

20. JOINT EVALUATION

COUNTRY PARTNERSHIP FRAMEWORK ETHIOPIA-SPAIN (2011-2015)



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INDEX

Pag 1	1.	INTRODUCTION
Pag 1	1.1	DESCRIPTION OF THE EVALUAND
Pag 1	1.2	SCOPE OF THE EVALUATION
Pag 3	2.	METHODOLOGICAL APPROACH
Pag 3	2.1	MAIN EVALUATION QUESTIONS AND DIMENSIONS OF ANALYSIS
Pag 4	2.2	PHASES OF THE EVALUATION PROCESS
Pag 6	2.3	CONDITIONING FACTORS AND LIMITS OF THE STUDY
Pag 8	3.	ANALYSIS AND INTERPRETATION OF THE INFORMATION
Pag 8	3.1	ETHIOPIAN CONTEXT
Pag 8	3.1.1	ECONOMIC, SOCIAL AND POLITICAL CONTEXT
Pag 9	3.1.2	STRONG LEADERSHIP AND OWNERSHIP OF THE DEVELOPMENT POLICY
Pag 10	3.1.3	A KEY ACTOR FOR THE STABILITY OF THE REGION, A DEMOCRACY UNDER CONSTRUCTION
Pag 12	3.1.4	THE OFFICIAL DEVELOPMENT ASSISTANCE LANDSCAPE
Pag 14	3.1.5	AID COORDINATION STRUCTURES
Pag 15	3.2	OVERVIEW OF SPANISH COOPERATION IN ETHIOPIA: ODA ANALYSIS BEFORE AND DURING THE CPF PERIOD
Pag 26	3.3	DESIGN, MANAGEMENT AND MONITORING OF THE CPF
Pag 26	3.3.1	DESIGN
Pag 32	3.3.2	MANAGEMENT PROCESS AND MONITORING OF THE CPF
Pag 34	3.4	INSTRUMENTS AND MODALITIES USED
Pag 39	3.4.1	PROGRAMMES AND PROJECTS
Pag 42	3.4.2	PROGRAMME BASED SUPPORT: DONORS BASKETS/POOL FUNDS
Pag 46	3.4.3	TECHNICAL COOPERATION INSTRUMENTS
Pag 47	3.4.4	VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS
Pag 49	3.4.5	INSTRUMENTS OF FINANCIAL COOPERATION
Pag 50	3.5	OPERATIONAL LEVEL: CONTRIBUTION TO DEVELOPMENT RESULTS
Pag 51	3.5.1	RURAL DEVELOPMENT AND FIGHT AGAINST HUNGER
Pag 68	3.5.2	HEALTH
Pag 77	3.5.3	BASIC SOCIAL SERVICES
Pag 79	3.5.4	CULTURE AND DEVELOPMENT
Pag 86	3.5.5	GENDER AND DEVELOPMENT

Pag 94	3.6	HUMANITARIAN ACTION
Pag 94	3.6.1	WHAT HAS BEEN THE ROLE OF HUMANITARIAN ACTION IN THE CPF?
Pag 98	3.6.2	WHAT HAS BEEN DONE?
Pag 100	3.7	CONTRIBUTION OF THE CPF TO THE AID EFFECTIVENESS AGENDA
Pag 102	3.7.1	OWNERSHIP
Pag 103	3.7.2	ALIGNMENT
Pag 107	3.7.3	HARMONIZATION
Pag 108	3.7.4	MANAGING FOR RESULTS
Pag 110	3.7.5	MUTUAL ACCOUNTABILITY
Pag 111	3.8	POLICY DIALOGUE
Pag 115	3.9	OVERALL ASSESSMENT OF THE CPF STRATEGY
Pag 115	3.9.1	ADEQUACY OF THE CPF TO THE ETHIOPIAN CONTEXT: FRAGILE STATE AND RESILIENCE APPROACH IN BOTH DEVELOPMENT INTERVENTIONS AND HUMANITARIAN ACTION
Pag 117	3.9.2	ADEQUACY OF THE MODALITIES AND INSTRUMENTS USED TO ACHIEVE RESULTS
Pag 120	3.9.3	CROSSCUTTING ISSUES
Pag 122	3.9.4	CORRESPONDENCE BETWEEN STRATEGY, RESOURCES AND CAPACITIES
Pag 124	3.9.5	ADDED VALUE OF SPANISH COOPERATION AND COMPARATIVE ADVANTAGE OVER OTHER DONORS
Pag 126	4.	CONCLUSIONS
Pag 142	5.	LESSONS LEARNED
Pag 144	6.	RECOMMENDATIONS
Pag 150	7.	BIBLIOGRAPHY

CHARTS

Pag 17	CHART 1	COMPARISON OF EVOLUTION OF ODA PER YEAR IN ETHIOPIA BETWEEN PRE-CPF AND CPF PERIOD
Pag 19	CHART 2	PERCENTAGE OF FUND DISBURSEMENT IN 2011-2015 PER SPANISH FUNDER
Pag 20	CHART 3	ODA DISTRIBUTION WITHIN AECID DEPARTMENTS IN PRE-CPF AND CPF PERIODS
Pag 21	CHART 4	CHANNELS OF DELIVERY IN ETHIOPIA IN PRE-CPF AND CPF PERIODS
Pag 24	CHART 5	ODA DISTRIBUTION IN ETHIOPIA ACCORDING TO CPF PRIORITY SECTOR IN BOTH PERIODS
Pag 25	CHART 6	ANNUAL ODA DISTRIBUTION IN ETHIOPIA PER CHANNELS OF DELIVERY IN THE CPF PERIOD
Pag 26	CHART 7	ODA PER GEOGRAPHIC LOCATION AND SECTOR IN CPF PERIOD
Pag 30	CHART 8	BUDGET PLANNING BY SECTORS ACCORDING TO THE CPF ETHIOPIA SPAIN 2011-2015
Pag 37	CHART 9	ODA DISTRIBUTION PER TYPES OF INSTRUMENTS IN THE CPF PERIOD
Pag 38	CHART 10	ODA PER SECTOR AND INSTRUMENT IN THE CPF PERIOD
Pag 38	CHART 11	ODA PER CHANNELS OF DELIVERY AND SECTOR IN CPF PERIOD
Pag 39	CHART 12	DISTRIBUTION OF THE PROGRAMMES AND PROJECTS BY SECTOR AND DELIVERY CHANNELS IN THE CPF PERIOD
Pag 43	CHART 13	DISTRIBUTION OF COMMON FUNDS BY SECTOR AND CHANNEL OF DELIVERY IN THE CPF PERIOD
Pag 46	CHART 14	DISTRIBUTION OF TECHNICAL COOPERATION INSTRUMENTS BY CHANNELS OF DELIVERY IN CPF PERIOD
Pag 54	CHART 15	CPF RECONSTRUCTED INTERVENTION LOGIC: RURAL DEVELOPMENT AND FIGHT AGAINST HUNGER
Pag 70	CHART 16	CPF RECONSTRUCTED INTERVENTION LOGIC: HEALTH
Pag 82	CHART 17	CPF RECONSTRUCTED INTERVENTION LOGIC: CULTURE AND DEVELOPMENT
Pag 90	CHART 18	CPF RECONSTRUCTED INTERVENTION LOGIC: GENDER IN DEVELOPMENT
Pag 104	CHART 19	ODA DISTRIBUTION PER CHANNEL
Pag 108	CHART 20	GEOGRAPHICAL AND SECTORIAL CONCENTRATION OF THE FUNDS CANALIZED BY ONGDS
Pag 109	CHART 21	MAP OF SPANISH NGOS INTERVENTIONS IN ETHIOPIA

TABLES

Pag 13	TABLE 1	2012-2014 ODA FLOWS TO THE 5 LARGEST ETHIOPIAN MULTIDONOR PROGRAMMES
Pag 18	TABLE 2	NET ODA IN ETHIOPIA PER ACTORS IN PRE-CPF AND CPF PERIODS
Pag 22	TABLE 3	NET ODA IN ETHIOPIA PER DAC SECTOR IN PRE-CPF AND CPF PERIODS
Pag 35	TABLE 4	AID MODALITIES AND INSTRUMENTS OF THE SPANISH COOPERATION IN ETHIOPIA
Pag 40	TABLE 5	AECID PROGRAMMES AND PROJECTS FUNDING TO ETHIOPIA 2011-2015
Pag 105	TABLE 6	DEVIATION BETWEEN CPF BUDGET ESTIMATES AND DISBURSEMENTS

ACRONYMS

ADPLAC	Agricultural Development Partnership Linkage Advisory Council
AECID	Spanish Agency for International Development Cooperation
AGP	Agricultural Growth Programme
AGTC	Agriculture Growth Technical Committee
AMP	Aid Management Platform
APIA	Program of Support to African Inclusive Public Politics
AU	African Union
BoCT	Bureau of Culture and Tourism
BoFED	Bureau of Finance and Economic Development
CAADP	Comprehensive Africa Agriculture Development Programme
CAP	Open and Permanent Calls
CBO	Community-Based organization
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CIGs	Common Interest Groups
CPF	Country Partnership Framework
CRS	Common Reporting Standard
CSO	Civil Society Organisation
DGGE	Donor Group on Gender Equality
DFID	Department for International Development
DAC	Development Assistance Committee
DAG	Development Assistant Group
DRMFSS	Disaster Risk Management and Food Security Secretariat
ETB	Ethiopian Birr
EU	European Union
FAD	Development Aid Fund
FIIAPP	International and Ibero-american Foundation for Administration and Public Policies
FONPRODE	Development Promotion Fund
FCSAI	Spanish Foundation for International Cooperation, Health and Social Policy
FSP	Food Security Program
GDP	Gross Domestic Product
GIZ	German Society for International Cooperation
GTP	Growth and Transformation Plan
GEC	Stable group of Coordination
GEQIP	General Education Quality Improvement Program
GoE	Government of Ethiopia
HEW	Health Extension Workers
HLF	High Level Forum
HP	Health Post
HPN	Health, Population and Nutrition Group
HSDP	Health Sector Development Plan

IHP	International Health Partnership
JFA	Joint Financing Agreement
JP	Joint Programme
MDG	Millennium Development Goals
MoA	Ministry of Agriculture
MoCT	Ministry of Culture and Tourism
MoFEC	Ministry of Finance and Economic Cooperation
MoH	Ministry of Health
MoWCYA	Ministry of Women, Children and Youth Affairs
NDRMCC	National Disaster Risk Management Coordination Commission
NGO	Non-Governmental Organisation
OAH	Humanitarian Action Office- AECID
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OECD-DAC	OECD-Development Assistance Committee
OTC	Technical Cooperation Office
PCI	Programmes of Interuniversity Cooperation
PIF	Policy and Investment Framework 2010-2020
PO	AECID Operational Programming
PBS	Promoting Basic Services Programme
PSNP	Productive Safety Net Program
RED&FS	Rural Economic Development and Food Security
SACCO	Savings and credit cooperative societies
SDG	Sustainable Development Goals
SECI	Secretary of State for International Cooperation
SECIPI	Secretary of State for International Cooperation and for Ibero-America
SGCID	Secretary General for International Development Cooperation
SLMP	Sustainable Land Management Program
SLM	Sustainable Land Management
SWG	Sector Working Groups
ToR	Terms of Reference
UNDP	United Nations development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations International Children's Emergency Fund for Populations Activities
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UPM	Polytechnic University of Madrid
USAID	United States Agency for International Development
WASH	Water, Sanitation and Hygiene
WFP	World Food Programme

I. INTRODUCTION

I.1 DESCRIPTION OF THE EVALUAND

Spanish Cooperation has been present in Ethiopia since 2007 when it opened a Technical Cooperation Office (OTC in its Spanish acronym) and signed the First Basic Cooperation Agreement and the first Joint Commission Ethiopia-Spain for the 2008-2010 period. Since 2011, the Country Partnership Framework 2011-2015 (CPF) has guided the work of Spanish Cooperation in the country. The current *IV Master Plan of Spanish Cooperation (2013-2016)* includes Ethiopia among its priority countries for development cooperation partnership.

The Country Partnership Framework 2011-2015 (CPF) is the joint country partnership strategy that establishes common development results between Spain and Ethiopia within the framework of the Paris Declaration and Busan Partnership Agreement on Aid Effectiveness. The preparation of the CPF in 2010 coincided in time with the development of the Growth and Transformation Plan (GTP) by the Government of Ethiopia, the Ethiopian development strategy for the period 2011-2015. The GTP aimed at boosting a national transformation and growth process designed to lift the country out of poverty and place it on the path to become a middle-income country by 2020. The CPF also coincided with the last years of the agenda of the Millennium Development Goals.

