

The Challenge

USAID's main objective in Ethiopia is to overcome the threat of recurring, deadly famine. This threat results from a lack of good governance and democratic space, drought, poor water and land management, and inadequate and unequal access to health care, education, and diversified economic development. USAID is working to: open democratic space by stressing community participation and empowerment and using indigenous non-governmental organizations (NGOs) as implementing partners across all sectors; build the capacity of national, regional and local governments to forecast emergencies and develop plans for averting disaster; directly help the chronically food insecure with increased agricultural production and diversification; and increase the ability of vulnerable people to better withstand economic shocks by stimulating private sector-led economic growth, providing better health care, and increasing educational opportunities.

Objectives, Sectors and Workforce

MCA Status: Currently Not Eligible

PEPFAR Focus Country: Yes

Provided or Received Services From Other Missions: Received

Mission Director: William Hammink

Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
663-007 Food Security	2,817	0	0	0	N/A	N/A	N/A
663-008 Essential Services for Health	16,150	0	0	0	N/A	N/A	N/A
663-009 Basic Education	707	0	0	0	N/A	N/A	N/A
663-010 Democracy and Governance	150	0	0	0	N/A	N/A	N/A
663-011 Mitigate the Effects of Disaster	1,035	0	0	0	N/A	N/A	N/A
663-013 Anticipate and Manage Shocks	1,093	1,500	1,200	1,200	9.8%	1.01	Met
663-014 Human Capacity	32,229	75,388	104,682	95,509	196.3%	1.06	Met
663-015 Governance Capacity	2,871	7,026	5,333	5,400	88.1%	1.00	Met
663-016 Economic Growth	24,556	46,907	15,921	16,210	-34.0%	1.20	Exceeded
663-017 Knowledge Management	500	500	0	0	N/A		0.30
PL 480 Title II not Allocated to a Strategic Objective	270,649	330,144	14,801	12,000	-95.6%		
Country Total	352,757	461,465	141,937	130,319	-63.1%		

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	33,600	20,090	31,570	28,813	-14.2%
Development Assistance	16,901	31,907	28,910	22,810	35.0%
Development Credit Authority	1,525	709	0	0	N/A
Economic Support Fund	3,971	3,960	3,960	4,000	0.7%
Global HIV/AIDS Initiative	6,229	45,431	62,696	62,696	906.5%
International Disaster and Famine Assistance	19,882	29,224	0	0	N/A
PL 480 Title II	270,649	330,144	14,801	12,000	-95.6%
Total	352,757	461,465	141,937	130,319	-63.1%

Program Budget by Sector and Account

		FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education	DA	10,445	10,567	10,416	4,000	-61.7%
Agriculture and Environment	DA	5,506	14,224	13,971	14,210	158.1%
	DCA	1,525	709	0	0	N/A
	ESF	1,100	0	200	200	-81.8%
	IDA	19,882	29,224	0	0	N/A
Economic Growth	DA	800	4,000	2,950	3,000	275.0%
	ESF	0	50	0	0	N/A
Human Rights	DA	0	345	0	0	N/A
	ESF	0	300	300	300	N/A
Democracy and Governance	DA	150	2,771	1,573	1,600	966.7%
	ESF	2,000	2,510	2,460	2,500	25.0%
Conflict Management / Humanitarian Assistance	ESF	871	1,100	1,000	1,000	14.8%
Family Planning / Reproductive Health	CSH	8,200	10,000	19,773	17,025	107.6%
HIV / AIDS	CSH	16,500	0	0	0	N/A
	GHAI	6,229	45,431	62,696	62,696	906.5%
Child Survival and Maternal Health	CSH	4,600	6,090	7,257	7,388	60.6%
Vulnerable Children	CSH	300	0	0	0	N/A
Other Infectious Diseases	CSH	4,000	4,000	4,540	4,400	10.0%
PL 480 Title II not Allocated to a Sector		270,649	330,144	14,801	12,000	-95.6%
Total		352,757	461,465	141,937	130,319	-63.1%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	13	17	20	18	38.5%
US Non Direct Hires	4	6	6	6	50.0%
Foreign Nationals	120	122	138	138	15.0%
Total	137	145	164	162	18.2%

Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	808	1,114	842	884	9.4%
Travel	366	548	278	271	-26.0%
Transportation of things	227	305	210	162	-28.6%
Rent	658	969	604	621	-5.6%
Security	480	958	583	641	33.5%
Equipment	610	290	40	29	-95.2%
ICASS - Operating Expense only	280	332	213	227	-18.9%
Other Operating Expense	973	925	408	343	-64.7%
Total OE Budget	4,402	5,441	3,178	3,178	-27.8%
US direct hire salary and benefits	1,780	2,073	2,118	2,053	15.3%
Program Funded Administrative Expenses				2,949	
Country Total Administrative Budget				8,180	
Percent of Bureau OE Total				4.2%	

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	27,135	27,145	7,097	7,240
Program per All US (\$000)	20,750	20,064	5,459	5,430
Program per Position (\$000)	2,575	3,183	865	804
Operating Expense as % of Program Funding				2.4%
Program Funded Admin Expense as % of Total Admin				36.1%
Total Admin Expense as % of Program Funding				6.3%

Other Major Donors:

Bilateral: United Kingdom, Canada, Germany, Japan, France, Italy, Holland, Ireland, Sweden.

Multilateral: World Bank, African Development Bank, the European Union.

Ethiopia PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Child Survival and Health Programs Fund	33,600	20,090	31,570	28,813
Development Assistance	16,901	31,907	28,910	22,810
Development Credit Authority	1,525	709	0	0
Economic Support Fund	3,971	3,960	3,960	4,000
Global HIV/AIDS Initiative	6,229	45,431	62,696	62,696
International Disaster and Famine Assistance	19,882	29,224	0	0
PL 480 Title II	270,649	330,144	14,801	12,000
Total Program Funds	352,757	461,465	141,937	130,319

STRATEGIC OBJECTIVE SUMMARY

663-007 Food Security				
DA	2,817	0	0	0
663-008 Essential Services for Health				
CSH	16,150	0	0	0
663-009 Basic Education				
DA	707	0	0	0
663-010 Democracy and Governance				
DA	150	0	0	0
663-011 Mitigate the Effects of Disaster				
CSH	400	0	0	0
DA	635	0	0	0
663-013 Anticipate and Manage Shocks				
CSH	588	500	200	200
DA	505	1,000	1,000	1,000
663-014 Human Capacity				
CSH	16,262	19,390	31,370	28,613
DA	9,738	10,567	10,416	4,000
ESF	0	0	200	200
GHAI	6,229	45,431	62,696	62,696
663-015 Governance Capacity				
DA	0	3,116	1,573	1,600
ESF	2,871	3,910	3,760	3,800
663-016 Economic Growth				
DA	2,049	16,924	15,921	16,210
DCA	1,525	709	0	0
ESF	1,100	50	0	0
IDA	19,882	29,224	0	0
663-017 Knowledge Management				
CSH	200	200	0	0
DA	300	300	0	0

Mission Director,
William Hammink

Ethiopia

The Development Challenge

USAID's main objective in Ethiopia is to overcome the threat of recurring, deadly famine. This threat results from a lack of good governance and democratic space, drought, poor water and land management, and inadequate and unequal access to health care, education, and diversified economic development. USAID is working to: open democratic space by stressing community participation and empowerment and using indigenous non-governmental organizations (NGOs) as implementing partners across all sectors; build the capacity of national, regional and local governments to forecast emergencies and develop plans for averting disaster; directly help the chronically food insecure with increased agricultural production and diversification; and increase the ability of vulnerable people to better withstand economic shocks by stimulating private sector-led economic growth, providing better health care, and increasing educational opportunities.

Other Major Donors

Bi-Lateral Donors: United Kingdom, Canada, Germany, Japan, France, Italy, Holland, Ireland, Sweden.

Multi-Lateral Donors: World Bank, African Development Bank, the European Union.

