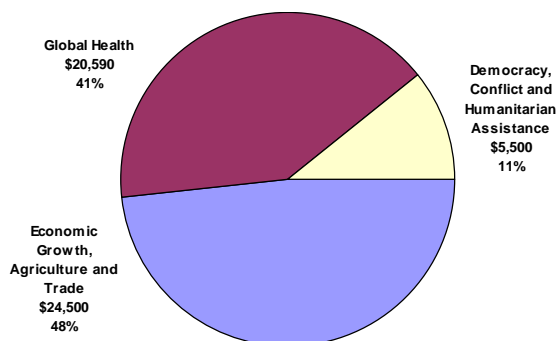
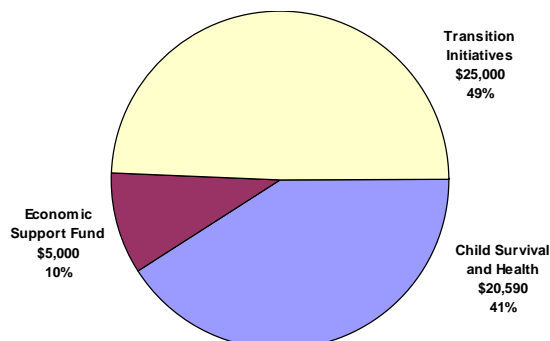


Ethiopia

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



Objectives and Budget

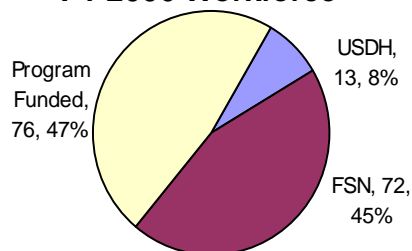
Objective	SO Number	FY 2004	FY 2005	FY 2006
Food Security	663-007	2,817		
Essential Services for Health	663-008	16,150		
Basic Education	663-009	707		
Democracy and Governance	663-010	150		
Mitigate the Effects of Disaster	663-011	1,035		
Anticipate and Manage Shocks	663-013	1,093	1,500	1,500
Human Capacity	663-014	26,000	30,357	27,750
Governance Capacity	663-015	2,871	5,460	5,500
Economic Growth	663-016	24,556	18,133	15,340
Knowledge Management	663-017	500	500	500
Total (in thousands of dollars)		75,879	55,950	50,590

Excludes P.L. 480. See Program Annex.

Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation	4,406	3,458	3,544
USDH Salaries & Benefits	1,780	1,706	1,743
Program Funds	2,171	3,068	3,010
Total (in thousands of dollars)	8,357	8,232	8,297

FY 2006 Workforce



Mission Director: William Hammink

Ethiopia

The Development Challenge: Ethiopia remains one of the poorest countries in the world - it ranks 170 out of 177 countries on the 2004 Human Development Index. Ethiopia has an annual per capita income of around \$100 (less than one-fourth of the sub-Saharan average). Ethiopia has the poorest human development indicators in the world with more than three-quarters of the population living on less than \$1 per day. Despite the 2004 recovery year from the serious drought of 2002-2003, by the end of the calendar year another food emergency began, the Government of Ethiopia (GOE) has requested emergency assistance for 7.2 million people in 2005. Although above the population growth rate, the average 4.5% increase in gross domestic product over the last five years remains below the rate required to achieve the Millennium Development Goal to halve the number of Ethiopians living in poverty by the year 2015. The poverty and vulnerability of Ethiopia's people is also reflected in the inadequate health and education systems and poor access to basic services. Family planning services are under-utilized and under-developed, and the population growth rate of 2.67% is high. HIV/AIDS remains a growing problem. USAID contributes directly to the achievement of U.S. Government (USG) objectives in Ethiopia, as outlined in the State Department/USAID Joint Strategic Plan. U.S. national interests in Ethiopia include counterterrorism, economic prosperity and security, democracy and human rights, and regional stability. Ethiopia is of strategic importance to the United States because of its geographic position, and therefore acts as the linchpin to stability in the Horn of Africa and the Global War on Terrorism. As one of the Highly Indebted Poor Countries (HIPC), Ethiopia is benefiting from the HIPC Initiative. An agreement has been signed to forgive all debt (\$71.4 million) owed to the US Government.

The USAID Program: USAID revised its current strategy in mid-FY 2004 in response to the shortening cycle of crises, the HIV/AIDS pandemic, and the need to invest more in economic growth and policy reform. The Program Data Sheets describe the four strategic objectives and the program support objective in the current portfolio for which USAID requests funds in FY 2005 and FY 2006. These will help the GOE to develop the capacity to manage through shocks, such as the recent food emergency; increase human capacity and social resiliency (e.g., through improved family health, reducing and mitigating the impact of HIV/AIDS, and enhancing quality and equity in education); increase the capacity for good governance, including mechanisms to reduce local level conflict; increase market-led economic growth and resiliency; and better coordinate knowledge and analysis to inform the foregoing programs. USAID has increased the focus on decentralization by providing support to community development in the areas of health and education. An expenditure management and control reform program has helped the GOE devolve sound budget planning, budgeting, and accounting. Fiscal year 2005 funds will support ongoing interventions and implement new community activities with the private sector and policy reform partners at both the national and regional levels. Funding will enhance support to the largely pastoralist and Muslim-populated border regions. For FY 2006, Ethiopia will receive Transition Initiative (TI) funding, which will continue or expand efforts in more of these areas. The primary objective for the use of TI resources is to increase stability and improve performance through reform and capacity development. In addition to TI funds, Ethiopia also will receive funds from Child Survival and Health (CSH) and Economic Support Fund (ESF).