The CPF 2011-2015 between Spain and Ethiopia was designed to guide the contributions of Spanish Cooperation in Ethiopia in support of the GTP. As such, it established that the Spain would focus its support on three priority sectors (basic social services, health, and rural development and fight against hunger), two sectors of intervention (gender and culture) and humanitarian actions. In addition, gender and environment were considered crosscutting priorities.

As the CPF has come to an end, the Evaluation and Knowledge Management Division of SGCID (former DGPOLDE until 2012) and FIAPP commissioned this final evaluation.

I.2 SCOPE OF THE EVALUATION

As per the ToRs (see annex I), the purpose of the evaluation is to provide an overall assessment of the CPF 2011-2015 between Spain and Ethiopia in order to assess the changes occurred and the main results achieved. It is expected that the evaluation will also allow to highlight strengths and weaknesses and to provide inputs for the development of the next CPF.

Specifically, the objectives of this evaluation are to:

- Assess the role of the CPF when implementing the aid effectiveness agenda in Ethiopia;
- Identify the main development results to which Spanish Cooperation has contributed during the implementation period of the CPF 2011-2015, and analyse the main factors that have enabled or hindered the achievement and scope of results;
- Assess the partnership strategy between Spain and Ethiopia, taking into account its suitability to the Ethiopian context and the potential added value of Spanish Cooperation in Ethiopia.

In terms of its utility, it is expected that this assessment will:

- Provide conclusions, recommendations and lessons learned that can serve as input for the development of the next CPF and to improve the quality of the actions of Spain in Ethiopia. It will also help to guide the selection of aid modalities and instruments with greater added value.
- Guide the position of Spanish Cooperation in developing and implementing the Joint Programming Strategy of the European Union.
- Contribute to transparency and mutual accountability between Ethiopia and Spain, including the various stakeholders involved in the CPF.

2. METHODOLOGICAL APPROACH

2.1 MAIN EVALUATION QUESTIONS AND DIMENSIONS OF ANALYSIS

As stated in the ToRs, this evaluation addresses the following questions:

1. To what extent has the CPF contributed to the implementation of the aid effectiveness agenda by Spanish Cooperation?
2. What are the main development results Spanish Cooperation has contributed to under the CPF?
3. To what extent have aid modalities and instruments been appropriate for achieving results?
4. Has the conclusion of cross-cutting approaches in the strategy and interventions of the Spanish Cooperation in Ethiopia being effective?
5. To what extent has the Country Partnership Framework been fit for purpose?

The ToRs of the evaluation indicate that the analysis will be conducted at two levels: strategic and operational levels. Taking these levels of analysis as a starting point, the evaluation takes into account three dimensions that underpin the support of Spanish Cooperation to Ethiopia: i) the objective of progressing towards aid effectiveness, ii) the contribution to development results, iii) the quality of the policy dialogue. By adding this last implicit dimension underlining both strategic and operational levels, the evaluation intends to reflect in a more comprehensive way what has been the role of Spanish Cooperation and how it has contributed to development results. It also examines qualitative issues related to the degree of complementarity¹ among different aid modalities and instruments as well as the coherence and opportunity in the decision-making process.

¹ The evaluation team understands complementarity as follows: when two or more actions (and/or aid modalities) in development work towards a common goal to achieve shared overall development outcomes, recognising that they will achieve more through combining capacities, skills and resources in an optimum manner based on strengths and constraints. Complementarity involves important requirements, such as: the need for a common or shared goal; a process of negotiation and co-ordination to reach consensus; leadership; and willingness of different actors to cease certain activities. This definition is inspired by Bäck and Bartholomew (2014)

2.2 PHASES OF THE EVALUATION PROCESS

The evaluation was organized in three phases, developed from mid-February to end-September 2016²:

1) Evaluation design and desk review were undertaken from the 17th of February to the 13th of May. Desk review included 1) compilation and review of documents; 2) nine preliminary interviews with key informants; 3) submission, on March 19th³, of the mapping of interventions, analysis of stakeholders (annex III and IV) and the review of the overall logic of the CPF and the sectoral logics; 4) submission on April 12th of the inception report to the Management Committee of the Evaluation, who delivered its comments on May 6th.

The evaluation team also presented the inception report to the main Ethiopian governmental stakeholders, Spanish NGOs and AECID representatives on a field mission to Addis Ababa on April 19th. The report included:

- Detailed mapping of ODA records before and after the CPF
- List of active interventions during the CPF implementation
- Sample of interventions for the evaluation process
- Detailed description of the methodological approach followed by the reconstruction of the intervention logic models at both strategic and sectoral levels of the CPF
- Evaluation matrix and description of techniques to collect information
- Mapping of relevant actors
- Updated timetable of the evaluation

After submission of the inception report, the evaluation team simultaneously continued reviewing documents and developing interview scripts⁴. Furthermore, three surveys were designed: one focused more on the strategic level (CPF design, aid effectiveness, policy dialogue, elements of fragility in Ethiopia, etc.), and two to gather systematic information on results on the CPF main sectors: Rural Development and Health. The agenda of the field mission to Ethiopia was also organized.

² For more detailed information of evaluation activities and agenda see annex 2.

³ See annex 5.

⁴ See annex II for Interview scripts.

2) Fieldwork was undertaken from the 16th of May to the 21st of June, both in Ethiopia (May 16th - June 6th) and in Spain (June 7th – 21st). During this phase, the evaluation team has:

- Interviewed individually or in groups over 60 development actors in Ethiopia, belonging to:
 - Implementing Ethiopian Ministries: Finance and Economic Development, Agriculture, Health, Culture, Water, Irrigation and Electricity, and Women, Children and Youth Affairs, Agency of Cooperatives.
 - International Organizations: UNDP, WFP, UNFPA, UNICEF, World Bank.
 - International donors: EU, GiZ, the Netherlands, USAID, DFID.
 - NGOs: field trips with Caritas Spain, Oxfam Intermón, ADRA, Rescate and its implementing partners; and interviews with Action Against Hunger, Ayuda en Acción, Red Cross, Plan Spain, AMREF, Manos Unidas, ATTsF, CANFRANC and Lleida Solidaria.
 - AECID: former and current members of the AECID technical office in Ethiopia, Africa and Asia Cooperation Directorate, Multilateral, Horizontal and Financial Cooperation Directorate, Cultural and Scientific Relations Directorate and Humanitarian Action Office.
 - Decentralized Spanish Cooperation actors: Autonomous Region of Madrid and Valencia; Local Government of Vitoria.
- Visited 14 interventions, in rural development and health, financed during the CPF Period: AGP Pool Fund (2 interventions) in Oromiya and Amhara, SDG Pool Fund⁵ and 2 BoFED interventions in Amhara, 3 long-term programmes and 2 Business Projects in Oromiya, 2 long-term programmes and 2 projects in Somali Region. Visited interventions represent 86% of total disbursements in Health and 56% of total disbursements in Rural Development. Furthermore, other two interventions in Culture, financed before the CPF period, were also visited. Finally, although not visited, another 15 interviews have been held, focused on obtaining information about projects implemented in Humanitarian Action, Gender, Culture, PBS, Rural Development and Health.
- Presented the preliminary findings of the fieldwork, both in Ethiopia (Monitoring Committee) and in Spain (Management Committee)⁶.
- Launched three online surveys to the main CPF actors with a response rate of 54.6% (general survey), 50% (Rural Development survey) and 28.5% (Health Survey)⁷.

⁵ Former MDG Pool Fund (Millennium Development Goals).

⁶ See annex 6.

⁷ See annexes 7 to 9.

3) Analysis and synthesis of information, was carried out from the 22nd of June to August 1st. The information gathered in the previous phases was interpreted and systematized during this phase. The draft report was submitted on August 1st. After receiving comments on the draft and revising the document, the final version of the evaluation was submitted on October 3rd.

2.3 CONDITIONING FACTORS AND LIMITS OF THE STUDY

LIMITATIONS TO MEASURE CONTRIBUTION TO DEVELOPMENT RESULTS

The unit of study is a country strategy formed by a wide variety of interventions rather than a single structured programme. In terms of the intervention logic of the proposed strategy, the CPF defines the upper level of the results chain: the outcomes and impacts it wants to contribute to, taking national indicators and targets as reference. However, it fails to define specific targets at output level that depend on the aggregated effects of the different interventions, which were not fully defined at the time of the formulation of the CPF. Thus, the linkages between the actions that the Spanish Cooperation is responsible for and its expected effects in terms of development results are not clearly established in the CPF. As such, the effects in reaching overall results cannot be isolated from other Ethiopian or international interventions supporting the same sector policies. More, the CPF has not been accompanied by a monitoring system that would have allowed the production of consolidated reports with aggregated data. Because of all of the above, there are limitations to assess the contribution of Spanish Cooperation to development results.

Moreover, the CPF shows some flaws in the results chain by sector and in the results framework proposed. For example, the hierarchy between outputs, outcomes and impacts is sometimes mistaken. Similarly, the indicators are not always relevant to the element of the chain of results they refer to. In other cases, what is included as indicators are in fact outputs and/or outcomes.

In sum, the connecting linkages between the different elements of the strategy and between these and the results are weaker than ideally desired. Therefore, while verifying the occurrence of the different elements (activities, outputs, and to some extent outcomes) has been possible, assessing causality has been difficult beyond the output level. In fact, organisations such as UNDP, which do monitor and collect interventions data, acknowledge the limitations of measuring contribution of their strategic plans to development results. As such, they do not undertake in-depth analyses on development results.

LIMITATIONS IN THE AVAILABILITY OF UPDATED INFORMATION

No centralized information and monitoring system exist to follow up the implementation of the CPF at an aggregated level. Information is spread across several actors and departments within AECID and other Spanish Cooperation institutions and not all the documents referring to active interventions have been made available for this evaluation, particularly multi-bilateral interventions. Thus, the evaluation team finds that access to information and data collection

on interventions is one of the aspects that hinder the evaluability of the CPF at development results level. Furthermore, in addition to some information lacking, each instrument and call for proposals of the different interventions, have their own system of financial and narrative reporting and accountability, not necessarily tailored to the CPF results chain. Thus, no aggregated data are available to any level of the development results chain. In addition, as mentioned above, there is no pre-defined sectoral framework (intervention logic) that can be used to collect information. Moreover, there are very few documents referring to year 2015. Thus, 2015 ODA figures throughout this document are strictly estimates. The evaluation team has been receiving documents up to the end of the fieldwork. Thus, not always did the evaluation team have access to the documents prior to the interview, and possibly some existing relevant documents were not consulted.

LIMITATIONS TO ACCESS KEY INFORMANTS

In general, informants' response has been satisfactory. The majority of the actors asked were available for an interview. Nonetheless, some informants identified in the preliminary phase were not interviewed because their contact information was not available on time. Other informants have not replied to the interview request and, as a result, the analyses of some aspects (for example the Open Call for Business Projects or the CPF design) have not been verified with the same thoroughness as other elements of analysis.

LIMITATIONS TO MEASURE POLICY DIALOGUE RESULTS

Evaluating policy dialogue work is very complex. First, because establishing clear linkages between specific policy dialogue actions and effective changes in policy is problematic. In addition, policy dialogue is a dynamic endeavour that requires being able to adapt to a changing policy environment and therefore may entail to redefine the strategy and the objectives of the policy work promoted. Hence, it is quite difficult to measure progress against changing objectives in policy dialogue, due to the nature of the activity itself. Other methodological problems are related to the fact that policy-dialogue objectives are often not explicitly defined and shared, and information and knowledge about policy work activities are not registered or systematized.

3. ANALYSIS AND INTERPRETATION OF THE INFORMATION

3.1 ETHIOPIAN CONTEXT

Rather than presenting a comprehensive profile of the country, this chapter aims at highlighting factors related to the economic, social and political context and the development landscape, which are considered relevant to understanding the country's challenges and opportunities.

3.1.1 ECONOMIC, SOCIAL AND POLITICAL CONTEXT

Ethiopia is the second most populous country in the African continent, with 96.5 million inhabitants, a population growth rate of 2.5% in 2014 and an area of 1127127 km², equivalent to France and Spain together. According to the 2015 UNDP Human Development Report, in 2014 Ethiopia among the low-human-development countries, ranking 174 out of a total of 188 countries, with an index of 0,442, below the average of the sub-Saharan countries (0,518)⁸.

