

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