Other Program Elements: In addition to the resources requested in the Program Data Sheets, USAID provides centrally managed support for activities related to health service planning, training, delivery, and reporting; and an expanded program of immunization (EPI), HIV/AIDS, and the control of diarrheal disease. Central funds also support increased family planning services, and the Primary Providers in Reproductive Health (PRIME II) Initiative for activities related to post-partum hemorrhage, safe motherhood, and the abandonment of harmful traditional practices. USAID's Bureau for Africa's Conflict Fund (\$1.34 million in FY 2003) and USAID's Office of Conflict Management and Mitigation funds (\$250,000 in FY 2004) support local and federal level conflict mitigation and management activities. P.L. 480 funds were used to strengthen rural extension services, improve watershed management, and diversify household income. Through its Global Development Alliance, USAID supports the Millennium Water Alliance, a public-private partnership to expand access to clean water and sanitation in rural Ethiopia, and to establish alternative learning centers. In addition, USAID is participating in information and communications technology (ICT) development by facilitating interaction between the U.S.-based National Telecommunications Cooperatives Association and relevant Ethiopian agencies on how to

proceed with the development of ICT cooperatives.

Ethiopia is a focus country under the President's Emergency Plan for AIDS Relief. FY 2005 funding will be provided from the Global HIV/AIDS Initiative under the policy direction of the U.S. Global AIDS coordinator. The FY 2006 HIV/AIDS request for this country is contained in the Global HIV/AIDS Initiative account justification. For further details please see the Department of State FY 2006 Congressional Budget Justification.

Other Donors: Most donors in Ethiopia are engaged in growth activities, human development and reducing vulnerability, in line with the GOE's Sustainable Development and Poverty Reduction Program (SDPRP). In order of levels of assistance, the leading bilateral donors for the last five years have been the United States, Japan, Italy, Germany, the United Kingdom, Canada, Netherlands, Norway, and Sweden. The leading multilateral donors are the World Bank, the European Union (EU), the African Development Bank Group, International Monetary Fund (IMF) and United Nations (UN) agencies. Lending institutions are combining grants and soft loans, as Ethiopia has reached the completion point of the HIPC Initiative. Multinational lenders continue to invest heavily in infrastructure development, such as roads. The U.S. Government remains the leading humanitarian assistance donor, followed by the EU, and participates actively in almost all thematic donor working groups. USAID chairs the health sector working group and serves on the executive committee of the Development Assistance Group. USAID actively collaborates with other donors on activities that facilitate monitoring and implementation of the SDPRP and poverty analysis. USAID also mobilized other donors to join in funding the Ethiopia Strategy Support Program, guided by the International Food Policy Research Institute, to improve the information and analyses for policy dialogue and reforms.

Ethiopia PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Child Survival and Health Programs Fund	30,752	33,600	20,490	20,590
Development Assistance	19,686	16,901	30,500	0
Development Credit Authority	0	1,525	0	0
Economic Support Fund	3,050	3,971	4,960	5,000
International Disaster Assistance	0	19,882	0	0
PL 480 Title II	347,252	271,024	50,332	22,027
Transition Initiatives	0	0	0	25,000
Total Program Funds	400,740	346,903	106,282	72,617

STRATEGIC OBJECTIVE SUMMARY

663-007 Food Security				
CSH	800	0	0	0
DA	4,518	2,817	0	0
ESF	300	0	0	0
663-008 Essential Services for Health				
CSH	28,467	16,150	0	0
DA	230	0	0	0
ESF	2,000	0	0	0
663-009 Basic Education				
CSH	400	0	0	0
DA	10,360	707	0	0
663-010 Democracy and Governance				
DA	956	150	0	0
ESF	50	0	0	0
663-011 Mitigate the Effects of Disaster				
CSH	735	400	0	0
DA	2,671	635	0	0
ESF	700	0	0	0
663-012 Southern Tier Initiative				
CSH	350	0	0	0
DA	951	0	0	0
663-013 Anticipate and Manage Shocks				
CSH	0	588	500	500
DA	0	505	1,000	0
663-014 Human Capacity				
CSH	0	16,262	19,790	19,890
DA	0	9,738	10,567	0
663-015 Governance Capacity				
DA	0	0	1,000	0
ESF	0	2,871	4,460	4,500