In the last decades, the country has experienced high rates of economic growth (10.3% on average between 2011 and 2015), which have enabled it to reduce poverty (from 38.7% in 2004/05 to 29.6% five years later), and make significant progress in terms of socio-economic development⁹. Thus, in recent years there has been significant progress in the improvement of some social indicators and in the access to basic infrastructures. Both at urban and rural level, the proportion of the population who lives below the poverty line (0.6 USD per day, as per the national threshold) has been reduced from 39% in 2004 /2005 to 30% in 2010/2011. Taking as a reference the international poverty line (US \$1.25 per day) Ethiopia has registered the second fastest poverty reduction rate in Africa¹⁰. There have been important achievements in terms of enrolment in primary education (from 77.5% in 2006 to 90% in 2014), primary health care (the coverage of primary health care reached 94% of the population in 2013/14)¹¹, reduction of infant mortality and fight against HIV/AIDS. The number of inhabitants with access to drinking water has doubled¹². The Millennium Development Goals related to infant mortality, water and VIH¹³

⁸ Information available in: http://hdr.undp.org/sites/default/files/hdr_2015_statistical_annex.pdf.

⁹ Information available in: <http://documents.worldbank.org/curated/en/2015/07/24756616/fourth-ethiopia-economic-update-overcoming-constraints-manufacturing-sector>.

¹⁰ Information available in: <http://documents.worldbank.org/curated/en/2015/07/24756616/fourth-ethiopia-economic-update-overcoming-constraints-manufacturing-sector>.

¹¹ Ethiopia MDG Report 2014, UNDP.

¹² Information available in: <http://www.worldbank.org/en/country/ethiopia/overview#l>.

¹³ Ethiopia MDG Report 2014, UNDP.

have been reached. Despite these gains, UNDP estimates that over 80% of the population lives in multidimensional poverty (measured in terms of privation in health, education and standard of living in a same household). Ethiopia has one of the highest rates of maternal and child mortality (676 per 100,000 live births), with only 14.5% of births attended by qualified professionals¹⁴.

In spite of considerable progress in access and provision of basic services, their quality remains low and their distribution by region unequal. For instance, in reference to the above mentioned data of births attended by professionals, big regional disparities are observed: in 2014, this rate was 6.6% in Afar compared with 86% in Addis Ababa¹⁵. With regard to indicators of parity, although there have been improvements in the access of girls to primary education and access and control of productive resources by women, Ethiopia is one of the least developed countries in terms of gender equality (position 126 of 148 countries with a value of the inequality of gender index, IDG, 0.853)¹⁶. Harmful traditional practices such as early marriage, abduction of girls or in its most extreme form, female genital mutilation persist in regions such as Afar and Somali. 80% of the Ethiopian population lives in rural areas¹⁷ and depends on small-scale rain-fed agriculture with low production and productivity as means of subsistence. As a result, a large part of the population suffers from food insecurity. Recent data indicates that 10.2 million people will need food aid in 2016¹⁸. This situation is aggravated by the frequent natural and/or man-made disasters, such as droughts, floods, epidemic outbreaks, interethnic tensions and flow of refugees from neighbouring countries. Recurring cycles of drought cause chronic humanitarian crises that gradually erode the resilience of already vulnerable communities, especially among small farmers and communities of nomadic pastoralists. In addition, today Ethiopia hosts the greatest population of refugees in the region with 731,071 refugees in January of 2016¹⁹.

3.1.2 STRONG LEADERSHIP AND OWNERSHIP OF THE DEVELOPMENT POLICY

The State of Ethiopia has been defined as a "Developmental State", characterized by a strong state-led development and a highly regulated and planned economy in which the public sector has a key role, following the model of China and South Korea, among others²⁰. Both the literature reviewed and interviews conducted for this evaluation agree on pointing out the high level of ownership and commitment of the Ethiopian Government regarding its development policy.

¹⁴ Ethiopia MDG Report 2014, UNDP.

¹⁵ Ethiopia MDG Report 2014, UNDP.

¹⁶ Information available in: http://hdr.undp.org/sites/default/files/hdr_2015_statistical_annex.pdf.

¹⁷ Information available in: <http://www.unocha.org/eastern-africa/about-us/about-ocha-eastern-africa/ethiopia>.

¹⁸ Information available in: http://ec.europa.eu/echo/files/aid/countries/factsheets/ethiopia_en.pdf.

¹⁹ Information available in: <http://www.unocha.org/eastern-africa/about-us/about-ocha-eastern-africa/ethiopia>.

²⁰ The age of choice - Ethiopia in the new aid landscape, ODI 2013.

The State strictly defines the development direction for the country and establishes the path to be followed in order to reach the prioritized targets. It implements its development policy with authority and control through the different plans and national strategies that have been put in place in the last decades.

Between 2010 and 2015, the development of Ethiopia is determined by the Growth and Transformation Plan 2010-2015 (GTP). The main objective of the GTP is to promote a profound transformation of the country to enable it to position itself as a middle-income country in the next decade (2020). Its main goals are: 1) to maintain a rate of average growth of the real GDP of at least 11% to fulfil the Millennium Development Goals (MDG), 2) to extend and to guarantee the quality of education and health services, 3) to establish favourable conditions for the consolidation of the State through the creation of a stable democratic State; and 4) to ensure the sustainability of growth through the realization of all the objectives described within a stable macroeconomic framework.

GTP not only seeks an economic transformation but also a substantial change in socioeconomic terms. Thus, in addition to double agricultural production and achieve food security, the plan envisages a restructuring of the economy to become an industrial economy (giving priority to sectors such as textile, leather, sugar and cement) driven by the private sector, an ambitious programme of infrastructure (transport, energy, and so on), macroeconomic stability and substantial improvements in terms of health, education, provision of basic social services, gender parity and capacity development.

Ethiopia has a federal system, divided into nine administrative regions of ethnic basis and two cities with a special regime. Although there is a certain degree of devolution of power to territorial structures (region, zones, woredas and kebeles), decision-making and policy formulation remains heavily centralized. By constitutional order, both the federal government and regional governments must follow national strategies. Regional budgets are funded by the federal government through block grant transfers whose amount is determined by a formula based on the population and level of development of each region. The federal government also provides funding through specific programmes, such as the Food Security Program (FSP), Productive Safety Net Program (PSNP) or the Program of Basic Services (PBS).

3.1.3 A KEY ACTOR FOR THE STABILITY OF THE REGION, A DEMOCRACY UNDER CONSTRUCTION

Although most of the interviewees would not define Ethiopia as fragile State, many indicate elements of fragility and potentially risks. A high population growth rate, high levels of chronic vulnerability, including frequent humanitarian crises, together with the instability of the region constitute elements of fragility. According to some opinions, the legitimacy of the Government and of the centralized power by a single ruling party is closely tied to its ability to generate growth and reduce poverty while maintaining a high social cohesion. A slowdown of this growth

could be perceived as a rupture of that "contract" between the power and the citizenship. The recent protests in Oromiya against the plan of expansion of Addis Ababa²¹ which have left several people dead would seem to corroborate this increase of social contestation.

On the other hand, specialized²² articles and some interviewees, indicate that it is precisely because of these potential risks and the instability in the Horn of Africa that keeping Ethiopia as a well-functioning state is a strategic priority for the majority of the international partners. The strategic position of Ethiopia in the Horn of Africa, its relative political stability and the location of its capital as a 'diplomatic hub' of the African Union make Ethiopia a strategic partner for the international donor community.

In terms of governance, despite progress in the last decade, the consolidation of democracy, good governance and social accountability remain an on-going task in Ethiopia. The limited opening of the Government in areas such as the political space, freedom of civil society, freedom of the press, respect for human rights or the territorial organization²³ reflect an underlying fragility of the political system.

The restrictive policy towards civil society is one of the most notable aspects of the democratic deficiency in the country. In 2009 the Ethiopian Government adopted the law on Charities and Societies (Charities and Societies Proclamation No. 621/2009) to regulate the activity of civil society organizations (CSO). This law (article 14j) draws red lines for "foreign" organizations, which are forbidden from participating in a wide range of activities, including advances in human rights, or rights specific to women, children or disabled people, citizenship rights, conflict resolution and democratic governance. The law limits to 10% the percentage of financing from abroad that local organizations can receive. Thus, the definition of "foreign" is de facto expanded to a large part of the local organizations whose survival depends on accessing external sources of funding, and restricts their ability to act and advocate on political issues and human rights. In addition, in 2011 a new regulation (known as the regulation "70/30") only allows civil society organizations to reserve a maximum of 30% of the budget as administrative costs. The Regulation considers indirect costs arising from the day-to-day management of projects, such as staff's salary or transport costs, as part of administrative costs, conditioning in this way the implementation capacity and the quality of programmes. All NGOs and donors interviewed point out the great difficulties faced by civil society organizations, both local and international to work in Ethiopia. In addition to the restrictive legislation, the Government imposes different types of barriers to the activities of NGOs and other CSO by means of administrative obstacles to their registration, exhaustive requirements of information and even what some NGOs do not hesitate to describe as "legal extortion". In a recurrent way, consulted NGOs have commented how local authorities

²¹ More information available in https://www.washingtonpost.com/world/ethiopia-is-facing-its-worst-ethnic-violence-in-years/2016/01/13/9dbf9448-b56f-11e5-8abc-d09392edc612_story.html.

²² Ethiopia and the stability of the Horn of Africa region ("*Etiopía y la estabilidad del Cuerno de Africa*"). Estudios de Política Exterior, May 27, 2015.

²³ Information available in: <https://www.hrw.org/africa/ethiopia>.

often request to be paid undue per diem for moving to intervention areas or attend meetings under penalty of hindering the development of the project or directly prevent them from working. This submits the NGOs to difficult management situations and unfair pressures.

3.1.4 THE OFFICIAL DEVELOPMENT ASSISTANCE

LANDSCAPE

Ethiopia is one of the main recipients of Official Development Assistance (ODA) at global level, and holds the seventh position among the first ten countries recipients of gross ODA between 2013 and 2014²⁴.

In 2014, ODA represented 6.5% of the gross Ethiopian national income, being ODA \$37 per capita, well below the average for the continent (\$50)²⁵.

According to OECD data, between 2012 and 2013, the most important donors after the World Bank (IDA) in terms of volume of funds were United States, United Kingdom, African Development Bank and EU institutions²⁶. In addition to these so-called traditional donors, the presence of "non-traditional" donors such as China, India and Turkey and new members of the OECD/DAC as South Korea has increased in recent years. Also other philanthropic organizations, health vertical funds and climate change finance have gained relevance. According to MoFEC data²⁷, during the GTP I period, 28% of the ODA to Ethiopia went to economic sectors (agriculture, industry, emergency aid and reconstruction, and others) and 27% to social sectors: health (\$2000 million), education (\$942 million) and water and sanitation (\$760 million). In addition, 22 % is aid classified as multisectoral under which PBS is included. Infrastructures represent 19% of total ODA. Some of the largest multi donors programmes (Basket funds) include the promotion of the Basic Services Programme (PBS); the Productive Safety Net Programme (PSNP); the General Education Quality Improvement Programme (GEQIP); the Agricultural Growth Programme (AGP); and the Sustainable Land Management Programme (SLMP).

All combined donors' contributions to these five programmes represent more than a quarter of the ODA, or \$806 million per year.

²⁴ Information available in: https://public.tableau.com/views/AidAtAGlance/DACmembers?:embed=y&:display_count=no&:showVizHome=no#1.

²⁵ Information available in: <http://data.worldbank.org/indicator/DT.ODA.ODAT.PC.ZS?locations=ET>.

²⁶ Information available in: https://public.tableau.com/views/AidAtAGlance_Recipients/Recipients?:embed=n&:showTabs=y&:display_count=no&:showVizHome=no#1.

²⁷ Former MoFED (Ministry of Finance and Economic Development).

Table 1. 2012-2014 ODA flows to the 5 largest Ethiopian multidonor programmes

PROJECTS	2012	2013	2014
AGP	51,538,983	51,538,983	51,538,983
GEQIP	65,751,724	65,751,724	103,040,700
PSNP	299,304,348	299,304,348	299,304,348
PBS	332,185,161	332,185,161	332,185,161
SLMP			19,801,875
Total	748,780,216	748,780,216	805,871,067
% ODA	23%	24%	27%
ODA*	3,303,000,000	3,137,850,000	2,980,957,500

Source: Ethiopia Country Brief, Global Partnership for effective Development Cooperation, October 2014 Note: ODA for 2013 and 2014 are estimates based on past years' rates of progression. Sources: Based on World Bank Project Appraisal Documents and DAC Aggregates and PA data, OECD, Paris, 2014.

The relationship between Government and donors is determined by a high level of ownership and commitment to the principles of the Paris Declaration. Unlike other recipient countries, more donors' supply driven, Ethiopia exercises the principle of sovereignty and ownership rigorously and demands that ODA flows are aligned with the development priorities identified as opposed to prioritizing donors' agenda. Consequently, the Government manages and prioritizes the ODA according to how it fits with the strategic targets of the GTP2010-2015. The Government has also established how aid should be channelled and has clear preferences about it. The three modes of channelling are described below.

