

ETHIOPIA

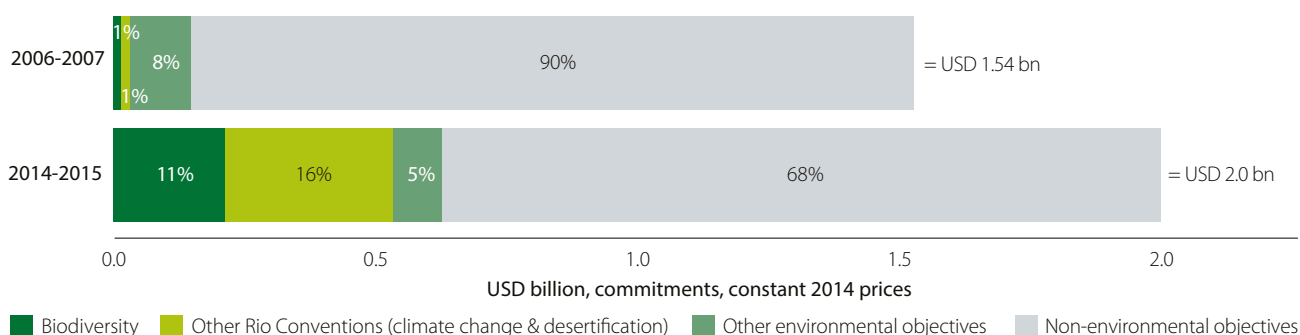
Biodiversity-related Official Development Assistance 2015¹

Ethiopia has over the past decade experienced strong economic growth of 10% per year – double the regional average of 5%. Over this period, total Official Development Assistance (ODA) commitments by members of the OECD Development Assistance Committee (DAC) has increased by 30%, from an average of USD 1.54 billion per year in 2006-07 to

USD 2.0 billion per year in 2014-15². At the same time, there has been a significant shift towards a greater emphasis on environmental objectives in provider portfolios, including the objectives of the Rio Conventions on biodiversity, climate change and desertification, from 10% (USD 150 million per year) in 2006-07, to 32% (USD 625 million per year) in 2014-15³.

FOCUS ON ENVIRONMENT-RELATED OBJECTIVES IN BILATERAL ODA

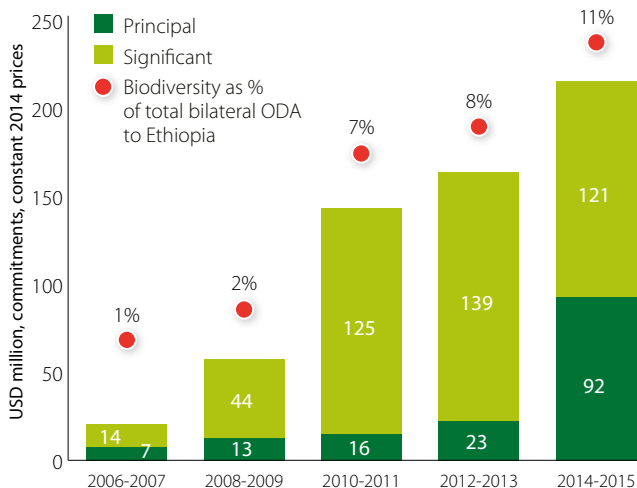
TWO-YEAR AVERAGES



Note: 'Biodiversity' includes activities simultaneously targeting the objectives of other Rio Conventions. 'Other Rio Conventions' includes activities that do not target biodiversity.

BILATERAL BIODIVERSITY-RELATED ODA, 2006-2015

TWO-YEAR AVERAGES, AND SHARES OF TOTAL BILATERAL ODA



Note: The sharp increase in 2010-11 can be explained by a large USD 135 million project funded by the UK in 2010 focused on development food aid. Further, in 2010 reporting on the Rio marker for adaptation became mandatory.

Bilateral biodiversity-related ODA to Ethiopia accounted for USD 213.5 million per year in 2014-15, representing 11% of total ODA commitments:

- 43% (USD 92.3 million) targeted biodiversity as a primary or 'principal' objective, implying that these activities would not have been funded but for their biodiversity-related goals.
- 57% (USD 121.2 million) targeted biodiversity as a secondary or 'significant' objective, indicating that biodiversity is being mainstreamed into development co-operation activities in Ethiopia with other primary objectives.

1. The statistics in this flyer are based on data reported to the OECD DAC Creditor Reporting System (CRS) as of November 2016. Data for 2015 are provisional.

2. Bilateral ODA to Ethiopia peaked at USD 2.6 billion in 2008-09, when emergency assistance accounted for 30% of total ODA commitments.

3. Over the past decade, around 44% of overall development finance to Ethiopia came from multilateral providers. Non-concessional Other Official Flows (OOF) from bilateral and multilateral donors accounts for less than 3% of development finance. This flyer focuses on bilateral ODA by DAC members, given that reporting on biodiversity-related multilateral development finance and non-concessional OOF to the DAC CRS is currently partial. Further, it focuses on bilateral ODA earmarked for Ethiopia. This does not include regional initiatives or other activities for which a country has not been specified in the CRS.