Strategic Objective / Account	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
663-016 Economic Growth				
DA	0	2,049	17,633	0
DCA	0	1,525	0	0

ESF	0	1,100	500	500
IDA	0	19,882	0	0
663-017 Knowledge Management				
CSH	0	200	200	200
DA	0	300	300	0

Mission Director,
William Hammink

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Anticipate and Manage Shocks
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	663-013
Status:	New in FY 2004
Planned FY 2005 Obligation:	\$500,000 CSH; \$1,000,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$500,000 CSH
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID's program to improve 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 the famine prevention strategy. USAID will support the GOE's Disaster Prevention and Preparedness Commission (DPPC) to strengthen its capacity to respond to crises in a rapid, integrated and coordinated manner. This strategic objective (SO) integrates closely with USAID programs to increase human capacity and social resiliency by monitoring disease outbreaks. The SO also increases 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 SO will also contribute to improved targeting and the safety net program design. The SO builds, in part, on activities to mitigate the effects of disaster.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Emergency Preparedness and Disaster Mitigation (\$1,000,000 DA; \$500,000 CSH). As the GOE's primary emergency management agency, the DPPC requires a fully integrated early warning system in order to mobilize appropriate and timely responses to mitigate or address shocks. An improved emergency assessment approach that can detect changes in economic or social (health and nutrition) status is the first step toward anticipating or responding to crises on an appropriate scale. In FY 2005, USAID will support the GOE and regional core teams to undertake a livelihoods baseline study in the Southern Nations, Nationalities, and Peoples Region (SNNPR). USAID will fund GOE staff training on early warning systems to strengthen the capacity and capabilities of the DPPC, the principal grantee for this and all other activities under this SO.

The federal DPPC must be interconnected with its regional DPPC counterparts to reduce information bottlenecks and better communicate local level early warning data in real-time. To this end, USAID will continue to support the regional connectivity initiative developed by the DPPC early warning department's information management service. USAID will contribute to the development of a networked "vulnerability database" that compiles key indicators describing a particular district's health, agriculture and vulnerability situation for monitoring purposes. USAID is also funding the purchase of equipment required to strengthen the DPPC's physical capacity to respond to unpredictable emergencies. USAID will improve local emergency management skills through short-term trainings in disaster management and provide crisis responders' courses for senior government staff who are involved in the GOE's response capacity.

In order to improve the participation, coordination and engagement of other parts of government in crisis response activities, a priority for 2005 will be USAID's continued support to the contingency planning process involving all line agencies and key donors. Through training, the process will continue to emphasize a bottom-up approach from the regional and federal levels of the GOE.

Selected crisis management policies will be reformed and implemented. The DPPC's existing 1993 National Policy on Disaster Prevention Management lacks clarity in distinguishing between predictable and unpredictable shocks, and the relationship between DPPC and the newly created Food Security Department is vague. USAID will fund technical assistance to revise the existing policy for clarity and role definition of key GOE players. Through USAID support, multiple stakeholders will be involved in a

transparent review process that builds on lessons learned from recent evaluations. Other government agencies (water, health and agriculture) will be supported to institutionalize their own emergency response capacity.

FY 2006 Program: In addition to the amounts shown below, USAID intends to use \$1 million of Transition Initiatives funds to support the following activities and objectives.

Improve Emergency Preparedness and Disaster Mitigation (\$500,000 CSH). USAID will continue supporting the GOE and regional livelihoods core teams to undertake a livelihoods baseline study in Tigray and other parts of Ethiopia. USAID will fund training of GOE staff in early warning systems to strengthen the capacity and capabilities of the DPPC. USAID will also continue to support the implementation of a networked “vulnerability database” that indexes district-level information in the DPPC Information Center.

Contingency planning will continue to be pushed to lower administrative levels, consistent with the policy of the government to decentralize decision-making to the woreda (district) level. USAID will continue to monitor the policy implementation process, supporting appropriate remedial actions as required, and supporting the publication and dissemination of the policy. Lessons learned from the regional connectivity pilot exercise will be incorporated into an expanded and scaled-up initiative to include other regions and woredas, with the eventual aim of interconnecting all 262 emergency-prone woredas into a single system.

To improve the GOE and its partners’ response capacity, USAID plans to fund the purchase of more non-food contingency stock items and equipment required to strengthen the physical capacity to respond to unpredictable emergencies. This funding may include pre-positioning equipment needed to respond to flash floods that occur frequently in the Afar and Gambella Regions. USAID will continue to fund training for staff at all levels, which will contribute toward improving the GOE’s integrated emergency response capacity and coordination ability.

Performance and Results: This is a new SO that builds on the previous SO: “Mitigate the Effects of Disaster.” USAID support to the GOE to improve its capacity to anticipate and manage shocks yielded several key achievements that saved thousands of lives in the two most recent droughts that occurred almost back-to-back. Timely warning ensured a rapid and robust delivery of food, health, agriculture and water assistance that prevented further asset depletion. Improved contingency planning included identifying and meeting health, water, and agricultural emergency needs, and involved donors and government stakeholders, who anticipated emergency needs well before they peaked. USAID’s policy work with the GOE enabled a reform of the emergency response system in Ethiopia to differentiate between both acute and chronic food insecure populations, which allowed for more effective and appropriate targeting of assistance to each group.