- **Channel 1:** funds are channelled through the Finance administrations (Treasury, MoFEC) and they are transferred down to the level in which expenditure takes place.
- **Channel 2:** funds are channelled through sectoral administrations without going through MoFEC.
- **Channel 3:** funds are channelled directly from the donor to the direct recipient. In the case of Spanish ODA, this category of grant funds includes those disbursed through NGOs and multilateral agencies (multi-bilateral ODA).

On both channel 1 and 2, there are financing agreements signed by the Government and the donor. However, MoFEC reported during the interview maintained in the frame of this evaluation, that the preference of the Government is channel 1. MoFEC claimed that there had been cases in which MoFEC, responsible body for monitoring the ODA, had not been informed of the contributions through channel 2. Although, in the opinion of the evaluation team, this seems to be an internal problem of lack of communication between ministries, at the time of this assessment, the MoFEC was preparing a notification to donors demanding that any financing agreement (channel 1 and 2) be established with the MoFEC.

3.1.5 AID COORDINATION STRUCTURES

The group of donors or Development Assistance Group (DAG), which was established in 2001, acts as the principal interlocutor between donors and government. It is composed of 28 bilateral and multilateral development partners²⁸. The aim of the DAG is to improve the coordination and harmonization of aid and policy dialogue. The size of the country, its strategic importance and the volume of ODA disbursed justify the need to harmonize development interventions among donors. Spain is an active member of the DAG and its various working groups.

With regard to its functioning, the DAG maintains a monthly plenary meeting at the level of heads of agency, chaired by two heads of agency, bilateral and multilateral, respectively. In addition, a more restricted group, the Executive Committee sets the work plan and defines the agenda of monthly meetings. Donors coordinate their activities within the technical working groups (TWG), coordination groups set up only by donors, and sector working groups (SWG) composed of sectoral representatives from the Government and donors. The UNDP office hosts the secretariat of the DAG by providing technical assistance and support to the various working groups, the Executive Committee and the heads of Agency. The Secretariat also provides advice on aid management to the National Planning Commission and MoFEC.

Twice a year, the DAG and the Government hold a High-Level Forum in order to discuss issues of relevance on the political agenda. This forum includes for example consultations on the national strategies of development GTP1 and GTP2, discussions on the macroeconomic situation or more recently on social accountability. From the interviews conducted it does not seem that the HLF serves as a platform for real negotiation. However, it is important for the establishment of the general parameters of the discussions between donors and government. Sector Working Groups (SWG) are co-chaired by representatives of the Government, usually the Ministry of the sector, and donors' representatives. There are 10 groups with different degrees of activity. The Health SWG and the rural development and food security (RED&FS) in which Spain plays an important role are among the most active.

Finally, since July 2011 Ethiopia has an aid management platform (AMP) managed by MoFEC. Its main objective is to increase transparency in the management of information related to aid through a combination of online tools, analysis of processes and training and capacity-building.

²⁸ For further information on DAG, visit: www.dagethiopia.org.

3.2 OVERVIEW OF SPANISH COOPERATION IN ETHIOPIA: ODA ANALYSIS BEFORE AND DURING THE CPF PERIOD

The purpose of this section is to show the overall picture of the Spanish Cooperation in Ethiopia before and after the CPF. This will allow extracting some preliminary findings on what has been, if any, the overall effect of designing and formulating a common framework of cooperation in Ethiopia.

NOTE ON THE SOURCE OF INFORMATION REGARDING ODA DATA

Regarding the comparison between both four years periods (2007-2010 vs. 2011-2014) the main source of information is the online platform Info@od, the official public site of the Ministry of Foreign Affairs and Cooperation about Spanish Official Development Assistance (ODA) statistics. For the in-depth analysis of the CPF period only, we have included forecasts of 2015 ODA data, based on the information provided mainly by AECID since data from other funding actors such as Autonomous Regions or Universities are limited at the time this report was developed.

The Info@od platform offers the possibility to download Excel spreadsheets as well as to use an online analysis module. For practical reasons, the analysis of annual ODA flows to Ethiopia for the 2007-2014 period builds on 8 ODA excel sheets (one per year) available in Info@od filtered by country.

However, while using the data provided by Info@od the evaluation team has encountered the following limitations:

- Info@od shows records of annual ODA disbursements rather than interventions. Therefore, since one intervention may entail several disbursements over the years, or may be funded by different funders (by AECID, autonomous regions, or others), the database shows as many records of the same intervention as disbursements registered. Due to the long period of time considered (2007-2014) the high volume of data and the inaccuracies in the database (see points below), it has not been possible to consolidate information by intervention. Thus, the comparison between pre and post CPF period is based on number of records and not on interventions. For the entire period 2007-2014, the Info@od shows 756 records of ODA disbursements through bilateral and multi-bilateral²⁹ modalities.

²⁹ Multi-bilateral refers to aid channeled through a multilateral organization but geographically earmarked.

- The information provided by the annual ODA Excel sheets downloaded through Info@od does not match entirely the information displayed by Info@od analysis module. The major differences are:
 - 2008, 2009, 2010 and 2011 ODA excel sheets show a significant volume of disbursements through multilateral aid modality, while Info@od analysis module shows no or very few multilateral disbursements in Ethiopia. Since multilateral aid by definition is not geographically earmarked, we have decided to exclude multilateral ODA in the analysis.
 - There is also a discrepancy between total ODA amounts reported regarding bilateral and multi-bilateral ODA in years 2008, 2009 and 2013. In any case, the differences are minor, with the exception of multi-bilateral aid in year 2009, where the excel sheet shows over €10,000,000 of ODA disbursement more than the analysis module.
- The names of data classification and categories in the excel sheets are not consistent across years. The evaluation team has then unified and adjusted information manually to ensure that data are comparable across years. This refers for example to the use of abbreviations or full names (BIL/BILATERAL), changes in denominations for same categories and/or departments within the administration (e.g. MAEC AECI SGMH-ONG/ MAEC AECI DCSM-DCONGD), use of capital letters (bil/BIL), etc. In these cases, modifications have been made purely for the sake of consolidation and comparability of data throughout the period. They do not affect the results of the official statistics.
- In general, we note that there are some inconsistencies and/or inaccuracies regarding how records are registered, mainly when it comes to aid instruments and OECD-DAC sectors. For example, the same intervention (e.g. Support to the MDG Performance Fund in the health sector) is classified as different instruments (donors pool fund or sector budget support) or different OECD-DAC sectors and subsectors in different years. In these two cases, we have chosen to modify the data and in some charts reclassify sectors according to the CPF descriptions and instruments according to AECID's Guide of Aid Modalities and Instruments³⁰.

In addition, in order to overcome the difficulty to work with records rather than with interventions, for an in-depth analysis of the CPF period, the evaluation team has compiled a parallel list of interventions funded during the CPF period (see annex 10). This list includes information provided by SGCID regarding AECID's interventions in Ethiopia and those financed by the Autonomous Regions of Madrid and Catalonia including the year 2015 (as mentioned, official statistics on 2015 are not available yet), as well as official ODA information 2011-2014 referring to all other Spanish funders. This list breaks down interventions financed by the Spanish Cooperation actors that have contributed more than €100,000 during the period 2011-2014 according to ODA records. For smaller funders the information has not been broken down by intervention, but by sector, instrument and type of channel of delivery. The file excludes ODA

³⁰ AECID's Guide of Aid Modalities and Instruments ("Guía de Modalidades e Instrumentos de Cooperación de la AECID"), 2014

data, which does not refer to specific interventions in Ethiopia, despite being processed as such, and includes disbursements done specifically to Ethiopia even though they are not registered in ODA data as Ethiopia specific (e.g. Humanitarian Action Agreements with NGOs and Spain-NEPAD fund).

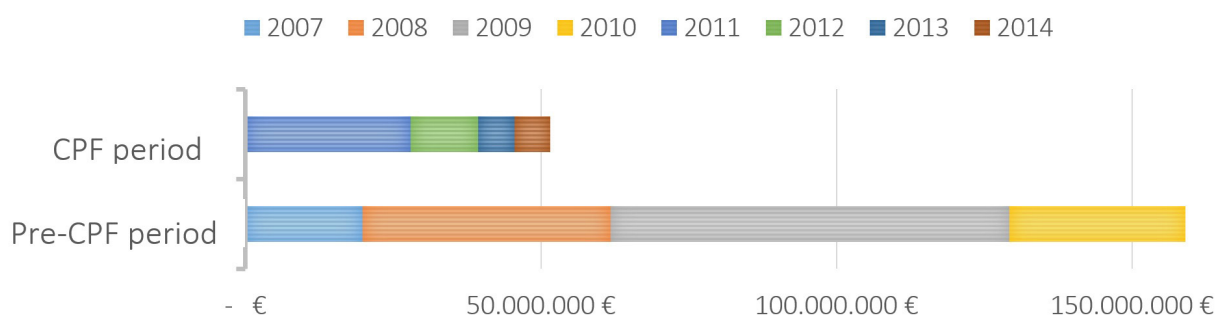
Throughout the report, when the source below the chart shows “Info@od” the information comes from official public records, if the source indicates "compiled list of interventions 2011-2015", the chart has been prepared using the list of interventions described above.

DRAMATIC ODA DECLINE IN ETHIOPIA, ALTHOUGH CONSISTENT WITH THE DECREASE OF SPANISH ODA WORLDWIDE

ODA flows show a progressive increase of Spanish ODA to Ethiopia during the period 2007-2009, coinciding with the establishment of the OTC and the signing of the first bilateral cooperation agreement between Spain and Ethiopia. The pre-CPF period (2007-2010) reached a total budget of 159 million euros for the whole period. Conversely, the following period 2011-2014, that is the CPF years, has seen a progressive decline with only €51,5 million of ODA disbursed since the CPF was formulated.

However, this evolution needs to be seen within the context of an overall fall of Spanish ODA worldwide. Spanish Cooperation has been severely affected by the economic crisis. Financial restrictions have resulted in over a two-thirds decrease of Spanish ODA worldwide from years 2007-2010 to years 2011-2014. Thus, the Spanish ODA decrease in Ethiopia between the pre-CPF and CPF period is consistent with the decline at the global level, as shown in the following graph.

Chart 1. Comparison of evolution of ODA per year in Ethiopia between pre-CPF and CPF period








Source: Info@od

SPANISH MINISTRY OF FOREIGN AFFAIRS AND COOPERATION IS BY FAR THE LARGEST SPANISH FUNDER IN ETHIOPIA

Given the multitude of institutions from Spain that provide ODA, an analysis of funding actors is relevant to assess what are the key partners and see whether this has evolved before and after the CPF.

Table 2. Net ODA in Ethiopia per actors in pre-CPF and CPF periods

SPANISH ACTORS	PRE-CPF PERIOD	CPF PERIOD	DEVIATION
National Government	147.387.142,43 €	46.045.746,75 €	 -69%
Autonomous Regions	9.719.976,84 €	4.157.594,24 €	 -57%
Local Governments	1.778.754,49 €	1.111.880,11 €	 -37%
Universities	167.737,38 €	267.336,85 €	 59%
Total	159.053.611,13 €	51.582.557,96 €	 -68%

Source: Info@od.

The Spanish Central Government has been the largest funder of Spanish ODA to Ethiopia (92%), throughout the entire period (2007-2014), followed by the Autonomous Regions (7%), and local governments (1%). Within the Central Government, the Ministry of Foreign Affairs and Cooperation (mainly through its cooperation agency, AECID) is the Spanish administration that channels more ODA to Ethiopia (93%).

Despite an overall decline in terms of volume disbursed, the proportion of funding by actors has remained more or less stable in both periods with only Universities increasing their contribution in the CPF period compared to the previous period, though their overall contribution remains modest throughout the whole eight years period.

