	1			7	12	
Other U.S. Citizens								0							0	0	
FSN/TCN Direct Hire								0	1	1					2	2	
Other FSN/TCN	1	1	2					6	5	11	36	4		46	102	108	
Subtotal	3	2	3	0	0	3	0	11	10	13	37	5	0	46	111	122	
Program Funded 1/																	
U.S. Citizens	1	1		1				4							0	4	
FSNs/TCNs	4	4	4	2				17			1				1	18	
Subtotal	5	5	4	3	0	4	0	21	0	0	1	0	0	0	1	22	
Total Direct Workforce	8	7	7	3	0	7	0	32	10	13	38	5	0	46	112	144	
TAACS		1						1							0	1	
Fellows		1						1							0	1	
IDIs								0							0	0	
Subtotal	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2	
TOTAL WORKFORCE	8	9	7	3	0	7	0	34	10	13	38	5	0	46	112	146	

Workforce Tables

	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2	Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
FY 2000 Target																
OE Funded: 1/																
U.S. Direct Hire	2	1	1				1	5	4	1	1	1			7	12
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0	1	1					2	2
Other FSN/TCN	1	1	2				2	6	5	11	36	4		46	102	108
Subtotal	3	2	3	0	0	3	0	11	10	13	37	5	0	46	111	122
Program Funded 1/																
U.S. Citizens	1	1		1			1	4							0	4
FSNs/TCNs	4	4	4	2			3	17			1				1	18
Subtotal	5	5	4	3	0	4	0	21	0	0	1	0	0	0	1	22
Total Direct Workforce	8	7	7	3	0	7	0	32	10	13	38	5	0	46	112	144
TAACS		1						1							0	1
Fellows		1						1							0	1
IDIs								0							0	0
Subtotal	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2
TOTAL WORKFORCE	8	9	7	3	0	7	0	34	10	13	38	5	0	46	112	146

FY 2000 Request																
OE Funded: 1/																
U.S. Direct Hire	2	1	1				1	5	4	1	1	1			7	12
Other U.S. Citizens								0							0	0
FSN/TCN Direct Hire								0	1	1					2	2
Other FSN/TCN	1	1	2				2	6	5	11	36	4		46	102	108
Subtotal	3	2	3	0	0	3	0	11	10	13	37	5	0	46	111	122
Program Funded 1/																
U.S. Citizens	1	1		1			1	4							0	4
FSNs/TCNs	4	4	4	2			3	17			1				1	18
Subtotal	5	5	4	3	0	4	0	21	0	0	1	0	0	0	1	22
Total Direct Workforce	8	7	7	3	0	7	0	32	10	13	38	5	0	46	112	144
TAACS		1						1							0	1
Fellows		1						1							0	1
IDIs								0							0	0
Subtotal	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2
TOTAL WORKFORCE	8	9	7	3	0	7	0	34	10	13	38	5	0	46	112	146

Workforce Tables

Org USAID/Ethiopia End of year On-Board								Total SO/SpO Staff	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff	
FY 2001 Target	SO 1	SO 2	SO 3	SO 4	SO 5	SpO1	SpO2										
OE Funded: 1/																	
U.S. Direct Hire	2	1	1				1	5	4	1	1	1			7	12	
Other U.S. Citizens								0							0	0	
FSN/TCN Direct Hire								0	1	1					2	2	
Other FSN/TCN	1	1	2				2	6	5	11	36	4		46	102	108	
Subtotal	3	2	3	0	0	3	0	11	10	13	37	5	0	46	111	122	
Program Funded 1/																	
U.S. Citizens	1	1		1			1	4							0	4	
FSNs/TCNs	4	4	4	2			3	17			1				1	18	
Subtotal	5	5	4	3	0	4	0	21	0	0	1	0	0	0	1	22	
Total Direct Workforce	8	7	7	3	0	7	0	32	10	13	38	5	0	46	112	144	
TAACS		1						1							0	1	
Fellows		1						1							0	1	
IDIs								0							0	0	
Subtotal	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2	
TOTAL WORKFORCE	8	9	7	3	0	7	0	34	10	13	38	5	0	46	112	146	

FY 2001 Request																	
OE Funded: 1/																	
U.S. Direct Hire	2	1	1				1	5	4	1	1	1			7	12	
Other U.S. Citizens								0							0	0	
FSN/TCN Direct Hire								0	1	1					2	2	
Other FSN/TCN	1	1	2				2	6	5	11	36	4		46	102	108	
Subtotal	3	2	3	0	0	3	0	11	10	13	37	5	0	46	111	122	
Program Funded 1/																	
U.S. Citizens	1	1		1			1	4							0	4	
FSNs/TCNs	4	4	4	2			3	17			1				1	18	
Subtotal	5	5	4	3	0	4	0	21	0	0	1	0	0	0	1	22	
Total Direct Workforce	8	7	7	3	0	7	0	32	10	13	38	5	0	46	112	144	
TAACS		1						1							0	1	
Fellows		1						1							0	1	
IDIs								0							0	0	
Subtotal	0	2	0	0	0	0	0	2	0	0	0	0	0	0	0	2	
TOTAL WORKFORCE	8	9	7	3	0	7	0	34	10	13	38	5	0	46	112	146	