The successful completion of this SO will enable the GOE’s DPPC and the regional Disaster Prevention and Preparedness Bureaus 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 resources.

US Financing in Thousands of Dollars

Ethiopia

663-013 Anticipate and Manage Shocks	CSH	DA
Through September 30, 2003		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Fiscal Year 2004		
Obligations	588	505
Expenditures	0	0
Through September 30, 2004		
Obligations	588	505
Expenditures	0	0
Unliquidated	588	505
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	500	1,000
Total Planned Fiscal Year 2005		
Obligations	500	1,000
Proposed Fiscal Year 2006 NOA		
Obligations	500	0
Future Obligations	3,412	6,495
Est. Total Cost	5,000	8,000

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Human Capacity
Pillar:	Global Health
Strategic Objective:	663-014
Status:	New in FY 2004
Planned FY 2005 Obligation:	\$19,790,000 CSH; \$10,567,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$19,890,000 CSH
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID is a leading donor in assisting the Government of Ethiopia (GOE) to address challenges to the health and education sectors. The strategic objective, "Human Capacity and Social Resiliency Increased," will direct lessons learned, combine HIV/AIDS programs, and promote stronger emergency preparedness to address the root causes of mortality and morbidity during famine. USAID plans to reduce the transmission and impact of HIV/AIDS, prevent and control major infectious diseases, improve child and maternal health and nutrition, reduce unintended pregnancies and improve healthy reproductive behavior, strengthen health systems, and improve basic education quality.

Inputs, Outputs, Activities:

FY 2005 Program: 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.

Prevent and Control Infectious Diseases of Major Importance (\$3,700,000 CSH). Supported by a public-private alliance, the insecticide-treated bednets program will sell 20,000 nets, expand to a national commercial program, and initiate a subsidized component. A new private sector program will provide technical assistance to workplace and community health networks to ensure access to the prevention, care and treatment of HIV/AIDS and tuberculosis (TB) at 40 to 60 businesses with over 500 employees each. USAID will help the GOE implement its Global Fund to Fight AIDS, TB and Malaria (GFATM) program. The national Integrated Disease Surveillance System will be strengthened and implemented. USAID will fund immunization days to help Ethiopia reach polio-free status by the year 2006. Millennium Water Alliance activities will continue to provide access to safe water and sanitation. Principal contractors and grantees: Academy for Educational Development (AED), the World Health Organization, and others.

Improve Child Survival, Health and Nutrition (\$3,560,000 CSH). Immunizations, Vitamin A supplementation, exclusive breastfeeding, complementary feeding, and other key interventions will be expanded. Community links between health, education, water, and sanitation will be made. Initial work on strengthening the drug system will begin. Training for Integrated Management of Childhood Illnesses will be completed and Community Health Promoters Initiatives will be expanded. Principal contractors and grantees: John Snow International (JSI), Pathfinder International (PI), Abt Associates, and others.

Improve Maternal Health and Nutrition (\$1,530,000 CSH). USAID will expand reproductive health services to all rural areas of targeted regions by providing health staff with increased technical capacity. The Essential Nutrition Actions Program will be incorporated into the community-based distribution curriculum for health volunteers. Principal contractors and grantees: PI, AED, and Johns Hopkins University.

Reduce Unintended Pregnancy and Improve Healthy Reproductive Behavior (\$8,600,000 CSH). Family planning, training and services, and combating harmful traditional practices will be expanded to the rural areas. A Global Development Alliance activity will strengthen logistics for all health commodities. Principal contractors and grantees: PI, The Futures Group, and JSI.

Build Health Systems Capacity (\$2,400,000 CSH). Through the Health Management Information System

(HMIS), health sector reform and public health colleges will be strengthened; HMIS and health sector reform will be extended. USAID will continue to support new healthcare financing policies and Ethiopia's Health Sector Development Program. Principal contractors and grantees: JSI, The Carter Center, and others.

Improve the Quality of Basic Education (\$10,567,000 DA). USAID will strengthen 20 Teacher Education Institutions, training 12,000 teachers, 1,200 school principals, and regional and woreda education personnel. Outreach will be used to train 2,000 teachers. Grades one to four will receive 10,000 supplementary reading materials. Capacity development infrastructure and student incentive programs will benefit 3,700 schools. Equitable education services will promote adult functional literacy and establish and strengthen 43 alternative basic education centers for disadvantaged and pastoralist children. Principal contractors and grantees: AED, World Learning Inc., and others.

FY 2006 Program: In addition to the amounts shown below, USAID intends to use \$7,860,000 of Transition Initiatives funds to support the following activities and objectives.

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.

Prevent and Control Infectious Diseases of Major Importance (\$3,300,000 CSH). USAID will continue the public-private alliance-sponsored insecticide-treated bednets activity and will assist GOE's Global Fund to Fight AIDS, TB and Malaria. Same implementers as above.