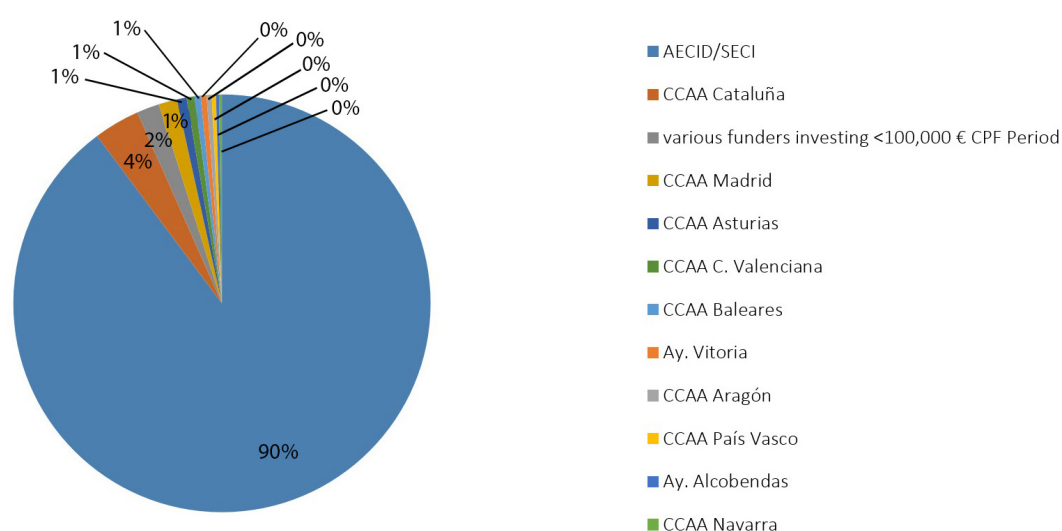
The Autonomous Regions of Catalonia (3%) and Madrid (1%) have been very active in both periods, while all other Autonomous Regions have substantially reduced their funding to Ethiopia or continued with a very low contribution in terms of ODA (with the exception of Asturias, the only region which has increased its contribution in the CPF period³¹).

The mapping of interventions funded during the CPF period (2011-2015) shows a list of 290 with **€58,9 million** disbursed during the whole period (including the estimates for 2015). From the 290 interventions, 152 interventions represent over 98% of the total investment in the period (57.9 million €) and are funded by 11 Spanish Cooperation actors which, individually

³¹ Although the evaluation team requested an interview, it did not have the opportunity to discuss with the Autonomous Region of Asturias their increased support.

have each invested over €100,000 in the period. The remaining 138 interventions financed by various Spanish actors (investing each less than 100.000€), together accounted for just around 1 million Euros. Below, it is shown the distribution per Spanish funder in Ethiopia for the CPF period (2011- 2015).

Chart 2. Percentage of fund disbursement in 2011-2015 per Spanish funder



Source: compiled list of interventions 2011-2015

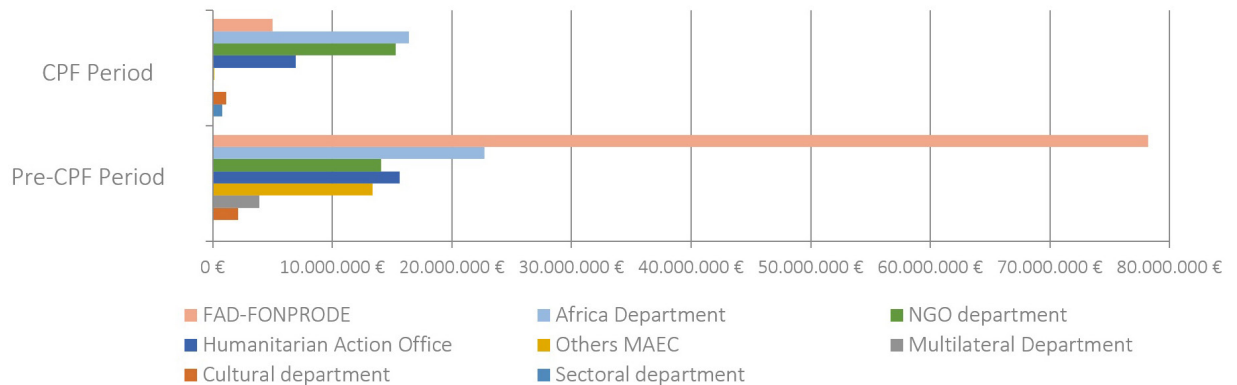
DESPITE ODA DECLINE, NGOS DEPARTMENT IN AECID (SPANISH AGENCY FOR INTERNATIONAL DEVELOPMENT COOPERATION) HAS SLIGHTLY INCREASED ITS BUDGET

Taking into consideration only the main funder, the Ministry of Foreign Affairs and Cooperation, the chart below shows how departments within AECID as well as the amount of ODA they provide to Ethiopia has evolved in time³². Two departments (Sub-Saharan African Department and NGOs department) and two directorates (Humanitarian Action Office Directorate of Cultural and Scientific Relations) have maintained their support throughout the period although their weight has significantly changed. The Sub-Saharan African Department and the Humanitarian Action Office of AECID have substantially reduced their contribution from one period to the other, while the NGOs Department has slightly increased its funding. The latter is surprising considering that the general contribution of the Ministry has declined by over two-thirds between both periods. However, it is consistent with the general trend of AECID in the last years: since 2012 cooperation through Spanish NGOs has declined much less than other aid modalities and channels. Finally, as shown in the chart below financial cooperation (both reimbursable and non-

³² Note that in some cases, departments and funds have either disappeared or have been transformed (e.g. FAD does not exist anymore since it is now part of FONPRODE).

reimbursable) has also drastically decreased (former FAD, current FONPRODE). As it will be further explained later in this document, since 2013, FONPRODE has not been authorized to use non-reimbursable funds and Ethiopia is not eligible for State-to-State reimbursable aid as per FONPRODE's rules and regulations

Chart 3. ODA distribution within AECID departments in pre-CPF and CPF periods



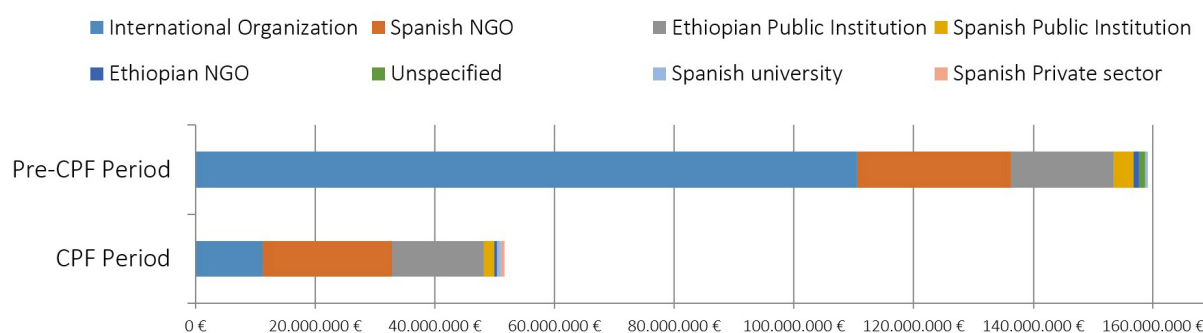
Source: Info@od

SPANISH NGOS HAVE BECOME THE MAIN CHANNEL OF SPANISH AID DELIVERY, WHILE INTERNATIONAL ORGANIZATIONS HAVE DRASTICALLY REDUCED THEIR SHARE AS CHANNEL OF SPANISH AID DELIVERY

Comparing the CPF period with the previous one, there has been a substantial reduction of funds (-90%) channelled through multilateral organizations, while NGOs have received a very similar amount in both periods. Only Spanish Universities and Private Companies have received more funds in the CPF period compared to the previous one. This is related to the fact that since 2011 AECID has made an effort to promote the participation of private companies in cooperation (through open calls to businesses) and innovation actions where universities usually participate.

As a result, in the CPF period, Spanish NGOs have been the largest channel of delivery (42% share), while Multilateral Organizations have gone from being the first channel between 2007-2010 (70% share) to the third ones (with 22% share). Ethiopian Public Institutions have received similar funds in absolute terms both periods, moving from the third position in the Pre-CPF period (11% share) to the second position in the CPF period (30% share).

Chart 4. Channels of delivery in Ethiopia in pre-CPF and CPF periods



Source: Info@od

SIGNIFICANT INCREASE OF RURAL DEVELOPMENT IN THE CPF PERIOD, WHILE HUMANITARIAN ACTIONS AND PBS SUPPORT DECREASES SUBSTANTIALLY

Comparing ODA disbursements per OECD-DAC sector³³ in both periods yields the following:



























- Before the CPF, 73% of ODA was allocated to three main sectors: Emergency Aid (32%), followed by Social Services³⁴ (25%) and Health (16%). Other sectors such as Agriculture, forestry and fishing, Sexual and reproductive health or governance and civil society accounted for less than 10% of total ODA disbursed respectively.
- During the CPF period, 87% of Spanish ODA to Ethiopia was allocated to seven sectors³⁵ (with more than 10% of total ODA each). Although Emergency Aid remains important it has suffered the biggest fall both in terms of volume and share, followed by social services. Health, a priority sector according to the CPF, has suffered a significant reduction in absolute ODA funds disbursed, but has increased its share in comparison to other sectors.
- Agriculture, forestry, fishing, other multisector and disaster prevention are the only relevant sectors with an increase in absolute terms of ODA funds disbursed during the CPF period, all related to Rural Development and Fight against Hunger, one of CPF's main sectors. Specifically, the significant increase in the funds allocated to "other multisector" is mainly due to interventions carried out by NGOs with grants from AECID. This is coherent with the CPF, since it states that NGOs should focus on Rural Development, which is categorized as "other multisector" by OECD/DAC classification codes.

³³ As noted earlier, the findings regarding the comparison of distribution of ODA by OECD/DAC sectors throughout the years need to be taken with precaution.

³⁴ Mainly due to Spain's high contribution to the PBS II in the years 2008-2010.

³⁵ As shown in the graph below these are: Health, Agriculture, Forestry, Fishing, Emergency Aid, Other social services and other Multisector.

Table 3. Net ODA in Ethiopia per DAC sector in pre-CPF and CPF periods

DAC SECTOR	PRE-CPF PERIOD		CPF PERIOD		COMPARISON
Emergency Aid	50.496.871 €	31,75%	10.269.432 €	19,91%	
Other social services	39.162.105 €	24,62%	6.055.132 €	11,74%	
Health	25.365.313 €	15,95%	11.876.451 €	23,02%	
Agriculture, forestry and fishing	8.329.433 €	5,24%	10.716.345 €	20,78%	
Sexual and Reproductive Health	12.988.770 €	8,17%	82.500 €	0,16%	
Government and civil Society	9.934.886 €	6,25%	828.332 €	1,61%	
Other Multisector	1.258.922 €	0,79%	5.795.259 €	11,23%	
Water and Sanitation	4.019.882 €	2,53%	2.859.230 €	5,54%	
Food Aid	3.121.115 €	1,96%	405.029 €	0,79%	
Environment	3.357.513 €	2,11%	22.140 €	0,04%	
Education	1.924.898 €	1,21%	520.819 €	1,01%	
Disaster Prevention		0,00%	1.302.888 €	2,53%	
Business	950.872 €	0,60%		0,00%	
Industry	610.131 €	0,38%	50.400 €	0,10%	
Debt relief	489.435 €	0,31%		0,00%	
Administrative costs	336.432 €	0,21%	109.001 €	0,21%	
Communications	427.880 €	0,27%	15.200 €	0,03%	
Unspecified	171.673 €	0,11%	178.149 €	0,35%	
Energy	20.220 €	0,01%	200.000 €	0,39%	
Refugees		0,00%	201.742 €	0,39%	
Trade and Tourism	63.580 €	0,04%	79.060 €	0,15%	
Transport and storage	13.047 €	0,01%		0,00%	
Conflict resolution		0,00%	2.251 €	0,00%	
Development awareness	-463.157 €	-0,29%		0,00%	
Financial services	-3.526.209 €	-2,22%	13.200 €	0,03%	
Total general	159.053.611,13 €	100%	51.582.558 €	100%	

Source: Info@od.

In order to overcome the limitations of comparison of data taking the OECD/DAC sectors classification, we have tried to classify 2007-2014 ODA records according to CPF priority sectors (Basic Social Services, Health, Rural Development and Fight Against Hunger), to CPF intervention sectors (Gender and Culture) and Humanitarian Actions. See annex 13.

