



2006 Survey on Monitoring The Paris Declaration

Country Chapters

ETHIOPIA

The 2006 Survey on Monitoring the Paris Declaration was undertaken in 34 countries that receive aid. The results of the survey are presented in two volumes. **Volume 1** provides an overview of key findings across 34 countries. **Volume 2** presents the baseline and key findings in each of the 34 countries that have taken part in the survey. This chapter is based primarily on the data and findings communicated by government and donors to the OECD through the Paris Declaration monitoring process. A more detailed description of this process, how this chapter was drafted and what sources were used is included in Volume 1, Chapter 2.

Both Volume 1 (Overview) and Volume 2 (Country Chapters) of the 2006 Survey on Monitoring the Paris Declaration can be downloaded at the OECD website:

www.oecd.org/dac/effectiveness/monitoring

A second round of monitoring will be organised in the first quarter of 2008 and will be an important contribution to the Accra High-Level Forum on Aid Effectiveness in September 2008.

13 ETHIOPIA

ETHIOPIA HAS A RAPIDLY INCREASING POPULATION currently at around 70 million. In 2004, the income per capita was USD 110 (gross national income). According to the figures produced in 1999-2000, 23% of the population falls below the dollar-a-day poverty line, and fully 77.8% falls below the two-dollars-a-day poverty line. In 2004, net official development assistance (ODA) to Ethiopia totalled USD 1 823 million, which amounted to 22.8% of the national income. In recent years, Ethiopia's aid receipts have been on a rapid upward trajectory. However, following the tensions that erupted around the disputed election in 2005, some donors stopped providing budget support, although new aid modalities have allowed aid to keep flowing for basic services.

Responses to the 2006 survey in Ethiopia accounted for around 89% of ODA received in 2005. The survey responses, taken together with the World Bank desk reviews which form the basis for the baselines and targets for some of the indicators, point to some real challenges for the Ethiopian government and its donors in implementing the Paris Declaration. Challenges and priority actions are summarized in the table below.

DIMENSIONS	BASELINE	CHALLENGES	PRIORITY ACTIONS
Ownership	Moderate	Complex system for planning.	Integrate Poverty Reduction Strategy with five-year plans.
Alignment	Moderate	Unreliable systems at sub-national level. New aid instruments may be less aligned than the previous budget support.	Continue capacity building at regional/district level. Adapt new aid instruments to better use country systems.
Harmonisation	Moderate	Donor practices may be less aligned following the suspension of budget support.	Joint Budget Support donors should continue harmonisation efforts despite recent problems.
Managing for results	Moderate	Limited integration of national and sub-national monitoring and evaluation activities.	Continue capacity building at regional/district level.
Mutual accountability	Moderate	Recent tensions over governance between government and donors.	Finalise Joint Declaration on Harmonisation, Alignment and Aid Effectiveness.

OVERVIEW
Box 13.1
Challenges
and priority
actions

OWNERSHIP

OWNERSHIP IS CRITICAL to achieving development results and is central to the Paris Declaration. It has been defined as a country's ability to exercise effective leadership over its development policies and strategies. Achieving this – especially in countries that rely heavily on aid to fund their development – is not a simple undertaking. Nor, of course, can it be measured by a single indicator. For donors it means supporting countries' leadership, policies, institutions and systems. This is commonly referred to as "alignment" (see below). Donors are in a better position to do this when governments set out clear priorities and operational strategies – this is the main

INDICATOR 1

focus of Indicator 1 of the Paris Declaration. The Ethiopian government has a long history of effective leadership, particularly with respect to the content and form of its development strategy and management of its aid.

Ethiopia's long-term vision of growth and transformation is set out in the Agricultural Development-Led Industrialisation (ADLI) strategy. The strategy, established in 1992, sees agriculture as the key to Ethiopia's development. Long-term Sectoral Development Programmes (SDPs) in sectors including education, health and roads, complement the long-term vision. In its 2005 Comprehensive Development Framework (CDF) assessment, the World Bank judged Ethiopia's long-term vision to be "largely developed".