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Anticipate and Manage Shocks
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	663-013
Status:	Continuing
Planned FY 2006 Obligation:	\$200,000 CSH; \$1,000,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$200,000 CSH; \$1,000,000 DA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: Improving the capacity of the Government of Ethiopia (GOE) to anticipate and manage shocks through improved emergency preparedness and disaster mitigation and response is central to ending recurring famine. USAID will support the GOE's Disaster Prevention and Preparedness Agency (DPPA) to strengthen its capacity to respond to crises in a rapid, integrated and coordinated manner. Activities under this objective integrate closely with other USAID programs in Ethiopia to: increase human capacity, strengthen local governance and improve social resiliency by monitoring disease outbreaks; and increase market-led economic growth and resiliency by providing early warning indicators of climatic shocks that affect food security and agricultural productivity. The livelihood baseline development work that is supported under this strategic objective will contribute to improved targeting in food security programs. This program is supplemented by centrally funded USAID humanitarian programs.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve emergency preparedness and disaster mitigation (\$1,000,000 DA; \$200,000 CSH). The DPPA, as the GOE's primary emergency management coordination agency for unpredictable disasters, requires a fully integrated early warning system to mobilize appropriate and timely responses to mitigate and address shocks. An improved emergency assessment approach that can detect changes in household food security or economic (non-food expenditure) status is the first step toward anticipating or responding to crises on an appropriate scale. USAID supports the government to undertake livelihood baseline data collection in Tigray and Amhara regions linked to the emergency needs assessment system. USAID funds training of federal staff on early warning systems to strengthen the capacity of the DPPA. A USAID-supported livelihoods integration unit based in the DPPA's Early Warning Department helps coordinate this with other livelihoods-based early warning systems both in Ethiopia and regionally. USAID also supports the establishment of a fully staffed Famine Early Warning System Network (FEWSNET) office through which government, donor, and other agency stakeholders benefit from early warning information and analyses.

The federal DPPA must be interconnected with its regional counterparts to facilitate information sharing and better communicate local-level early warning data in real-time. USAID, then, continues to support the regional connectivity initiative developed by the DPPA's information management service. USAID is improving local emergency management skills through short-term training in disaster management and is funding courses for senior government staff involved in response capacity. To increase DPPA's information management capacity, USAID supports the DPPA Information Center through a grant to the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA).

To improve the participation, coordination and engagement of other parts of government in crisis response activities, USAID supports contingency planning processes involving all appropriate agencies and key donors, emphasizing a bottom-up approach from regional and federal levels of government. Finally, selected crisis management policies must be reformed and implemented. With USAID support, multiple stakeholders are involved in a transparent review process that builds on lessons learned from recent evaluations. Activities under this objective are supplemented by the Office of Foreign Disaster Assistance (OFDA). Other government Ministries (water, health, agriculture) are supported to develop

their own emergency response capacity. Principal contractors and grantees: DPPA, UNOCHA, and FEWSNET (primes).

FY 2007 Program:

Improve emergency preparedness and disaster mitigation (\$1,000,000 DA; \$200,000 CSH). USAID will continue supporting the federal and regional livelihoods teams to develop livelihoods baseline information supporting a national emergency needs assessment system. USAID will support the training of federal staff on early warning systems to strengthen the capacity of the DPPA. Contingency planning will continue to be emphasized at lower administrative levels, consistent with the policy of the government to decentralize decision-making to the district level. Lessons learned from a regional connectivity pilot exercise will be incorporated into an expanded and scaled-up initiative to include other regions and districts with the eventual aim of interconnecting all 262 emergency-prone districts into a single system. USAID will continue to fund training for staff at all levels, which will help to improve the GOE's integrated emergency response capacity and coordination ability. Principal contractors and grantees: DPPA and others to be determined.

Performance and Results: USAID support to improve the GOE's capacity to anticipate and manage shocks yielded several key achievements that saved thousands of lives in the two most recent food emergencies. Improved contingency planning involving donors and government stakeholders resulted in the anticipation of emergency needs in health, water, and agricultural sectors. USAID's policy work with the GOE enabled reform of the emergency response system in nine regions, which differentiated between acute and chronic food insecure populations, allowing for more effective and appropriate targeting of assistance to each group. This intervention also improved non-food emergency needs and strengthened the appeals and assessment process, focused on identifying acute emergency needs versus predictable yearly support. The successful completion of this objective in FY 2008 will enable the DPPA, its regional counterparts, and other line ministries to improve their ability to plan for and respond to emergencies. Livelihood approaches to understand needs will be the basis for assessments at the national level and will result in improved targeting, management of unpredictable emergency shocks and improved programming of both food and non-food resources.