Improve Child Survival, Health and Nutrition (\$3,560,000 CSH). Improve exclusive breastfeeding and complementary feeding. Immunization, Vitamin A supplementation, and integrated childhood illnesses for children under five will be expanded. USAID will continue community links in health, education, water, and sanitation. Principal grantees: AED, Ethiopian Regional Health Bureaus.

Improve Maternal Health and Nutrition (\$1,530,000 CSH). Maternal nutrition will be improved. Pregnant women will receive Vitamin A supplementation and insecticide-treated bednets. Principal grantees: AED and Ethiopian Regional Health Bureaus.

Reduce Unintended Pregnancy and Improve Healthy Reproductive Behavior (\$9,100,000 CSH). High impact interventions in family planning will continue as services expand further into rural areas. Full implementation of a family planning logistics system and a national community-based reproductive health system will begin. Principal grantees: PI and JSI. All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City policy.

Build Health Systems Capacity (\$2,400,000 CSH). Support will continue for the HMIS, the Health Sector Reform, and public health colleges. Same implementers as above.

Improve the Quality of Basic Education. Support will be provided to 20 Teacher Education Institutions, training 12,000 teachers and 1,200 school principals, regional, and woreda education personnel. Outreach will be used to train 3,800 teachers. Grades five to eight will receive 10,000 supplementary educational materials. Interactive radio instruction will reach 7,000 schools in pastoral areas. Same implementers as above.

Performance and Results: Commercially available insecticide-treated bednets, vaccination campaigns and nutrition training improved child and maternal health. Family planning services availability increased contraceptive prevalence rates. A national contraceptive forecast was completed to guide the implementation of Ethiopia's population policy. Thousands of teachers received training. New curricula and distance learning programs were developed. Thousands of students received educational materials. By the end of this strategy, USAID will have demonstrated improvement in the capacity of communities and the GOE's health and education systems to prepare for and mitigate the impact of social and environmental crisis, and positive empirical change in key social indicators that measure human capacity.

US Financing in Thousands of Dollars

Ethiopia

663-014 Human Capacity	CSH	DA
Through September 30, 2003		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Fiscal Year 2004		
Obligations	16,262	9,738
Expenditures	0	149
Through September 30, 2004		
Obligations	16,262	9,738
Expenditures	0	149
Unliquidated	16,262	9,589
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	19,790	10,567
Total Planned Fiscal Year 2005		
Obligations	19,790	10,567
Proposed Fiscal Year 2006 NOA		
Obligations	19,890	0
Future Obligations	193,148	43,542
Est. Total Cost	249,090	63,847

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Governance Capacity
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	663-015
Status:	New in FY 2004
Planned FY 2005 Obligation:	\$1,000,000 DA; \$4,460,000 ESF
Prior Year Unobligated:	\$871,000 ESF
Proposed FY 2006 Obligation:	\$4,500,000 ESF
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID's program to increase the capacity for good governance includes training and technical assistance to strengthen and support community-based reconciliation efforts, conflict early warning and response mechanisms, free and fair elections, civil society, and local democratic government and decentralization. The development hypothesis underlying this strategic objective (SO) is that improved governance will play a pivotal role in addressing famine vulnerability, hunger, and poverty in Ethiopia.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Community-Based Reconciliation Efforts (\$1,000,000 ESF; \$871,000 prior year ESF). USAID will support several infrastructural, knowledge transfer, and capacity building interventions in Gambella and the Southern Nations, Nationalities and Peoples Region (SNNPR). USAID will provide training and technical assistance to selected civil society organizations (CSOs), as well as to regional and local governments, to build capacity to manage conflict and encourage collaboration. As part of establishing trust in the peace process, this intervention will fund the rehabilitation of damaged health facilities and schools, and the purchase of school materials that were looted during the conflict. Principal grantees: Ethiopian Ministry of Federal Affairs, Pact, and others to be determined.

Improve Early Warning and Response Mechanisms (\$500,000 ESF). USAID will support capacity building for early warning and response mechanisms. USAID will provide training and technical assistance to regional and local governments, community leaders, NGOs, and community-based organizations in the conflict-prone Gambella and SNNPR regions. USAID support will build capacities to monitor, report, and manage potential conflicts, and to facilitate collaboration between local leaders. Principal grantees: Pact and others to be determined.

Support Democratic Local Government and Decentralization (\$1,000,000 DA; \$760,000 ESF). USAID will continue to strengthen the capacity of the public finance management system to manage public financial transactions, improve the capacity of public sector managers to use information about financial transactions, and improve planning of the public sector on the platform of better accounting, financial management, and control systems. USAID will support budget and accounts reform in four regions and two city administrations. Principal grantee: Harvard University.