Since 2002, Ethiopia's medium-term strategy has centred on the government's Sustainable Development and Poverty Reduction Programme (SDPRP), Ethiopia's Poverty Reduction Strategy (PRS). The PRS is informed by the long-term Sectoral Development Programmes and linked to the ADLI. The government has completed a first draft of Ethiopia's second PRS: the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) will run from 2005-10. The government will need to make sure that the PRS is integrated with its constitutionally-mandated five-year plans in order to ensure that its development strategy is clear, and also provides a consistent basis for local development planning. The new PRS is designed to accelerate progress towards the Millennium Development Goals (MDGs) by linking policy actions with MDG-based targets. The strategy also takes a broad view of development – it emphasises public-sector institutions and democratic governance, as well as growth and human development outcomes. The World Bank judges Ethiopia's medium-term strategy to be "largely developed", but more will need to be done to establish connections with clear development targets.

The government of Ethiopia has worked to develop the links between the budget process and its development strategy. The 2004-07 Macroeconomic and Fiscal Framework emphasises pro-poor sectors, and both federal and regional budgets have been consistent with the PRS since 2002. The 2005/06 budget committed 56% of total spending to pro-poor programmes. Although tensions surrounding the 2005 elections caused interruptions to aid flows, pro-poor sectors have been relatively unaffected as donors established alternative instruments to ensure that services could continue.

Ethiopia received a C rating in the World Bank's 2005 Comprehensive Development Framework assessment, which provides the baseline for Indicator 1. This puts it within reach of the target of achieving an A or a B rating by 2010. In order to progress towards the target, Ethiopia will need to focus on integrating its various medium-term planning instruments with its long-term strategy, and on linking them to clear and monitorable development targets. Ethiopia's budget process is being revamped, including through the piloting of performance-related budget instruments. The government and its donors will need to work together to ensure that recent political tensions do not threaten this progress.

ALIGNMENT

DONORS AND GOVERNMENT in Ethiopia have a strong record of working together to increase the effectiveness of aid, including programme-based aid and budget support. Recent political tensions have raised serious questions about the ways in which donors relate to the government, and have threatened some of the progress which has been made on the alignment agenda. This only serves to underline the importance of government and donors working together to advance alignment.

BUILDING RELIABLE COUNTRY SYSTEMS

Indicator 2a provides an indication on the quality of Ethiopia's public financial management (PFM) systems. The score is based on the World Bank's Country Policy and Institutional Assessment (CPIA Indicator 13). In 2005, Ethiopia's rating was 3.5 on a six-point scale that ranges from 1 (lowest score) to 6 (highest score).

INDICATOR 2a

The World Bank judges Ethiopia to have made "significant progress" in strengthening public financial management. An Expenditure Management and Control Programme, which has been in place since 1995/96, allows for the federal government to monitor and co-ordinate reforms. Fiscal responsibility in Ethiopia is significantly decentralised to both regions and districts, which now have most of the responsibility for poverty reduction expenditure. The Office of the Federal Auditor General (which is independent of the executive) makes regular reports to the President and to Parliament, and has succeeded in reducing the audit backlog.

Although the government has updated systems at the sub-national level, capacity at regional/district level remains a major limitation on effective public financial management. It is at this level that efforts will need to be concentrated if Ethiopia is to meet the target of achieving a score of at least 4.0 on this indicator by 2010.

No score is currently available for Indicator 2b on the quality of Ethiopia's procurement systems. The World Bank's Aid Effectiveness Review (AER) describes how the Parliament adopted a new Procurement Law in 2005 (consistent with international standards) and three regions have adopted similar laws. Efforts are now ongoing to build capacity in the federal procurement agency and in line ministries' tender units.