US Financing in Thousands of Dollars

Ethiopia

	CSH	DA
663-013 Anticipate and Manage Shocks		
Through September 30, 2004		
Obligations	588	505
Expenditures	0	0
Unliquidated	588	505
Fiscal Year 2005		
Obligations	500	1,020
Expenditures	311	201
Through September 30, 2005		
Obligations	1,088	1,525
Expenditures	311	201
Unliquidated	777	1,324
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2006 NOA		
Obligations	200	1,000
Total Planned Fiscal Year 2006		
Obligations	200	1,000
Proposed Fiscal Year 2007 NOA		
Obligations	200	1,000
Future Obligations	3,512	4,475
Est. Total Cost	5,000	8,000

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Human Capacity
Pillar:	Global Health
Strategic Objective:	663-014
Status:	Continuing
Planned FY 2006 Obligation:	\$31,370,000 CSH; \$10,416,000 DA; \$200,000 ESF; \$62,696,000 GHAI
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$28,613,000 CSH; \$4,000,000 DA; \$200,000 ESF; \$62,696,000 GHAI
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: This objective supports the health and education sectors to increase human capacity and social resiliency. Investments target improved government capacity to deliver essential health and education services and service delivery where communities, associations, providers and individuals are empowered to shape the delivery and use of social services. Health and education activities will be integrated and will work through the government's decentralized structure supporting federal, regional, district and village-level planning, management and implementation.

Inputs, Outputs, Activities:

FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$10,416,000 DA). USAID is working to improve pre-service training and enhance support to primary schools. Teacher in-service training will be expanded. Self-instructional kits and supplementary material on HIV/AIDS, environmental, and civic education are being distributed to grades five through eight. Interactive radio instruction is reaching grade six nationally. Partnerships between communities and government are expanding to empower education ownership by communities. USAID promotes alternative education and adult literacy in disadvantaged and pastoralist areas. Principal contractors and grantees: Academy for Educational Development (AED), World Learning, Save the Children US, Tigray Development Association, and PACT (primes).

Improve Access to Clean Water and Sanitation (\$300,000 CSH; \$200,000 ESF). USAID supports access to clean water and sanitation through technical innovation and the operation and maintenance of water systems. Principal contractors and grantees: Millennium Water Alliance (MWA) (prime).

Improve Child Survival, Health and Nutrition (\$5,427,000 CSH). USAID is expanding nutrition activities and community health promoters (to a total of 20,000 promoters). Programs to manage childhood diseases are being strengthened and health officers are being trained. USAID is helping to develop a health management information system and the implementation of health care financing policies. Principal contractors and grantees: John Snow Incorporated (JSI), Abt Associates, the Carter Center, and Pathfinder International (PI) (primes).

Improve Maternal Health and Nutrition (\$1,530,000 CSH). Reproductive health is to be expanded through referrals for antenatal and other services. A fistula project is building a network of services to provide access to treatment and repair. Principal contractors and grantees: PI, AED, Johns Hopkins University/Center for Communication Programs (JHU/CCP), Fistula Hospital (primes), and others to be determined.

Prevent and Control Infectious Diseases of Major Importance (\$4,340,000 CSH). USAID supports expanded insecticide-treated nets subsidy programs for pregnant women. A new malaria strategy is directing future malaria programming. Tuberculosis (TB) programming in the private sector continues. The TB policy is being revised and services are being facilitated in 55 private clinics. USAID supports immunization days to help Ethiopia reach polio-free status. Principal contractors and grantees: AED, Abt

Associates, and JHU/CCP (primes).

Reduce Transmission and Impact of HIV/AIDS. See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Support for Family Planning (\$19,773,000 CSH). USAID strengthens family planning services, procures contraceptives, and continues to support a national contraceptive social marketing program through the private sector. Activities to reduce harmful traditional practices are coordinated with primary and secondary schools. USAID supports the implementation of a new Ministry of Health logistics system. USAID is designing a new strategy, encompassing maternal and reproductive health, nutrition and family planning. Principal contractors and grantees: PI, World Learning, AED, Johns Hopkins (primes).

FY 2007 Program:

Achieve Equitable Access to Quality Basic Education (\$4,000,000 DA). Support will continue for teacher education institutions and teacher in-service training. Supplementary educational materials will be developed and distributed. Support will be given to capacity building and school incentive award programs. Centers providing alternative basic education for out-of-school children and functional literacy for adults will continue to be strengthened. Principal contractors and grantees: To be determined.

Improve Access to Clean Water and Sanitation (\$300,000 CSH; \$200,000 ESF). This activity will build on and continue the FY 2006 activities. Principal contractors and grantees: Same as FY 2006.