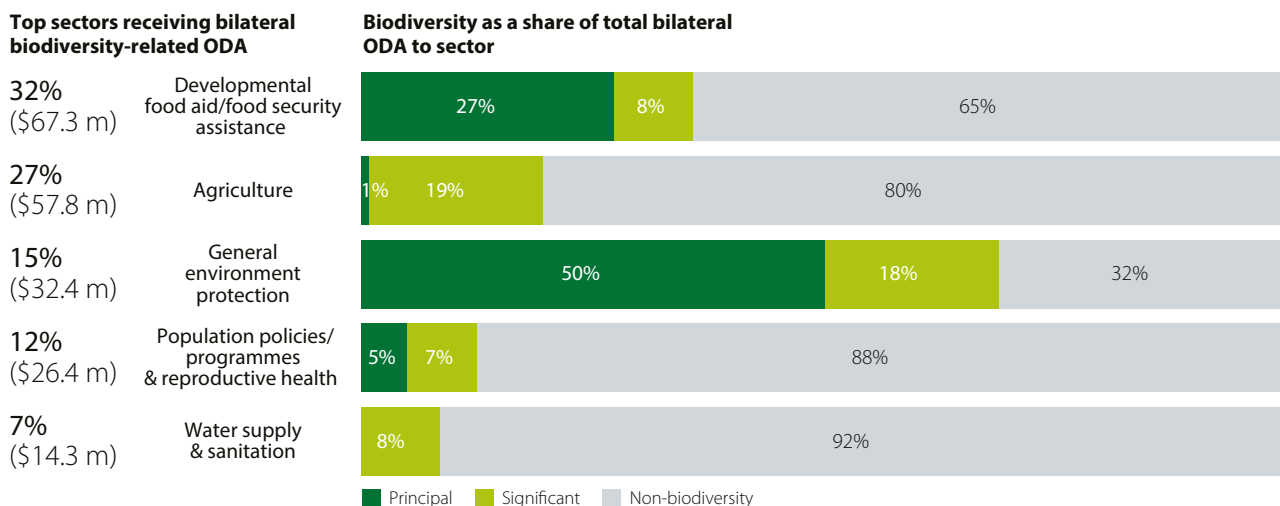
Until 2014, grants were the only instrument used by DAC members to provide biodiversity-related ODA to Ethiopia. In 2015, two concessional loans provided by France for i) the energy and ii) the water supply and sanitation sectors accounted for 13% (USD 38 million) of total bilateral biodiversity-related ODA.

Providers of bilateral biodiversity-related ODA to Ethiopia increasingly recognise the importance of exploiting the co-benefits of biodiversity objectives and those of the other Rio Conventions⁴.

In 2014-15, 70% of biodiversity-related bilateral ODA simultaneously pursued climate change and/or desertification objectives, compared to 54% in 2006-07.

TOP SECTORS RECEIVING BILATERAL BIODIVERSITY-RELATED ODA AND LEVEL OF MAINSTREAMING

2014-2015 AVERAGE

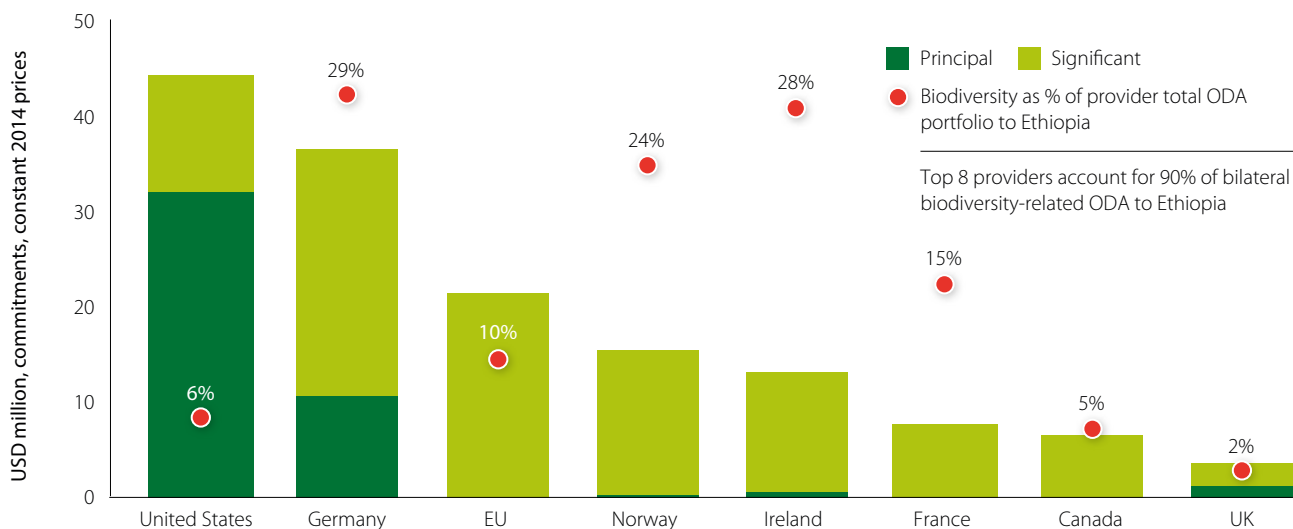


Top sectors receiving biodiversity-related ODA in 2014-15 are Development Food Aid, Agriculture, General Environment Protection, Population Policies, and Water Supply and Sanitation. While these five sectors account for 93% of biodiversity-related ODA, they see varying levels of mainstreaming. This is reflected in the relative proportion of activities that target biodiversity as either a 'principal' or

'significant' objective. For instance, of total ODA allocated to general environment protection, 68% of activities target biodiversity. In comparison, in the agriculture sector, 20% of activities take biodiversity objectives into account. In contrast, the forestry sector, which has a high impact on biodiversity, receives 0.7% (USD 1.5 million on average per year) of bilateral biodiversity-related ODA.

TOP BILATERAL PROVIDERS OF BIODIVERSITY-RELATED ODA, 2011-2015

FIVE-YEAR AVERAGE



4. The DAC CRS and the Rio marker methodology recognise that development finance may target more than one policy objective, allowing their simultaneous tracking. While it is useful to monitor multiple objectives and often impractical to completely separate them, care must be taken to avoid double counting when compiling and reporting total ODA in support of the Rio Conventions by taking into account relevant overlaps.