For the classification, we have used the following criterion:

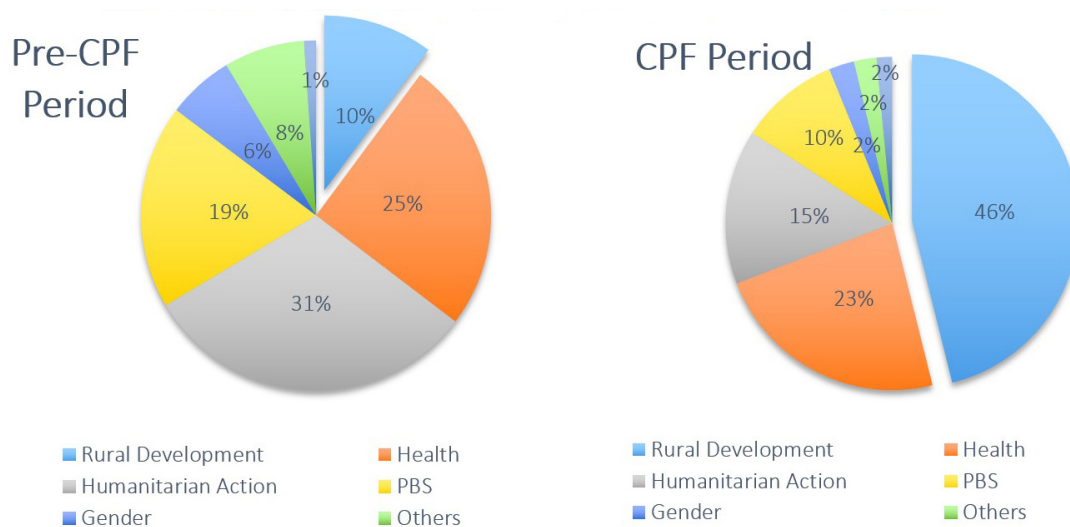
- Regarding “Basic Social Services”, although the CPF defines it as a priority sector, the CPF document limits its contribution only to the harmonised joint basic services funding mechanism: Protection of Basic Services Programme (PBS). Thus, under Basic Social Services we have classified only records related specifically to PBS Programme.
- Under Rural Development and Fight against Hunger we have included all interventions related to the outcomes described in the reconstruction of the theory of change (see chart 15), including water for irrigation and drinking, and resilience building aspects.³⁶
- Under Health we have included records under DAC sector 120 (health) and 130 (Sexual and Reproductive Health)
- Under Humanitarian Action³⁷ we have classified all records under DAC 700 (Emergency Aid), with the exception of 38 records (4 CPF period and 34 Pre-CPF period), which we believe correspond more to development actions rather than humanitarian actions.
- To identify gender interventions, we have analysed more closely the interventions title. Classification according to the 3rd and 4th Spanish Master Plan has been quite useful, since they refer specifically to gender aspects.
- In Culture we have included interventions related to the outcomes described in the reconstruction of the theory of change (see chart 17), including inter-university and scientific projects (when identified in ODA records) and also scholarships granted by the Scientific and Cultural Direction of AECID.
- The remaining ODA records classified under CRS codes that do not fit into any of the CPF priority or intervention sectors described above have been classified as "others". They belong mostly to DAC code 110 (Education), 160 (Other Social Infrastructure and Services) and 410 (Environmental Protection).

³⁶ As it will be further explained later in this report, although the final CPF document does not explicitly mention water and resilience, some informants have indicated that they were originally included under the humanitarian action section but were finally left unmentioned following disagreement with the Humanitarian Action office. However, in practice follow up of programmes related to these aspects has mainly fallen under Rural Development and fight against hunger.

³⁷ For practical reasons, humanitarian action is shown as a sector, although according to the protocols of work of Spanish cooperation, humanitarian action is not a sector but an aid modality.

The following charts show the result of this new classification:

Chart 5. ODA distribution in Ethiopia according to CPF priority sector in both periods



Source: Info@od

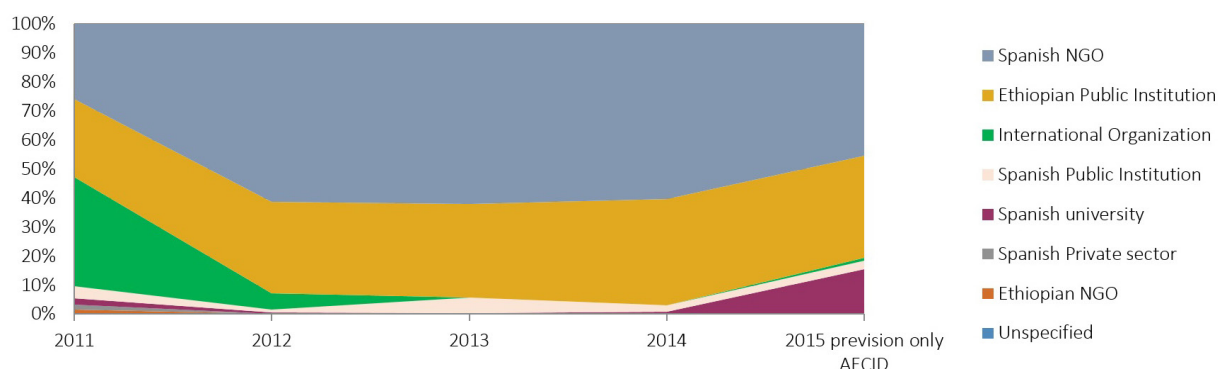
Similar to the findings based on OECD/DAC sectors classification, the data show that during the CPF period there has been a significant increase in Rural Development and Fight against Hunger both in terms of volume of ODA (10% vs. 46% share) and of number of records (74 in Pre CPF Period vs. 93 in CPF Period). Regarding the Health sector, the percentage over the total is very similar in both periods, though it has decreased its share in 2 points in the last four years. PBS shows a very significant decrease of 9 points share from one period to the other, as well as Humanitarian Action (31% vs. 15%). Gender and Culture have in both periods little share in terms of ODA, but gender interventions have decreased more significantly in the CPF period.

THE SIGNIFICANT INCREASE OF RURAL DEVELOPMENT’S SHARE IN OVERALL ODA IS EXPLAINED BY THE CONCENTRATION OF NGOS AS MAIN AID DELIVERY CHANNEL IN THE SECTOR.

NGOs have concentrated their interventions in the sector of Rural Development (89.72 % of the total disbursed to Spanish NGO: €24,748,010), and in a lesser extent in Health and Humanitarian Action. Ethiopian Public Institutions have worked mainly in Health and also in Rural Development while International Organizations were mostly involved in Humanitarian Action and Basic Social Services.

As shown in the graph below, within the CPF period, year 2012 marks a turning point, consistent with the trends of budget distribution within the different AECID departments seen previously.

Chart 6. Annual ODA distribution in Ethiopia per channels of delivery in the CPF period



Source: Info@od including previsions only AECID

VERY LIMITED SECTORIAL CONCENTRATION TO CPF PRIORITISED SECTORS

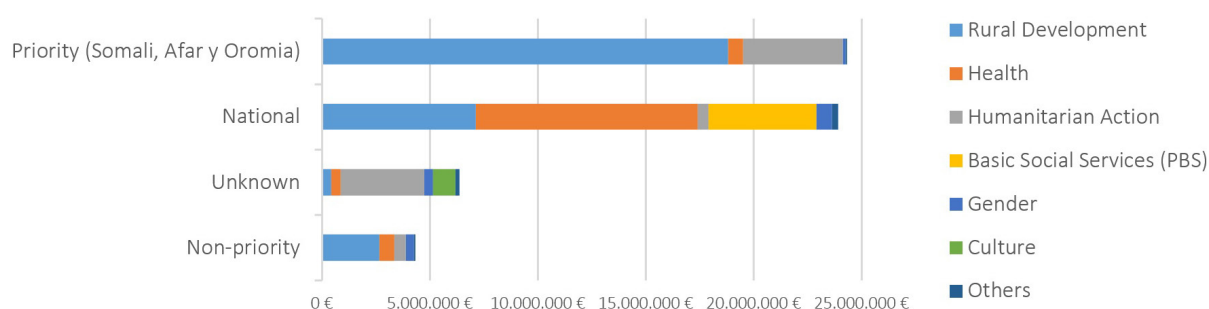
Considering ODA disbursements per OECD-DAC sector, during the CPF period ODA was distributed among 23 DAC sectors, while in the previous period it spread among 22 sectors. Besides, in both periods around 94%-95% of total ODA was concentrated in 7 sectors. Thus, using OECD-DAC classification, official data do not reflect any sectorial concentration of Spanish ODA in the CPF period compared to the previous four years.

Also, as shown in Chart 7 (ODA distribution in Ethiopia according to CPF Priority sector in both periods), taking into account ODA distribution per CPF sectors, records classified under “other” have decreased by 6 percentage points. The latter suggests that there has been very limited sectorial concentration to CPF prioritised sectors in the last four years. But, in any case, it is clear that before and after CPF there has been continuity in the Spanish cooperation working sectors.

GEOGRAPHIC DISTRIBUTION OF ODA: MOST OF THE FUNDS ARE ALLOCATED TO PRIORITY AREAS (SOMALI, AFAR AND Oromiya) CLOSELY FOLLOW BY NATIONWIDE PROGRAMMES

Finally, regarding geographic distribution of ODA, the CPF document determines that prioritizing Afar, Oromiya and Somali will be applied principally to the projects financed by NGOs in the sector of rural development and food security and in the field of prevention, mitigation and attention to chronic humanitarian action crises, making subsequent efforts to apply these priorities to other Spanish Cooperation instruments. As seen in the chart below, most of the funds are allocated to priority areas (Somali, Afar and Oromiya) closely followed by nationwide programmes.

Chart 7. ODA per geographic location and sector in CPF period



Source: compiled list of interventions 2011-2015

3.3 DESIGN, MANAGEMENT AND MONITORING OF THE CPF

3.3.1 DESIGN

The CPF of Ethiopia was designed between the months of December 2010 and July 2011, according to the phases and steps of the CPF methodology 2010, developed by SGCID in the framework of the III Master Plan of the Spanish Cooperation 2009-2012. At the time it was developed, the Spanish Cooperation had little experience with this tool: the CPF of Ethiopia was the fourth signed worldwide and the first one in Africa. In 2013 the tool was adapted to the IV Master Plan in order to better link it with the strategic orientations and working lines of the new Plan, while simplifying the processes.

The methodology 2010 involved three phases with ten steps and a set of criteria to be met. One of the purposes of the methodology was to help improving the relationship of the Spanish Cooperation with partner countries by following the principles of aid effectiveness (ownership, alignment, harmonization, mutual accountability and managing for results). It is beyond the scope of this evaluation to examine the quality of the methodology itself and the validity of the underlying hypothesis according to which the progress in these principles improves the quality of aid. Rather, the evaluation looks at to what extent the design of the CPF followed the process and what has been the effect in improving Spanish Cooperation' effectiveness.

Several Spanish stakeholders, the partner country and other international stakeholders joined the design process. Three meetings were held with the Stable Group of Coordination (GEC in its Spanish acronym), composed by 9 persons: 4 representatives of the OTC, 1 from the Embassy of Spain, 1 from Spanish NGOs, 1 from the Commercial Office in Cairo, 1 from a Spanish business consortium and 1 public institution from Spanish health sector. The last three participated remotely since they were not based in Ethiopia. Furthermore, there was only one meeting of the Working Group, involving, in addition to GEC representatives, Ethiopian Ministry of Finance and Ministry of Health, a Union of Cooperatives and the United Nations Development Program (UNDP). Two other meetings of the Expanded Country Group involving the main General Directorates and departments of the AECID, as well as the SGCID, were held in Spain. All these

meetings were helpful to take decisions, develop products (in the case of the GEC), and discuss and validate them (in the case of the Mixed Group and Expanded Country Group) throughout the process, which was consistently led by the OTC.

From the Spanish Cooperation actors' side, the absence of decentralized cooperation actors (Autonomous Regions and Local Entities) in the design is significant. Although they only represent around 8% of the Spanish ODA to Ethiopia, some Autonomous Regions stand out for the number of financed interventions. With respect to Ethiopian stakeholders, the absence of the Ministries of Agriculture, Gender and Culture in formal meetings is striking given that they are responsible for the prioritized sectors in the CPF.

Due to the time passed since the design of the CPF and due to the mobility of local staff, the evaluation team has not been able to gather much primary information to assess the perception of the Ethiopian partners regarding the quality and the utility of the CPF design process. However, the team did contact one informant within MoFEC present at the time of the CPF design, who confirmed MoFEC participation, the alignment of Spain with the Ethiopian priorities at that moment, and appreciated the process as constructive for both parties.

Phase I of the CPF methodology sought to analyse the country situation and to identify the comparative advantage of Spain. In order to do this, the degree of ownership in the country was examined through the study of the national development plans and those documents related to the sectors in which Spain was involved. The CPF design coincided with the process of formulation and adoption of the Growth and Transformation Plan (GTP) 2010-2015, the national development plan from which all other policies are derived. At that time, the CPF only included health and gender as sectorial development plans at national level (Health Sector Development Program IV and Women's Development Program I). In the field of rural development, the African Union Agenda (Comprehensive Africa Agriculture Development Program), not specific to Ethiopia, was taken as a reference, as well as the Agricultural Development Led Industrialization (ADLI), which provided the strategic framework for action. The Program Investment Framework was also reviewed. In culture, GTP was taken as a reference, as crosscutting sector within the overall Ethiopian development plan.