Improve Child Survival, Health and Nutrition (\$5,558,000 CSH). Immunization, Vitamin A supplementation, nutrition and childhood illness management activities will be expanded. USAID will continue to support community links in health, education, water, and sanitation. Community health promoters will be expanded to support the health services extension activities. Support will continue for the development of health management information systems, health sector reforms, and accelerated health officers training. Principal contractors and grantees: Same as FY 2006.

Improve Maternal Health and Nutrition (\$1,530,000 CSH). USAID will implement the new maternal/reproductive health and family planning strategy designed in FY 2006. Principal contractors and grantees: To be determined.

Prevent and Control Infectious Diseases of Major Importance (\$4,200,000 CSH). USAID will implement the new malaria strategy as designed in FY 2006. TB outlets will be expanded. Principal contractors and grantees: Same as FY 2006.

Reduce Transmission and Impact of HIV/AIDS. See the State Department Congressional Budget Justification, Global HIV/AIDS Initiative section, for a discussion of this program.

Support for Family Planning (\$17,025,000 CSH). Under the new maternal/reproductive health and family planning strategy, USAID will support contraceptive procurement and the implementation of the Ministry of Health logistics system. Principal contractors/grantees: To be determined.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

Performance and Results: Use of modern contraceptive methods more than doubled from 6% of married women in 2000 to 13.9% nationally in 2005 while the stunting rate in children under five decreased from 52% in 2000 to 47% in 2005. National gross enrollment rates in grades one through eight increased from 64.4% in 2003 to 77.7% in 2005. By the end of the objective in FY 2007, GOE capacity to manage the health and education sectors and will have improved and will allow expanded access to and utilization of health and education services. Enrollment rates will continue to rise. HIV/AIDS knowledge of the importance of abstinence and faithfulness among youth will increase. Immunization rates and access to clean water and sanitation facilities will increase in select areas.

US Financing in Thousands of Dollars

Ethiopia

663-014 Human Capacity	CSH	DA	ESF	GHAI
Through September 30, 2004				
Obligations	17,826	9,738	0	6,229
Expenditures	0	149	0	0
Unliquidated	17,826	9,589	0	6,229
Fiscal Year 2005				
Obligations	17,390	10,567	6,000	42,531
Expenditures	11,948	3,355	136	5,398
Through September 30, 2005				
Obligations	35,216	20,305	6,000	48,760
Expenditures	11,948	3,504	136	5,398
Unliquidated	23,268	16,801	5,864	43,362
Prior Year Unobligated Funds				
Obligations	0	0	0	0
Planned Fiscal Year 2006 NOA				
Obligations	31,370	10,416	200	62,696
Total Planned Fiscal Year 2006				
Obligations	31,370	10,416	200	62,696
Proposed Fiscal Year 2007 NOA				
Obligations	28,613	4,000	200	62,696
Future Obligations	120,063	25,115	500	0
Est. Total Cost	215,262	59,836	6,900	174,152

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Governance Capacity
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	663-015
Status:	Continuing
Planned FY 2006 Obligation:	\$1,573,000 DA; \$3,760,000 ESF
Prior Year Unobligated:	\$3,910,000 ESF
Proposed FY 2007 Obligation:	\$1,600,000 DA; \$3,800,000 ESF
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: The capacity for good governance is essential to resolving Ethiopia's fragility. USAID's program: supports democratic local government and decentralization; strengthens the legislative function/legal framework; strengthens civil society; promotes and supports credible elections; prevents conflict; protects human rights; and reduces trafficking in persons.

Inputs, Outputs, Activities:

FY 2006 Program:

Mitigate Conflict and Support Peace (\$1,000,000 ESF; \$1,100,000 prior year ESF). USAID continues to strengthen local peace building efforts in selected regions and is expanding efforts with new activities into eastern Ethiopia. USAID is working to improve conflict management capacities, including early warning, and mediation services, within the government. Principal contractors and grantees: PACT and Mercy Corps (primes).

Promote and Support Credible Elections Processes (\$500,000 prior year ESF). USAID is providing technical assistance to support the National Election Board (NEB) on elections rules and procedures. Civic education, open debates, political party capacity building, training for women candidates, elections monitoring, and conflict prevention activities is being supported. Principal contractors and grantees: United Nations Development Program, The Carter Center and PACT (primes).

Protect Human Rights (\$573,000 DA; \$460,000 ESF). USAID is addressing the sharp rise in human rights abuses and harassment of civil society organizations by working to put in place mechanisms to ensure adequate incident reporting and analysis is used to develop diplomatic initiatives and programmatic activities to increase public awareness and reduce impunity. Principal contractors and grantees: PACT (prime).