INDICATOR 2b

ALIGNING AID FLOWS ON NATIONAL PRIORITIES

Ensuring that donor aid flows are properly reflected in the partner's national budget is a first step towards ensuring that aid flows are aligned with national priorities. Indicator 3 is a proxy for measuring alignment. It actually measures the proportion of aid reported in Ethiopia's budget. If Ethiopia is to meet the target of 87% for this indicator, the government needs to set realistic budgets that take into account the amount of aid it expects to receive. For their part, donors need to provide the government with timely and accurate information about planned disbursements to allow effective budgets to be set, and report a greater proportion of their aid to the government for inclusion in the budget.

Are government budget estimates comprehensive and realistic?

INDICATOR 3
Table 13.1

	Government's budget estimates of aid flows for FY05 (USD m) a	Aid disbursed by donors for government sector in FY05 (USD m) b	Baseline ratio* c=a/b (%) c=b/a
African Dev. Bank	124	139	89%
Canada	0	24	2%
European Commission	157	159	99%
Finland	3	7	37%
France	8	9	81%
Germany	14	37	38%
Global Fund	--	55	
Ireland	8	27	28%
Italy	34	0	0%
Japan	0	29	0%
Netherlands	--	7	
Norway	2	5	40%
Sweden	25	42	59%
United Kingdom	55	111	50%
United Nations	24	22	90%
United States	0	2	15%
World Bank	326	373	87%
Total	779	1 048	74%

* Baseline ratio is $c = a / b$ except where government's budget estimates are greater than disbursements ($c = b / a$).

Aid reported on budget was 74% of aid disbursed by donors in Ethiopia in 2005. Major donors aligned their strategies with the government's strategy, but the events surrounding the 2005 election have brought about some changes in donors' approaches, and even halted some aid to the government sector. While aid now flowing to Ethiopia through, for example, the Protection of Basic Services programme may still be aligned with the government's poverty reduction priorities, a smaller proportion of it is flowing through the budget. It remains unclear how donors' strategies will change in this regard up to 2010. The challenge for both government and donors in meeting the target of 87% of aid reported on budget will be to develop modalities to strengthen the accountability of the budget process while meeting the concerns of donors.

CO-ORDINATING SUPPORT TO STRENGTHEN CAPACITY

The Ethiopian government has been making significant efforts to ensure that the technical assistance it receives from donors builds capacity in priority areas, in accordance with its National Capacity Building Strategy. These efforts have been co-ordinated by the Ministry of Capacity Building since 2001.

Only 27% of technical assistance to Ethiopia in 2005 was provided through co-ordinated programmes that strengthened national capacity. This co-ordinated technical assistance was provided via three main programmes. The Public Sector Capacity Building Programme (PSCAP, operational since March 2005) focuses on six core capacity-building priorities, developed and sequenced in line with national and local priorities. PSCAP is supported by a number of donors through a variety of common arrangements. The monitoring and evaluation system for the new PRS builds on a number of existing programmes, and is funded by a group of donors under the aegis of a joint Memorandum of Understanding. In addition, UNDP administers a pooled capacity-building programme.

Although these co-ordinated programmes provide a strong foundation for further developing capacity building in Ethiopia, the country has some way to go to reach the target of 50% of technical assistance provided in this way by 2010. The government has to set out a clear capacity-building strategy, and donors will need to ensure that their technical assistance supports this strategy and delivered in a co-ordinated manner wherever possible.

INDICATOR 4
Table 13.2

How much technical assistance is co-ordinated with country programmes?

	Co-ordinated technical co-operation (USD m) a	Total technical co-operation (USD m) b	Baseline ratio (%) c=a/b
African Dev. Bank	5	5	100%
Canada	0	2	3%
European Commission	1	4	22%
Finland	7	10	69%
France	0	5	0%
Germany	13	15	84%
Global Fund	0	0	--
Ireland	0	0	--
Italy	0	3	13%
Japan	11	11	100%
Netherlands	1	2	35%
Norway	0	7	0%
Sweden	4	4	89%
United Kingdom	0	3	14%
United Nations	0	22	0%
United States	1	84	2%
World Bank	8	11	75%
Total	51	189	27%

INDICATOR 5
Table 13.3

How much aid for the government sectors uses country systems?