Promote and Support Free and Fair Elections (\$750,000 ESF). USAID will provide training and technical assistance in support of the 2005 national and the 2006 regional and local elections. Support to CSOs will ensure increased civic and voter awareness. Support will be provided to the National Elections Board to increase capacity in civic and voter education, information technology, electoral logistics, and media and public affairs through a multi-donor pool under the United Nations Development Program (UNDP). Women's participation, both as candidates and as voters, will be a critical component of USAID-supported activities. Principal grantees: Consortium for Elections and Political Process Strengthening (CEPPS) and UNDP.

Strengthen Civil Society (\$1,000,000 ESF). USAID-funded training, technical assistance, and sub-grant activities will build the capacity of CSOs for constituent advocacy and conflict mediation and resolution.

USAID will also provide support to CSOs through its activities supporting early warning and response mechanisms, and free and fair elections. Principal grantees: to be determined.

Reduce Trafficking in Persons (\$450,000 ESF). USAID will support activities that address child labor and servitude, focusing on incentives for school-age children to remain in school. USAID will also provide training and employment skills for women to encourage Ethiopia-based employment, and will expand its Trafficking in Persons activities to focus on women's rights with regard to awareness on the risks of foreign employment and guidance on their basic human rights. Counseling in person and via a newly established 24-hour hotline, as well as public awareness campaigns, will help women make better informed choices about employment or otherwise emigrating abroad. USAID support will also contribute to strengthening the capacity of CSOs to address trafficking. Principal grantees: to be determined.

FY 2006 Program: In addition to the amounts shown below, USAID intends to use \$1 million of Transition Initiatives funds to support the following activities and objectives.

Improve Community-Based Reconciliation Efforts (\$1,000,000 ESF). USAID will continue to provide training and technical assistance to regional and local governments, community leaders, and CSOs to monitor, report, and manage conflict. USAID will support increased collaboration between local leaders in order to maintain relative peace and stability in conflict-prone pastoral regions. Same implementers as above.

Improve Early Warning and Response Mechanisms (\$500,000 ESF). USAID, in partnership with regional and local governments, community leaders, and CSOs, will continue to support capacity building to strengthen early warning and response mechanisms. USAID support will build stakeholder capacity to identify, report, and manage conflict, and facilitate collaboration between local leaders in conflict-prone regions. Same implementers as above.

Support Democratic Local Government and Decentralization (\$750,000 ESF). USAID will continue to support activities to strengthen the capacity of the public finance management system to manage public financial transactions, improve the capacity of public sector managers to use information about financial transactions, and improve planning of the public sector on the platform of better accounting, financial management, and control systems. This effort will reinforce other donors' budget support efficacy. Same implementers as above.

Strengthen Civil Society (\$1,750,000 ESF). USAID will continue to support the strengthening of CSOs. USAID-funded training, technical assistance, and sub-grant activities will build CSO capacity for advocacy and interest articulation and conflict mediation and resolution. Civil society strengthening will also be supported under the early warning and response mechanisms and free and fair elections components. Same implementers as above.

Reduce Trafficking in Persons (\$500,000 ESF). USAID will continue with its Trafficking in Persons (TIPs) activities that focus on encouraging girls to remain in school and on women's rights with regard to awareness on the risks of foreign employment and guidance on their basic human rights. USAID support will also contribute to strengthening the capacity of CSOs and developing their ability to effectively advocate for their constituencies. Principal grantees: to be determined.

Performance and Results: USAID's activities have directly contributed to progress in addressing conflict, electoral accountability, and decentralized governance. Budgeting, budget planning, and accounting in federal, regional and sub-regional governments were also strengthened to facilitate the Ethiopian Government's decentralization process, ultimately enabling local governments to better manage their economic, political and social affairs. Elections support and civil society strengthening will increase voter awareness, improve the skills of Ethiopian election observers, and increase civil society participation. By this SO's end, Ethiopians will have developed the skills and capacities to address, manage, and resolve conflict. Civil society will be strengthened and will be actively engaged in conflict resolution and the political process. Governance will be strengthened and decentralization will contribute to more effective service delivery and identification of local interests.

US Financing in Thousands of Dollars

Ethiopia

663-015 Governance Capacity	CSH	DA	ESF
Through September 30, 2003			
Obligations	0	0	0
Expenditures	0	0	0
Unliquidated	0	0	0
Fiscal Year 2004			
Obligations	0	0	2,000
Expenditures	0	0	0
Through September 30, 2004			
Obligations	0	0	2,000
Expenditures	0	0	0
Unliquidated	0	0	2,000
Prior Year Unobligated Funds			
Obligations	0	0	871
Planned Fiscal Year 2005 NOA			
Obligations	0	1,000	4,460
Total Planned Fiscal Year 2005			
Obligations	0	1,000	5,331
Proposed Fiscal Year 2006 NOA			
Obligations	0	0	4,500
Future Obligations	1,000	15,500	9,158
Est. Total Cost	1,000	16,500	20,989