Reduce Trafficking In Persons (\$300,000 ESF; \$300,000 prior year ESF). USAID is focusing on prevention of trafficking, protection of vulnerable groups and victims, and prosecution of traffickers. Activities are raising awareness among the general population and vulnerable groups, focusing on creating incentives for school-age children to remain in school, and providing employment skills for women to encourage Ethiopia-based employment. USAID support contributes to strengthening the capacity of the Ministry of Justice and local civil society organizations to address trafficking. Principal contractors and grantees: International Organization for Migration (prime).

Strengthen Civil Society (\$1,000,000 ESF; \$750,000 prior year ESF). USAID strengthens inclusive and informed debate to bring Ethiopians together to build consensus around important national and regional level issues. Activities target issues and processes that become the early focus of policy, legislation and development planning, and offer opportunities to establish initial traditions of real consultation and consensus building. Principal contractors and grantees: PACT (prime).

Strengthen the Legislative Function/Legal Framework (\$1,000,000 ESF; \$500,000 prior year ESF). USAID, working closely with other donors, is improving the institutional capacities of the national and regional legislative bodies to fulfill their legislative and oversight roles and facilitate constructive ruling

party-opposition relations. USAID supports institutional and human capacity building and the development of practices that promote constructive collaboration. Principal contractors and grantees: United Nations Development Program and Women's Campaign International (primes).

Support Democratic Local Government and Decentralization (\$1,000,000 DA; \$760,000 prior year ESF). USAID continues to strengthen the capacity of decentralized public financial management for improved accounting, financial management, and financial control systems. USAID is enhancing government capacity to provide services, improve infrastructure, and promote economic growth. Principal contractors and grantees: Harvard University and International City/County Management Association (primes).

FY 2007 Program:

Mitigate Conflict and Support Peace (\$1,000,000 ESF). USAID will continue to strengthen local peace building efforts. USAID will work to improve conflict management capacities (including early warning) and inter-governmental collaboration. USAID will ensure program flexibility to address political, factional and ethnic conflict as necessary. Principal contractors and grantees: PACT (prime), others to be determined.

Protect Human Rights (\$600,000 DA; \$500,000 ESF). USAID will continue to focus on increasing awareness and reducing incidences of individual and collective human rights abuse, through support for adequate incident reporting and analysis. Principal contractors and grantees: PACT (prime).

Reduce Trafficking In Persons (\$300,000 ESF): USAID will continue to focus on the prevention of trafficking, protection of vulnerable groups and victims, and prosecution of traffickers. USAID support will strengthen the Ministry of Justice and local civil society organizations to address trafficking. Principal contractors and grantees: To be determined.

Strengthen Civil Society (\$1,000,000 ESF). USAID will continue to strengthen inclusive and informed debate to build consensus around important national and regional issues. Activities will focus on policy, legislation and development planning, and offer opportunities to build on traditions of real consultation and consensus building. Principal contractors and grantees: Same as FY 2006.

Strengthen the Legislative Function/Legal Framework (\$1,000,000 ESF). USAID will continue to improve the capacities of the national and regional legislatures to fulfill their legislative roles and to facilitate constructive ruling party-opposition relations. USAID will support institutional and human capacity building and development practices to promote collaboration between parties and effective consultations with constituents. Principal contractors and grantees: Same as FY 2006.

Support Democratic Local Government and Decentralization (\$1,000,000 DA). USAID will continue to enhance capacities of selected city administrations to provide services, improve infrastructure, and promote economic growth. Principal contractors and grantees: International City/County Management Association (prime).

Performance and Results: USAID's activities have contributed to progress in: decentralizing and reforming budget and accounts; preventing and mitigating local conflict; and improving electoral administration. Public financial management was strengthened to facilitate the GOE's decentralization process, enabling local governments to better manage service sector delivery. Reduced local conflict will contribute to internal and regional stability. USAID will contribute to strengthened national and regional parliaments, capable of inclusive and informed debate and compromise. By the end of the objective in FY 2007, national and regional parliaments will have improved capacities and more effective and collaborative inter-party working relationships. Regional and local government will manage financial resources more accountably and transparently. Civil society will be better prepared for more involvement in policy and legislative debate. National and local government and government-civil society partnerships will have developed capacities to manage and resolve conflict. There will be greater awareness of human rights and greater legal pressure on perpetrators. Activities under this objective will play an important role in addressing Ethiopia's fragility and ongoing vulnerability.