	Aid disbursed by donors for government sector (USD m) a	Public financial management				Procurement	
		Budget execution (USD m) b	Financial reporting (USD m) c	Auditing (USD m) d	Baseline ratio (%) avg (b,c,d) / a	Procurement systems (USD m) e	Baseline ratio (%) e/a
African Dev. Bank	139	139	0	0	33%	89	64%
Canada	24	20	20	20	84%	20	84%
European Commission	159	17	17	17	10%	17	10%
Finland	7	0	6	0	31%	6	93%
France	9	0	13	0	45%	4	42%
Germany	37	15	15	15	40%	15	40%
Global Fund	55	55	55	0	67%	0	0%
Ireland	27	27	27	27	100%	27	100%
Italy	0	0	0	0	--	0	--
Japan	29	5	5	5	16%	5	16%
Netherlands	7	4	1	0	25%	1	15%
Norway	5	0	0	0	0%	4	80%
Sweden	42	27	13	13	43%	15	36%
United Kingdom	111	117	117	109	100%	111	100%
United Nations	22	0	0	0	0%	2	11%
United States	2	0	0	0	4%	0	0%
World Bank	373	183	183	132	45%	132	35%
Total	1 048	609	473	338	45%	449	43%

USING COUNTRY SYSTEMS

The Paris Declaration encourages donors to make increasing use of country's systems where these provide assurance that aid will be provided for agreed purposes. As outlined above, Ethiopia has improved both its public financial management and procurement systems, which are the focus of Indicator 5.

Despite this progress, Table 13.3 shows that, on average, only 45% uses one or more of the country systems. Given that Ethiopia scores 3.5 on Indicator 2a, the targets for 2010 on Indicator 5a are that 63% of aid makes use of national systems (on average across the three systems in question), and that 90% of donors make use of all three systems for at least some projects/programmes.

Between 2002 and 2004, the percentage of aid to Ethiopia given as budget support (and thus using all country PFM systems) rose rapidly from 10% to 30%, but budget support has been largely suspended since November 2005 due to the governance concerns discussed above. However, the instrument developed by donors to replace budget support (the Protection of Basic

Services programme) continues to make use of Ethiopian PFM systems. This demonstrates a positive commitment on the part of the donors to making use of Ethiopian systems. That said, much more progress will be needed by 2010 to meet the targets for Indicator 5a. The national capacity-building programme discussed above will help to build PFM capacity, especially at regional and district level, but donors will need to be willing to increase their use of Ethiopian PFM systems if the targets are to be met.

Only 43% of aid uses Ethiopian procurement systems. Without data on Indicator 2b, no target can currently be set for Indicator 5b, but both donors and government will need to adopt measures that increase the use of Ethiopian procurement systems. The government believes that the steps it has taken to improve procurement systems (see above) resolve most of the issues identified in the 2002 Procurement Assessment Report, and expects to see donors step up their use of country systems.

INDICATOR 6
Table 13.4

	Parallel PIUs (units)
African Dev. Bank	1
Canada	6
European Commission	1
Finland	1
France	4
Germany	4
Global Fund	0
Ireland	0
Italy	8
Japan	0
Netherlands	0
Norway	0
Sweden	1
United Kingdom	0
United Nations	0
United States	62
World Bank	15
Total	103

AVOIDING PARALLEL IMPLEMENTATION STRUCTURES

The Paris Declaration invites donors to “avoid to the maximum extent possible, creating dedicated structures for day-to-day management and implementation of aid-financed projects and programmes”. There are 103 parallel project implementation units (PIUs) in operation in Ethiopia. If the target of a two-thirds reduction in the number of parallel PIUs is to be met in Ethiopia, this number must be reduced to just 34.