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	663-016
Status:	New in FY 2004
Planned FY 2005 Obligation:	\$17,633,000 DA; \$500,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$500,000 ESF
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: This strategic objective (SO) focuses on accelerated, agricultural-based, economic growth as a critical pathway to preventing famine in Ethiopia by improving economic policy and governance, increasing market-led private sector growth and agricultural productivity, protecting and increasing the assets and livelihoods of the poor, and, where necessary, providing emergency assistance. By improving their economic and household livelihoods circumstances, Ethiopians will be better able to manage through shocks and effectively tackle the root causes of poverty, food insecurity, and famine vulnerability.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$3,526,000 DA; \$500,000 ESF). Programs will build institutional capacity, conduct research and analysis, and support stakeholder dialogue and related activities to improve agriculture and rural development and policy/investment decision-making, advance Ethiopia's accession to the World Trade Organization, and enhance land tenure security for farmers through selected improvements to land administration. A new arid lands pastoral development program will include efforts at influencing policies on disease control, livestock marketing, and community animal health service delivery. Principal contractors and grantees: International Food Policy Research Institute, Booz-Allen Hamilton, Associates in Rural Development, and others to be determined.

Increase Private Sector Growth (\$7,935,000 DA). USAID will continue to support cooperative development in Ethiopia. USAID will also continue to provide technical support and rural lending by transferring \$1,000,000 to the Development Credit Authority (DCA) loan guarantees for agricultural producers, pastoralists, and agricultural enterprises, and develop output markets for the targeted agricultural sectors of coffee, horticulture, food grains, and livestock products. DCA loan guarantees for rural credit will also be expanded and broadened into small enterprise lending, potentially adding one additional private bank. A pastoralist development program will improve the productivity and marketing of cattle, sheep and goats in certain remote, arid areas of the country. Principal contractors and grantees: two Ethiopian private banks, ACDI/VOCA, Development Alternatives Inc., Save the Children-US, and others.

Increase Agricultural Productivity (\$6,172,000 DA). In Amhara Region, new programs are being launched in small-scale irrigation, land and watershed management, seeds and fertilizer input market systems development, and technology transfer (production, post-harvest storage, and processing). Principal contractors and grantees: Virginia Tech University, International Water Management Institute, International Fertilizer Development Center, and Cornell University.

FY 2006 Program: In addition to the amounts shown below, USAID intends to use \$14,840,000 of Transition Initiatives funds to support the following activities and objectives.

Improve Economic Policy and Governance (\$500,000 ESF). Continued support will go to agricultural sector policy/investment planning, land tenure security, WTO accession, and animal health and livestock marketing regulations that promote private sector involvement. Same implementers as above.

Increase Private Sector Growth. Continued financial and technical support will be provided to small rural enterprises, agricultural cooperatives and agribusinesses, and output market systems for targeted sectors. Support for pastoralist/agro-pastoralist economies will continue, and a new dairy development program, currently being designed, will begin implementation. Same implementers as above, with new implementers to be determined for selected components.

Increase Agricultural Productivity. USAID plans to continue to support land use management, small-scale irrigation, community watershed management, and the development and dissemination of improved agricultural technologies in production, post-harvesting, and processing. Same implementers as above, with new implementers to be determined for selected components.

Performance and Results: USAID-funded activities in 2004 yielded several important gains in agricultural productivity and marketing, natural resources management, and the transition from relief to development. Some of the most impressive gains have been made with cooperative formation and expansion, with farmers organizing themselves into saving and credit cooperatives and cooperatives contributing substantially to input supply and output marketing for their members and other farmers. Successful animal health interventions have been undertaken in the arid pastoral and agro-pastoral areas of the country, teaching local animal health workers to treat livestock diseases. Well-targeted relief programming has distributed food, seeds, and livestock, as well as conserved both soil and water, to protect farmers' assets and help them recover more quickly after disasters.

At the completion of this SO, the number of people requiring food aid will have been reduced and their incomes will have been raised through new and diverse income earning strategies, taking one million people off the list of the chronically vulnerable. Private sector investment and sustainable agricultural productivity will have increased, coupled with a rise in the marketing of selected agricultural commodities. Women will have a greater role in the formal economic sector, and more control over their economic assets. Ethiopian federal and regional policies to increase productivity and trade will be reformed and implemented.

US Financing in Thousands of Dollars

Ethiopia

663-016 Economic Growth	CSH	DA	DCA	DFA	ESF	IDA
Through September 30, 2003						
Obligations	0	0	0	0	0	0
Expenditures	0	0	0	0	0	0
Unliquidated	0	0	0	0	0	0
Fiscal Year 2004						
Obligations	0	2,049	1,525	7,500	1,000	19,882
Expenditures	0	0	0	0	0	0
Through September 30, 2004						
Obligations	0	2,049	1,525	7,500	1,000	19,882
Expenditures	0	0	0	0	0	0
Unliquidated	0	2,049	1,525	7,500	1,000	19,882
Prior Year Unobligated Funds						
Obligations	0	0	0	0	0	0
Planned Fiscal Year 2005 NOA						
Obligations	0	17,633	0	0	500	0
Total Planned Fiscal Year 2005						
Obligations	0	17,633	0	0	500	0
Proposed Fiscal Year 2006 NOA						
Obligations	0	0	0	0	500	0
Future Obligations	7,500	127,771	3,975	0	4,000	0
Est. Total Cost	7,500	147,453	5,500	7,500	6,000	19,882