Besides ownership, CPF design also included an assessment of the alignment and harmonization degree in each sector. To do so, a mapping of Spanish Cooperation stakeholders by sector was conducted, showing their experience and leadership in the country and comparing them with other donors. This phase ended with gender receiving a very low rating in both principles; rural development was low in harmonization and alignment; culture also low in both principles, and health was rated as high in terms of alignment and harmonization. It is worth noting that although culture was globally rated better than rural development this was not translated during the implementation phase where alignment and harmonization have been more solid in rural development, as it will be seen further on. Nevertheless, in gender the rating was in line with the

³⁸ Experience with technical expertise, contribution to the creation of capacity in the country, synergies and partnerships established within the Spanish Cooperation and other donors, positive results reflected in evaluations, relevance, cross-cutting priorities.

experience during the implementation of the CPF with regard to the absence of leadership and harmonization. Coordination mechanisms among donors (DAG), in each of the sectors and with the government were also assessed.

The design process of the CPF included an analysis of Spain's comparative advantages. In order to do so, the 2010 methodology proposed to do a mapping of Spanish Cooperation stakeholders and to assess their experience and contribution to capacity building in the country according to areas of expertise and leadership. Then, findings were compared with other donor's technical experience, attitudes and skills to facilitate dialogue, accompanying processes of change or build capacities. The result of such analysis is shown in chapter 1.6 of the CPF document. The CPF methodology 2010 was much more ambiguous than the current methodology (2013), regarding what was meant by comparative advantage and how to measure it. While the methodology 2013 suggests a set of criteria to be assessed by a score formula, the methodology 2010 stated more generic criteria such as previous experiences, evaluations conducted, or the institutional capacities of the Spanish Cooperation.

Overall, the evaluation team finds that the analysis of the comparative advantage in the CPF is rather shallow. The mapping consists of an enumeration of actors with no indication of their strengths, expertise or opportunities they can offer, given the context and priorities identified. The analysis on comparative advantages was undertaken for the sectors where the Spanish Cooperation was already working, without considering other possible sectors. Since the presence in Ethiopia was relatively new, the importance given to past involvement in the sector is understandable from the point of view of consolidation of what had been done so far. However, the document lacks a thorough assessment of what specific added values and opportunities Spanish Cooperation actors can offer compared to other potential actors and donors in those areas of work. Overall, the description is general, uncritical and unspecific. In retrospect, the analysis of results shows that the focus on the criteria of past experience (programmes funded) may have underestimated other considerations such as the existence of capacities (technical, financial and administrative) within the Spanish Cooperation, the Government of Ethiopia and other donors.

Phase II of the methodology aimed at establishing strategic decisions on intervention sectors and defining Spanish Cooperation's role, based on the previous analysis. Regarding sectorial prioritization, the CPF chose to continue being active in all sectors in which Spain had been working so far. In fact, the same sectors that were defined in AECID's Operational Programming 2010 were prioritized in the CPF. However, three different ranks of prioritization were established: Health, Rural Development and the Fight against Hunger and Basic Social Services as priority sectors; while Gender and Culture as sectors of intervention, and Humanitarian Action as a field of action. Although it is understood that Culture and Gender are in a lower level of priority, the CPF does not clarify which are the differences between categories nor the implications in terms of budget, instruments, stakeholders, efforts, etc.

Several strategic decisions were made with respect to the distribution of actors and the geographical scope of Spanish Cooperation. Given the commitments of channelling the majority of funds in health through public institutions and to avoid aid fragmentation, it was agreed that NGOs should concentrate their efforts exclusively on the rural development sector. Secondly,

it was determined to concentrate the action in rural development in three regions. In order to do so, in coordination with NGOs, the OTC conducted a comparative analysis of Ethiopian regions using criteria such as experience of Spanish NGOs in the region, the level of chronic food insecurity and the lack of international coverage (remote areas, where fewer agencies were working). The regions that scored the highest rate were Somali (67.7 points), Oromiya (50.7) and Afar (37.8). The region of Tigray was only two points behind Afar. The CPF established that geographical concentration in Somali, Oromiya and Afar, would be gradually applied in the rural development sector to interventions channelled through NGOs. The extension of these priorities to other instruments of the Spanish Cooperation would follow at a later stage.

According to the interviews, those NGOs working in other sectors (mainly health) disagreed with the decision to concentrate NGOs work only in rural development. However, in order to access AECID grants³⁹, they reoriented their projects to actions related to water and sanitation, halfway between rural development and health. The relatively new presence of the Spanish Cooperation in the country made it possible to implement this decision with ease in Ethiopia. The number of Spanish actors was relatively small and it was easier to reach agreements than in other countries with a wider Spanish presence.

Concentration makes monitoring of interventions potentially easier, and increases their impact, since it unites efforts. However, the CPF did not establish mechanisms of complementarity and coordination among NGOs and among these and other modalities. Besides, the three priority regions cover over 50% of the country's surface and account for almost 40% of the population, so the actual degree of geographic concentration is questionable.

With regard to Spain's role in each priority sector, the CPF proposed an active participation in all of them, including humanitarian action, and a leading role specifically in health. Ensuring this level of engagement in all sectors seems somehow ambitious given the structural limitations and the limited human resources capacities of the Spanish Cooperation in Ethiopia, further explained in section 3.9.4.

The last phase III of the CPF methodology focused on developing the partnership framework with Ethiopia, encompassing both development and aid effectiveness results, as well as establishing mechanisms to ensure policy coherence and mutual accountability. The sectorial development results framework defined objectives, indicators and general results aligned with Ethiopian development plans, linking them with Spanish Cooperation instruments and interventions, and displaying an estimated budget for the whole CPF period.

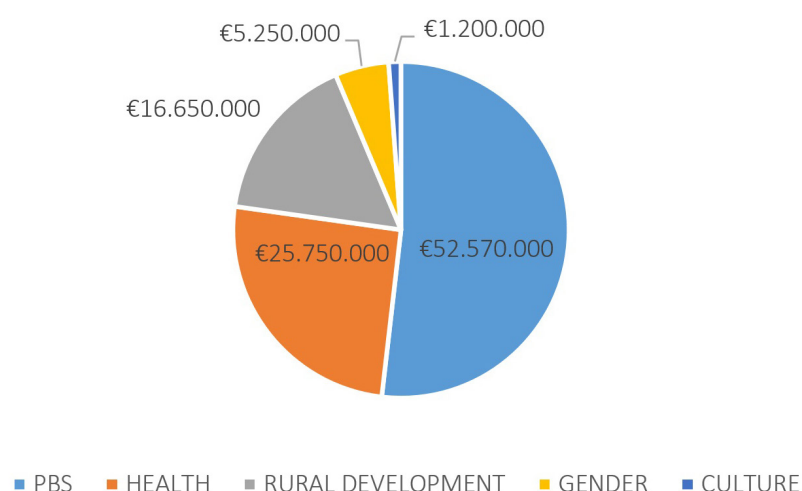
Throughout the document (and the methodology itself), the wish to fulfil the commitments regarding aid effectiveness is very noticeable, capturing the momentum of the Aid Effectiveness Agenda at the time the CPF was designed. In line with these commitments, it was coherent to

³⁹ As shown later, the remaining Spanish funders, apart from AECID, continue funding Health Projects to NGOs. In fact, there has been only a reduction of 20% in the number of Spanish NGOs working in health, comparing the Pre-CPF with the CPF period.

establish indicators at the level of national results, fully aligned with national policies. Nonetheless, while alignment with the policies, indicators and national goals is key to ensure that aid effectively serves recipient countries' priorities and needs, it should not prevent the Spanish Cooperation from articulating its own vision on how to best contribute to these national efforts. Establishing specific targets to track achievement and defining ways to measure the effect of the support is not in contradiction with the principles of alignment and ownership. Rather, it provides a roadmap to guide the steps required to meet the commitments to support national goals. However, in the methodology itself and in the CPF document, there is no results chain identifying activities, products and intermediate outcomes needed to meet the overall goals. The lack of this results chain renders difficult to apply results based management and mutual accountability. Thus, the planning for results logic is missing: no attainable targets (neither processes nor product) are established to monitor performance. It also makes it difficult to fully understand sectors of intervention in their most strategic dimension.

The CPF also established an overall budget of around **€101,420,000** in the 2011-2015 period, although in some sectorial frameworks, mainly in culture, the budget was not defined. The budget distribution by sector is illustrated in the following chart. As shown, more than half of the funds were foreseen to be allocated to the PBS. This is particularly striking since it is the only sector with no specific analysis in the first two phases of the CPF design. As shown later, the budgetary commitments (in terms of both volume and sectoral distribution) were far from being achieved.

Chart 8. Budget planning by sectors according to the CPF Ethiopia Spain 2011-2015



Source: CPF document

Unlike in the case of development results, for the aid effectiveness results the CPF did establish a framework with clear targets to improve the principles of ownership, alignment, harmonization and management for results. Regarding the predictability of aid (alignment), the goals established seem realistic considering Spanish ODA records until year 2010: in the four-year period prior to the CPF, Spanish ODA in Ethiopia reached nearly 160 million euros. Thus, committing 101 million

euros in a 5 years period seemed perfectly reasonable. However, this goal has been difficult to achieve due to the economic crisis in Spain.

For mutual accountability at a global, strategic, sectorial and specific level, a series of general activities were established, among which the participation in annual joint reviews, in the "Aid Management Platform" and in the High Level Forum of the DAG, as well as developing a web site, etc.

Concerning policy coherence, the methodology required to do a mapping of non-ODA policies and define concrete measures that would generate evidence about the impact that particular policies or sectorial interventions could have in terms of development. The CPF devotes only one page to this chapter with little content, without a mapping and concrete measures to improve policy coherence. The CPF mentions the need for the private sector to play a driver role for development, but without specifying how. In any case, beyond the CPF in Ethiopia, in general terms it is a pending task of the Spanish Cooperation to agree on what policy coherence means and what to expect from it, as it has already been pointed out in several documents⁴⁰.

With regard to crosscutting approaches such as gender, human rights, diversity and environmental sustainability (defined by the III Master Plan of the Spanish Cooperation as horizontal priorities) the 2010 CPF methodology only mentions these approaches once (later corrected in the methodology 2013). Similarly, the CPF document only mentions the need for gender mainstreaming with a general focus, and environmental sustainability is only mentioned in the rural development sector, without making an in-depth analysis in this regard. Although the CPF document uses indicators disaggregated by sex, there is no specific analysis regarding different variables of gender inequality, aspects related to different socio-cultural specificities, or factors of exclusion or enjoyment of rights.

Finally, in the field of humanitarian action, the CPF document refers only to the response to humanitarian crises, to the application of the principles of good humanitarian donor⁴¹ to which Spain adheres since 2004 and the protection of the humanitarian space. Given the cyclical nature of crises, disaster risk and the high levels of vulnerability in Ethiopia the absence of reference to the necessary linkages between emergency aid, rehabilitation and development is surprising. Through interviews and documents review, the evaluation team has found that the inclusion of humanitarian action in the CPF was subject of debate and controversy among different AECID departments. On one hand, it was considered that humanitarian action should not be negotiated or planned with the partner countries in order to ensure the respect of the principles of humanity, impartiality, neutrality and independence, and consequently it should be excluded from planning exercises such as the CPF. In the case of Ethiopia, the perception that the Ethiopian Government exerts a strong control and interference in humanitarian affairs reinforced the reluctance to include humanitarian action in a document seen essentially as a development plan aligned with government policies. On the other hand, the OTC considered necessary to include prevention

⁴⁰ Mid-term review of the IV Master Plan of the Spanish Cooperation and Spain-DAC Peer Review of Development Cooperation, 2016.

⁴¹ Humanity, Impartiality, Neutrality e Independence.

and resilience due to the predictable and recurring humanitarian crises in Ethiopia and the high rates of food insecurity, and expected the AECID Humanitarian Action Office to assume these commitments. Finally, the CPF chose to include a generic paragraph on humanitarian action, leaving prevention or resilience out of the document. Although crucial aspects such as access to water and sanitation are not explicitly included in the CPF, this component has been worked under the rural development and fight against hunger sector.

3.3.2 MANAGEMENT PROCESS AND MONITORING OF THE CPF

The 2010 CPF methodology conceives the CPF as "*a permanently open process which does not end with its design, as it provides strategic guidance to the cooperation action on the field. Therefore, the methodology establishes that CPF phases correspond to the traditional identification-implementation-monitoring-evaluation cycle*". In spite of it, the evaluation team has found that in practice the CPF is only a planning tool (not only in Ethiopia, but in general)⁴². In fact, the chapter on monitoring is only half a page within its 79 pages, and provides very vague and generic guidance on how to do monitoring. It recommends undertaking a mid-term evaluation (optional) and makes a final evaluation mandatory. Hence, the CPF of Ethiopia, like most of the CPF signed in the framework of the 2010 methodology⁴³, lacks a monitoring system to measure overall progress towards results. In fact, in the past five years, not a single CPF monitoring report has been produced, nor has the originally planned mid-term evaluation been conducted. This deficiency is due to problems that go beyond the scope of the office and the team in Ethiopia.