US Financing in Thousands of Dollars

Ethiopia

663-015 Governance Capacity	CSH	DA	ESF
Through September 30, 2004			
Obligations	0	0	2,000
Expenditures	0	0	0
Unliquidated	0	0	2,000
Fiscal Year 2005			
Obligations	0	3,116	871
Expenditures	0	2,141	1,069
Through September 30, 2005			
Obligations	0	3,116	2,871
Expenditures	0	2,141	1,069
Unliquidated	0	975	1,802
Prior Year Unobligated Funds			
Obligations	0	0	3,910
Planned Fiscal Year 2006 NOA			
Obligations	0	1,573	3,760
Total Planned Fiscal Year 2006			
Obligations	0	1,573	7,670
Proposed Fiscal Year 2007 NOA			
Obligations	0	1,600	3,800
Future Obligations	1,000	10,109	10,109
Est. Total Cost	1,000	16,398	24,450

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	663-016
Status:	Continuing
Planned FY 2006 Obligation:	\$15,921,000 DA
Prior Year Unobligated:	\$50,000 ESF
Proposed FY 2007 Obligation:	\$16,210,000 DA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID's program focuses on agriculture-based economic growth as a pathway to preventing famine in Ethiopia. Growth is pursued by: improving economic policy and governance; increasing market-led private sector involvement and agricultural productivity; protecting and increasing the assets and livelihoods of the chronically food insecure; and providing emergency assistance. By improving economic and household livelihoods circumstances, Ethiopians will be better able to manage and effectively tackle the root causes of poverty, food insecurity, and famine vulnerability.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$2,921,000 DA). USAID is building institutional capacity, sponsoring research, and supporting activities to improve agriculture/rural development, advance Ethiopia's accession to the World Trade Organization, and enhance farmer land tenure. New livestock and pastoralist livelihoods programs support improved policies on animal disease control, livestock marketing, community animal health service delivery, and drought and rangeland management. A property rights and rule of law diagnosis is going to be undertaken to better integrate the poor into the mainstream economy. Principal contractors and grantees: International Food Policy Research Institute (IFPRI), Booz-Allen Hamilton, Associates in Rural Development (ARD), Texas A and M University, Tufts University, and the Instituto Libertad y Democracia (primes).

Improve Private Sector Competitiveness (\$7,000,000 DA; \$50,000 prior year ESF). USAID supports the development of agribusiness, agricultural cooperatives, and small and medium enterprises through three Development Credit Authority (DCA) loan guarantees focusing on agriculture and manufacturing sectors. Prior year ESF is being used to provide small- and micro-credit loans to low income women through formal and informal credit mechanisms. Principal contractors and grantees: Ethiopian private banks, Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA), Development Alternatives Inc. (DAI), Land O'Lakes, Texas A and M University, International Executive Service Corps (IESC) (primes) and others to be determined.

Increase Agricultural Sector Productivity (\$3,000,000 DA). Ongoing food security and technology transfer activities is going to improve agricultural productivity, environmental management, and household resiliency to drought. A sheep and goat productivity program is improving animal health and introducing more productive breeds. USAID is supporting productive technologies in irrigation, horticulture, and dairy. Subject to funding availability, a small-scale irrigation and commercial agriculture program may be initiated in select regions. Principal contractors and grantees: Virginia Tech University, International Water Management Institute (IWMI), Cornell University, Prairie View A and M University, Langston University, Israeli MASHAV, CARE, and Save the Children U.S. (primes).

Protect and Increase the Assets and Livelihoods of the Poor (\$3,000,000 DA). Working directly with the government, USAID is supporting asset building and livelihood diversification to move households out of chronic food insecurity and into sustainable livelihoods. USAID supports the Productive Safety Net Program. A pastoralist livelihoods initiative is increasing capacity to cope with drought by linking early warning to development and relief efforts. Principal contractors and grantees: Catholic Relief Service

(CRS), World Vision, Relief Society of Tigray, Save the Children U. S. and United Kingdom, Communities Habitat Finance, Food for the Hungry International (FHI), CARE, Mercy Corps, International Rescue Committee (IRC), Agricultural Cooperatives Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA), and Tufts (primes).