A significant proportion of aid (especially bilateral aid) to Ethiopia continues to be provided via parallel PIUs, although the government points out that a number of these are in fact well integrated into the government system. Some PIUs simply reflect past agreements between donors and government, and the government hopes that these can be eliminated as agreements come up for renewal. However, a change of attitude on the part of some donors will be required if this target is to be met in Ethiopia. The government’s ultimate aim is to phase out parallel PIUs altogether as national capacity improves.

INDICATOR 7
Table 13.5

Are disbursements on schedule and recorded by government?

	Disbursements recorded by government in FY05 (USD m) a	Aid scheduled by donors for disbursement in FY05 (USD m) b	Aid actually disbursed by donors in FY05 (USD m) FOR REFERENCE ONLY	Baseline ratio* (%) c=a/b c=b/a
African Development Bank	138	139	139	99%
Canada	24	24	24	98%
European Commission	82	171	159	48%
Finland	6	6	7	96%
France	11	9	9	87%
Germany	18	34	37	53%
Global Fund	--	55	55	
Ireland	23	27	27	84%
Italy	10	4	0	38%
Japan	16	29	29	56%
Netherlands	12	7	7	59%
Norway	2	5	5	43%
Sweden	49	53	42	92%
United Kingdom	112	111	111	99%
United Nations	100	6	22	6%
United States	32	2	2	6%
World Bank	377	373	373	99%
Total	1 012	1 055	1 048	96%

* Baseline ratio is $c = a / b$ except where disbursements recorded by government are greater than aid scheduled for disbursement ($c = b / a$).

PROVIDING MORE PREDICTABLE AID

As discussed above, 2005 has seen some uncharacteristic interruptions of aid flows in Ethiopia.

The table above looks at predictability from two different angles. The first angle is donors' and government's combined ability to disburse aid on schedule. In Ethiopia, donors scheduled USD 1 055 million for disbursement in 2005 and actually disbursed – according to their own records – slightly less than expected (USD 1 048 million). The discrepancy varies considerably among donors. The second angle is donors' and government's ability to record comprehensively disbursements made by donors for the government sector. In Ethiopia, government systems recorded USD 1 012 million out of the USD 1 048 million notified as disbursed by donors (96%) indicating that a small proportion of disbursements were not captured either because they were not appropriately notified by donors or because they were inaccurately recorded by government.

Indicator 7 on predictability has been designed to encourage progress against both of these angles so as to gradually close the predictability gap by half by 2010. In other words, it seeks to improve not only the predictability of actual disbursements but also the accuracy of how they are recorded in government systems – an important feature of ownership, accountability and transparency. In Ethiopia, this combined predictability gap amounts to USD 50 million (less than 1% of aid scheduled). Closing this remaining predictability gap will require donors and government to work increasingly together on various fronts at the same time. They might work to improve:

- the realism of predictions on volume and timing of expected disbursements;
- the way donors notify their disbursements to government; and
- the comprehensiveness of government's records of disbursements made by donors.

UNTYING AID

DAC data based on 2004 commitments shows that 39% of aid to Ethiopia is untied. However, only 57% of aid to Ethiopia was reported in this data, which probably means that this understates the current amount of tying. The government reports that 30% of aid to Ethiopia in 2004-05 came in the form of untied budget support, but this figure may no longer be representative. As with many of the indicators discussed above, progress in this area has been hampered by the tensions of November 2005.

INDICATOR 8

INDICATOR 9
Table 13.6

How much aid is programme based?