Data Sheet

USAID Mission:	Ethiopia
Program Title:	Knowledge Management
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	663-017
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$200,000 CSH; \$300,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$200,000 CSH
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID's portfolio includes a new Program Support Objective (PSO), "Knowledge Management Coordinated and Institutionalized," in recognition that improved information analyses and dissemination will help Ethiopian policy makers make better-informed decisions. This will also facilitate USAID's goal to help the Government of Ethiopia (GOE) lay a solid foundation for reducing the country's vulnerability to famine, hunger, and poverty. USAID aims to improve overall economic policy and governance through activities that support good knowledge management - monitoring and evaluation, organizing and disseminating institutional knowledge, studies and research - to provide the GOE's Sustainable Development and Poverty Reduction Program (SDPRP) with the analytical underpinnings of sound policy development and strategic planning. The program will support local think-tanks to play a greater role in the policy analysis and reform process. The intent is not just to provide better analyses, but to institutionalize the widespread sharing of knowledge and the practice of using analyses for decision making, as well as help USAID use knowledge management to make better operational decisions.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$200,000 DA; \$200,000 CSH). The second stage of the GOE's Household Income and Expenditure (HICE) survey will be completed. USAID will work with other stakeholders to ensure sound analyses and wide dissemination of results. USAID, in concert with other donors, will also work to ensure that the Citizen Report Cards survey, which tracks the effectiveness of delivery of government services, receives wide dissemination. In addition, USAID will assist the GOE with improving the SDPRP, as well as the national health and education sector development programs.

USAID will launch a small grants program to assist local think-tanks to play a greater role in the policy analysis and reform process. USAID will continue working with the International Food Policy Research Institute (IFPRI) to map all USAID interventions for greater program synergies. IFPRI's main focus will continue to be the policy reform agenda under strategic objective (SO) 13, "Capacity to Manage through Shocks Increased," and SO 16, "Market-Led Economic Growth and Resiliency Increased." Principal contractors and grantees: United Nations Development Program (UNDP), Ethiopian Central Statistical Authority, Ethiopian Ministry of Finance and Economic Development, the Poverty Action Network of Ethiopia and its member NGOs, and IFPRI.

Expand and Improve Access to Economic and Social Infrastructure (\$100,000 DA). USAID will continue to support the extension of rural access to telephone and internet services through local cooperatives. Principal grantee: U.S. National Telecommunications Cooperative Association.

FY 2006 Program: In addition to the amounts shown below, USAID intends to use \$300,000 of Transition Initiatives funds to support the following activities and objectives.

Improve Economic Policy and Governance (\$200,000 CSH). USAID will continue support to the GOE and NGO bodies involved in monitoring and evaluation, and lessons learned from the implementation of the SDPRP. Program support to other parts of the USAID strategy for policy dialogues and reform will continue. Principal contractors and grantees: as above, although new partnerships may emerge.

Expand and Improve Access to Economic and Social Infrastructure. USAID will continue to support activities to expand access to internet and telecommunications through the private sector and cooperatives. Same implementers as above.

Performance and Results: USAID collaborates with other donors, including the United Nations Development Program (UNDP), to support the monitoring and evaluation of the GOE's SDPRP. USAID's funds enabled the GOE to undertake the first stage of the Household Income and Expenditure Survey 2004-2005, which details poverty in Ethiopia, and the completion of the Welfare Monitoring Survey, which addresses poverty and the ability to cope with shocks. USAID also supported a Citizen Report Cards Survey by the Poverty Action Network for Ethiopia, an umbrella organization for local non-governmental organizations (NGOs), which tracks the effectiveness of delivery of government services, and a project in two pilot woredas (districts) to increase local elders' involvement in local decision making.

The successful completion of this PSO will monitor and provide feedback on the effectiveness of the GOE's SDPRP, as well as better knowledge management to enable a wide range of donors, research institutes, think tanks, and local and international NGOs to organize and share information on a wide range of effective relief and economic and social development interventions. The program will have provided knowledge management support throughout the USAID portfolio; in particular, to underpin policy analyses and dialogue with the GOE.

US Financing in Thousands of Dollars

Ethiopia

663-017 Knowledge Management	CSH	DA
Through September 30, 2003		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Fiscal Year 2004		
Obligations	200	300
Expenditures	0	4
Through September 30, 2004		
Obligations	200	300
Expenditures	0	4
Unliquidated	200	296
Prior Year Unobligated Funds		
Obligations	0	0
Planned Fiscal Year 2005 NOA		
Obligations	200	300
Total Planned Fiscal Year 2005		
Obligations	200	300
Proposed Fiscal Year 2006 NOA		
Obligations	200	0
Future Obligations	400	0
Est. Total Cost	1,000	600