Provide Emergency Assistance. Where appropriate, USAID is responding to emergency food and non-food needs with emergency assistance. Principal contractors and grantees: Disaster Prevention and Preparedness Agency, World Food Programme (primes) and non-governmental organizations to be determined.

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$2,210,000 DA). Continued support for agricultural sector policy/investment planning, land tenure, World Trade Organization accession, and livestock sectors. Principal contractors and grantees: Same as FY 2006.

Improve Private Sector Competitiveness (\$7,000,000 DA). USAID will continue support for: agricultural cooperatives, agribusiness, pastoralists, industry/trade associations, small and medium enterprises, output market systems, animal export, and dairy sector development. Existing small and medium enterprises funded by the African Growth and Opportunity Act (AGOA)-Ethiopia Initiative may be expanded and support for commercial farming may be considered. Principal contractors and grantees: Ethiopian private banks, ACDI/VOCA, DAI, Land O'Lakes, Texas A and M, IESC (primes) and others to be determined.

Increase Agricultural Sector Productivity (\$3,500,000 DA). USAID will support community watershed management and the development of improved agricultural technologies. Support for livestock and pastoralists livelihoods programs will continue. Support will continue for productive agricultural technologies and practices in irrigation, horticulture, and dairy. Small-scale irrigation and commercial agriculture will be considered. Principal contractors and grantees: Virginia Tech, IWMI, Cornell, Prairie View A and M, Israeli MASHAV University, and Save the Children U.S. (primes).

Protect and Increase the Assets and Livelihoods of the Poor (\$3,500,000 DA). USAID will continue to protect the most vulnerable households under the safety net program. The pastoralist livelihoods initiative will continue to focus on livestock management capacity to manage drought and other hazards. Principal contractors and grantees: CARE, CRS, World Vision, Relief Society of Tigray, Save the Children U.S. and United Kingdom, Communities Habitat Finance, FHI, Mercy Corps, IRC, ACDI/VOCA, and Tufts (primes).

Provide Emergency Assistance. Where appropriate, USAID will respond to emergency food and non-food needs. Principal contractors and grantees: Disaster Prevention and Preparedness Agency of Ethiopia, World Food Programme (primes) and non-governmental organizations to be determined.

Performance and Results: USAID support led to progress in economic policy, agricultural productivity, agribusiness, market and enterprise development, pastoralist livelihoods, and productive safety nets to transition from relief to development. Gains were made in expanding market opportunities for agriculture, handicraft, and manufactured products and making credit available to agribusiness, cooperatives, and other entrepreneurs. Cooperatives continued to add members and provide a range of services. Over \$21.3 million in coffee sales, \$10.7 million in grain sales, and \$113,775 in vegetable sales were realized by USAID supported cooperatives. The safety net program saved lives, protected assets, and made progress in increasing household food security; and 106,263 metric tons of food was distributed to 1,305,047 safety net beneficiaries as direct resource transfer or food for labor intensive public works. At the completion of this activity in FY 2008, the number of people requiring food aid will have been reduced and their incomes will have been raised, removing people from the list of chronically vulnerable. Private sector investment and sustainable agricultural productivity will have increased. Women will have a greater role in the formal economic sector and more control over their economic assets. Policies to increase productivity and trade will be strengthened.

US Financing in Thousands of Dollars

Ethiopia

663-016 Economic Growth	CSH	DA	DCA	DFA	ESF	IDA
Through September 30, 2004						
Obligations	0	2,050	1,525	7,500	1,000	19,882
Expenditures	0	0	0	0	0	0
Unliquidated	0	2,050	1,525	7,500	1,000	19,882
Fiscal Year 2005						
Obligations	0	16,912	709	0	0	29,224
Expenditures	0	708	230	2,288	0	5,329
Through September 30, 2005						
Obligations	0	18,962	2,234	7,500	1,000	49,106
Expenditures	0	708	230	2,288	0	5,329
Unliquidated	0	18,254	2,004	5,212	1,000	43,777
Prior Year Unobligated Funds						
Obligations	0	0	0	0	50	0
Planned Fiscal Year 2006 NOA						
Obligations	0	15,921	0	0	0	0
Total Planned Fiscal Year 2006						
Obligations	0	15,921	0	0	50	0
Proposed Fiscal Year 2007 NOA						
Obligations	0	16,210	0	0	0	0
Future Obligations	7,500	95,418	3,975	3,266	4,000	0
Est. Total Cost	7,500	146,511	6,209	10,766	5,050	49,106