	Budget support (USD m) a	Other PBAs (USD m) b	Total (USD m) c=a+b	Total disbursed (USD m) d	Baseline ratio (%) e=c/d
African Development Bank	89	0	89	139	64%
Canada	20	2	22	36	61%
European Commission	15	37	52	170	31%
Finland	0	3	3	10	33%
France	0	0	0	13	0%
Germany	7	0	7	42	16%
Global Fund	0	55	55	55	100%
Ireland	7	0	7	35	22%
Italy	0	1	1	5	14%
Japan	0	0	0	32	0%
Netherlands	0	18	18	26	68%
Norway	0	0	0	40	0%
Sweden	27	0	27	50	55%
United Kingdom	58	64	122	122	100%
United Nations	0	22	22	22	100%
United States	0	30	30	120	25%
World Bank	132	89	222	373	59%
Total	356	322	678	1 288	53%

HARMONISATION

DONORS HAVE DEVELOPED EFFECTIVE HARMONISATION MECHANISMS in Ethiopia over time, especially via the use of budget support. A key challenge will be to maintain these mechanisms despite the recent disruption of budget support.

USING COMMON ARRANGEMENTS

Common procedures by donors reduce administrative burdens of aid for recipients. Indicator 9 measures programme-based approaches (an effective way to harmonise procedures), in which the aid funds of several donors are pooled or their approaches to a sector are harmonised. Programme-based approaches also support alignment with country priorities and systems.

53% of aid disbursed in Ethiopia in 2005 was in the form of programme-based approaches. Of this, around 57% was direct budget support. This meant that Ethiopia received more of its aid in the form of programme-based approaches than almost any other country in the world. The formation of the Joint Budget Support (JBS) group among donors in Ethiopia contributed to the use of common procedures (e.g. a Joint Aid Budget Review), but much of this arrangement has been discontinued following the withdrawal of budget support in November 2005. This means that the figures given in Table 13.6 may overstate the current use of programme-based approaches in Ethiopia. It is not yet clear the extent to which new aid instruments in Ethiopia will make use of common procedures, but substantial progress will be needed if the target of 66% of aid provided through programme-based approaches is to be met by 2010, given the current position.

CONDUCTING JOINT MISSIONS AND SHARING ANALYSIS

27% of donor missions to Ethiopia and 50% of country analytical work were conducted jointly, coming close to the 2010 targets of 40% and 66% respectively. These strong results are thanks to the efforts of the JBS group, and steps will need to be taken to ensure that this continues despite the suspension of budget support.

Table 40.7: How many donor missions are co-ordinated?

	Co-ordinated donor missions (missions) a	Total donor missions (missions) b	Baseline ratio (%) c=a/b
African Development Bank	4	26	15%
Canada	13	21	62%
European Commission	8	12	67%
Finland	1	6	17%
France	0	7	0%
Germany	2	3	67%
Global Fund	1	4	25%
Ireland	3	12	25%
Italy	1	3	33%
Japan	0	12	0%
Netherlands	6	11	55%
Norway	5	5	100%
Sweden	2	9	22%
United Kingdom	17	20	85%
United Nations	1	1	100%
United States	4	8	50%
World Bank	17	47	36%
Total (discounted*)	55	207	27%

* The total of co-ordinated missions has been adjusted to avoid double counting. A discount factor of 35% has been applied.

INDICATOR 10a
Table 13.7

How much country analysis is co-ordinated?

	Co-ordinated donor analytical work * (units) a	Total donor analytical work (units) b	Baseline ratio (%) c=a/b
African Development Bank	0	1	0%
Canada	9	12	75%
European Commission	1	1	100%
Finland	0	0	--
France	0	0	--
Germany	1	1	100%
Global Fund	0	0	--
Ireland	0	0	--
Italy	0	0	--
Japan	1	2	50%
Netherlands	3	3	100%
Norway	1	2	50%
Sweden	--	--	--
United Kingdom	12	16	75%
United Nations	2	2	100%
United States	0	0	--
World Bank	5	13	38%
Total (discounted*)	26	53	50%

* The total of co-ordinated analysis has been adjusted to avoid double counting. A discount factor of 25% has been applied.

INDICATOR 10b
Table 13.8

MANAGING FOR RESULTS

INDICATOR 11 **MANAGING FOR RESULTS IS KEY** to enhancing aid effectiveness. The Paris Declaration calls on donors to work alongside partner countries to manage resources on the basis of desired results, and to use information effectively to improve decision making. Indicator 11 focuses on one component of managing for results: the establishment by the partner country of a cost-effective, transparent and monitorable performance and assessment framework. Ethiopia scored a C rating in the World Bank's 2005 CDF assessment, which provides the baseline for this indicator, putting it within reach of the 2010 target to achieve a B or an A rating.

According to the World Bank's Aid Effectiveness Review, Ethiopia has made strides in improving the quality of its development information. The Central Statistical Agency leads data collection efforts, in accordance with the Medium-Term National Statistical Programme for 2003-2008.

A 2005 Poverty Assessment has contributed to the government's new poverty reduction strategy. Public awareness has been improved through consultations and data/policy publication. Although data collection has improved significantly, more will need to be done to improve data management/ dissemination if Ethiopia is to reap the benefits of more effective policy making and implementation.

The government has also taken steps to improve monitoring and evaluation of poverty reduction policies. The Monitoring and Evaluation Action Plan is overseen by the Ministry of Finance and Economic Development, and is supported by a co-ordinated technical cooperation programme (see above). The main challenge for Ethiopia now is to integrate local and regional monitoring and evaluation activities with the national plan, given the high degree of decentralisation of policy implementation.

MUTUAL ACCOUNTABILITY

INDICATOR 12 **THE PARIS DECLARATION** calls for donors and partner countries to be accountable to each other for the use of development resources, and in a way that tends to strengthen public support for national policies and development assistance. This in turn requires governments to take steps to improve country accountability systems and donors to help by being transparent about their own contributions.

Indicator 12 measures one important aspect of mutual accountability: whether country-level mutual assessments of progress in implementing agreed commitments take place. In 2005, the

Ethiopian government and its donors drafted a Joint Declaration on Harmonisation, Alignment and Aid Effectiveness, inspired by the Paris Declaration. This plan contains indicators and targets of both government and donor performance. The plan has not yet been finalised (due to the events surrounding the 2005 election) but is expected to be signed by the end of 2006. The Joint Declaration meets the criteria for a mutual assessment of progress under Indicator 12 – once it is signed, Ethiopia will no doubt be judged to have achieved the target for mutual accountability.

BASELINES AND TARGETS

THE TABLE BELOW presents the 2005 baselines and targets for Ethiopia. The information is discussed in detail in the above chapter and draws from various sources of information. The main source is the baseline survey undertaken in Ethiopia under the aegis of the National Co-ordinator (Hailemichael Kinfu).

INDICATORS	2005 BASELINE	2010 TARGET
1 Ownership – Operational PRS	C	B or A
2a Quality of PFM systems	3.5	4.0
2b Quality procurement systems	Not available	Not applicable
3 Aid reported on budget	74%	87%
4 Co-ordinated capacity development	27%	50%
5a Use of country PFM systems (aid flows)	45%	63%
5b Use of country procurement systems (aid flows)	43%	Not applicable
6 Parallel PIUs	103	34
7 In-year predictability	96%	98%
8 Untied aid	39%	More than 39%
9 Use of programme-based approaches	53%	66%
10a Co-ordinated missions	27%	40%
10b Co-ordinated country analytical work	50%	66%
11 Sound performance assessment framework	C	B or A
12 Reviews of mutual accountability	Yes	Yes

Table 13.9
Baselines
and targets

ACRONYMS

ADLI	Agricultural Development-Led Industrialisation ⁷
AER	Aid Effectiveness Review
CDF	Comprehensive Development Framework
CPIA	Country Policy and Institutional Assessment
JBS	Joint Budget Support
MDG	Millennium Development Goals
PASDEP	Plan for Accelerated and Sustained Development to End Poverty
PBA	programme-based approaches
PFM	public financial management
PIU	project implementation units
PRS	Poverty Reduction Strategy
PSCAP	Public Sector Capacity Building Programme
SDP	Sectoral Development Programmes
SDPRP	Sustainable Development and Poverty Reduction Programme (SDPRP)