Throughout the evaluation the team has noticed different levels of ownership of the CPF by different Spanish Cooperation stakeholders. Although the methodology assumes that different Spanish actors articulate their programmes around a single tool, not all of them have an operational plan that can be articulated with the CPF. In fact, the reality is that in Ethiopia only AECID has operational programme documents that compile interventions on a yearly basis (although with no clear articulation with the CPF). Unlike other Spanish Cooperation actors, it seems that in practice only AECID takes the CPF as a reference document. Thus, although the CPF intends to represent the strategic plan for the Spanish Cooperation as a whole, it mainly reflects the strategy of AECID. This has been evidenced by the fact that NGOs projects financed by Spanish Autonomous Regions and Local Entities do not necessarily prioritize the same sectors and regions as the CPF. Indeed, the compiled list of interventions reveals that, while AECID allocates 100% of the funds channelled through NGOs to Rural Development (excluding Humanitarian Action), and 91% specifically to the three prioritized regions, in the case of decentralized cooperation, only 51 % of the funds channelled through NGOs go to rural development and 47% to the prioritized areas, while 22% continues to being assigned to Health projects (and 20% to Humanitarian Action). This is explained by the absence of decentralized cooperation in CPF

⁴² Mid-term review of the IV Master Plan of the Spanish Cooperation and Synthesis document on Bolivia, Colombia and EL Salvador CPF' mid term evaluations and Ecuador CPF's final evaluation.

⁴³ Idem.

design phase and the lack of coordination between different actors during its implementation. Within AECID there are also different levels of ownership. The Africa and Asia Cooperation Directorate and the OTC are the only two parties clearly engaged with the CPF. The remaining departments take the CPF into account only to delimit sectors and geographic priorities in their public call for proposals (NGOs Department, Cultural Promotion Department).

According to the OTC, the CPF is not a document used for monitoring. AECID's own Operational Programming (PO) guides monitoring. The PO 2014 enhances sectoral concentration by prioritising only Rural Development, Food Sovereignty and Nutrition (SAN) and Health, along with interventions in humanitarian action. Although the CPF proposes to manage for results, information provided by current and former staff of the OTC describes that management of the interventions is highly dependent on the instruments to channel resources. Hence, monitoring focuses very much on administrative control and technical management of individual interventions, ensuring compliance with different instruments and administrative procedures requirements, with little strategic approach.

In short, the management and follow-up is not governed by the objectives and results set in the CPF, but by the processes and procedures related to the aid instruments and modalities used to transfer financial resources. That the CPF is not conceived as a monitoring tool is also evidenced by the fact that most of interviewees seemed unaware of the existence of aid effectiveness specific indicators and targets set in the CPF. This, together with the fact that the decision on allocation of resources depends on different directorates and departments in headquarters, has led to the loss of a comprehensive view, favoured fragmentation and a "silos" type of work.

The lack of a result based management and monitoring system hinders maximizing the information produced by the different interventions. The CPF was also an opportunity to improve knowledge, coordination and complementarity between the different Spanish Cooperation funders, channels of aid delivery, instruments and interventions. Due to the lack of a comprehensive and strategic view, this opportunity has been missed. There are several examples that sustain this argument: 1) lack of exchanging experiences between AGP and NGOs programmes in Rural Development, 2) misuse of expertise between NGOs working in the Somali region (ATTFs could have given technical support to ADRA and RESCATE); 3) lack of complementarity between Interuniversity Programmes (PCI) and the sectoral strategies. In addition, meetings between different Spanish actors (led by the OTC) have been on demand and not quarterly, as established in the CPF. The relationship has been basically focused on sharing and collecting information, rather than promoting a joint strategic vision. In addition, Spanish NGOs in Ethiopia have informed that the relationship with the OTC has not been consistent throughout time. There have been moments of fruitful, others of weak and others of inexistent relationship and communication.

This is connected to the fact that at certain times, OTC staff was very limited but it also reflects different perspectives on the type of relationship between AECID/OTC and NGOs. According to some, in order to maximize efforts and results, this relationship should be based on coordination, complementarity and synergies between OTC and NGOs. In that sense, there should be close interaction, exchange of information and joint working. However, others believe this kind of relationship would interfere with NGOs' independence and prefer a relationship limited to

exchanging information with AECID/OTC.

The weakness of the monitoring system is also determined by the lack of a centralized and systematized information system, and the loss of institutional memory, due to staff rotation. Budget constraints also affect monitoring: it is an expensive activity, since it requires the investment of human and material resources for field missions. However, the sources and the informants do not agree on whether budget restrictions have affected the quality and quantity of monitoring in the OTC.

Nonetheless, the OTC maintains that the CPF has been instrumental to better organize and structure the work initiated in previous years. As such, it has helped clarifying Spain's strategy both internally and externally and provided guidance to involved actors. By establishing official commitments with the partner country, the CPF has helped to avoid arbitrariness in decision-making, hindering giving support to initiatives outside the agreed framework.

The questionnaire analysis confirms these findings. When asked about the usefulness of the CPF, the majority agreed that it is more useful as a tool for strategic planning, and to acquire a higher level of information on the development context in Ethiopia. Regarding division of labour and coordination among different Spanish actors, its use is modest. Finally, it is not considered useful as a result based monitoring tool.

3.4 INSTRUMENTS AND MODALITIES

In addition to assessing what was planned and what were the CPF expected results, it is important to analyse the funding instruments of the Spanish cooperation, and to what extent these instruments fit in the CPF strategy.

First, before analysing the suitability of instruments used in Ethiopia, it is important to define and classify them. To this end, the evaluation team uses the categories of AECID's Guide of Aid Modalities and Instruments (2014). Thus, leaving aside the multilateral cooperation⁴⁴, Spanish aid in Ethiopia has been channeled through the following modalities and instruments:

⁴⁴ Since Multilateral cooperation is un-earmarked and channeled through multilateral agencies, the CPF has no effect on it.

Table 4. Aid modalities and instruments of the Spanish Cooperation in Ethiopia

MODALITY		
Nature	Financial(monetary) In Kind (technical cooperation)	
Conditions	Untied non-reimbursable Marked Unconditional	
Channelling routes⁴⁵	Bilateral	Direct Ethiopian Public Entities
	Multilateral	International Organisations
	Other Public Spanish Entities	
	NGO and CSO (Spanish and Ethiopian)	
	Private Sector (Spanish and Ethiopian)	
	Spanish Universities	
CATEGORY	INSTRUMENT	ADMINISTRATIVE PROCEDURE
Projects and Programmes	Bilateral Projects NGO Projects NGO Agreements Open and Permanent Call(CAP) Business CAP Innovation Action Interuniversity cooperation Public Private Partnerships	46.045 Foreign policy grants Competitive and direct grants Competitive grants Competitive grants Competitive grants Competitive grants Competitive grants Direct Grants for Humanitarian Action
Program Based Support	Pool funds / basket funds	Foreign policy grants
Technical Cooperation	Grants and subsidies Technical Support via Experts	Competitive grants Entrusted Management Agreement
Multilateral Cooperation	Voluntary contributions to International organisations	Direct grants Direct grants of Humanitarian Action

Source:Adapted from *Guía de Modalidades e Instrumentos de la Cooperación Española*,AECID 2014. Free translation.

⁴⁵ Throughout the report and according to the classification of the OECD/DAC, ODA graphics include only bilateral aid with the exception of the aid channeled through international organizations.

Since the Paris Declaration, the Spanish Cooperation is committed to increased aid effectiveness and quality to maximize the impact of its actions. Within this overall framework, one of the challenges is to strengthen the use of modalities conducive to the effectiveness with program based support instruments generally being recognized as the ones that better fit the principles of aid effectiveness.

The definition of programme based support is taken from the criteria established by the OCDE DAC: (a) ownership and leadership of the recipient country; (b) existence of a comprehensive program and a single budgetary framework; (c) existence of a formal process of coordination between donors and harmonization of procedures; (d) use of at least two of the local systems of the cycle of the program (design, implementation, financial management, monitoring and evaluation). The main instruments of program support are those of general budget support, sector budget support and pool or basket funds.

The CPF clearly reflected the intention to promote program based support instruments as it pledged to progressively increase the proportion of funds allocated through this category. In fact, in the II Joint Commission between Spain and Ethiopia (to which the CPF is an annex), Spain committed itself to channel 80% of funds through national systems, and only 20% through non-State stakeholders and international organizations. Although not all the funds channelled through national systems are necessarily programme based, the CPF did foresee that the majority of these funds (84%) were intended for the PBS, SDG Pool Fund and AGP, all of which are basket funds, according to the definition of AECID's Guide of Aid Modalities and Instruments.

The first analysis therefore aims at verifying to what extent these commitments have been fulfilled. In this regard, it should be reminded that the evaluation team has noticed some confusion in ODA records when it comes to classifying some of the interventions that, in the context of this exercise, have been reclassified as "basket funds". Both in the pre-CPF and CPF periods, many of the contributions have been classified as sectorial budget support or contributions to specific programmes of international organisations, when according to the definitions of AECID's guide, they rather fall under pool or basket funds⁴⁶. As an example, the five contributions that Spain has made to the PBS over the years have been classified in three different ways: as a contribution to International Organisation programmes, as direct budget support and as basket fund. Similar inconsistencies have been found in the case of the SDG Pool Fund for Health. In the case of AGP, ODA records have always been considered sectorial budget support, when according to AECID's Guide of Aid Modalities and Instruments, AGP fits rather with the definition of a Basket Funds⁴⁷. Similarly, although AGP and PBS are mainly managed by multi-donors trust funds by the

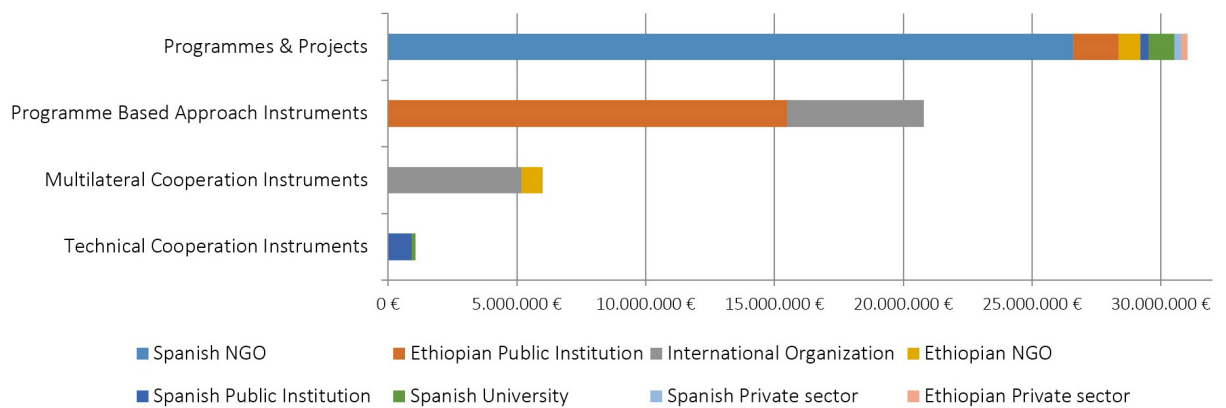
⁴⁶ Budget support involves the direct transfer of funds to a partner country's Public Treasury where they can be managed using national systems, while multi-donor baskets funds usually have an autonomous account, managed jointly with other donors and/or the recipient. The account will have specific purposes, modes of disbursement and accountability mechanisms, and a limited time frame. Finally, trust funds are established and managed by an international organisation (trustee) through financial and administrative agreements aiming at achieving specific development goals.

⁴⁷ However, in fact Spain's contribution to the AGP has not been placed in the trust fund administered by the World Bank. Actually, it was delivered directly to the Ministry of Agriculture through a foreign policy grant.

World Bank, the contributions that Spanish Cooperation has made to these programmes have not always been channelled through these trust funds.

Taking a closer look at what has happened during the CPF period, the following graph links the type of entities through which aid is channelled with the type of instruments. As shown, projects and programmes have been implemented mainly by Spanish NGOs, followed by public Ethiopian entities, in addition to other stakeholders. The donors' basket funds have been managed principally by Ethiopian public entities and in less proportion by international organizations.

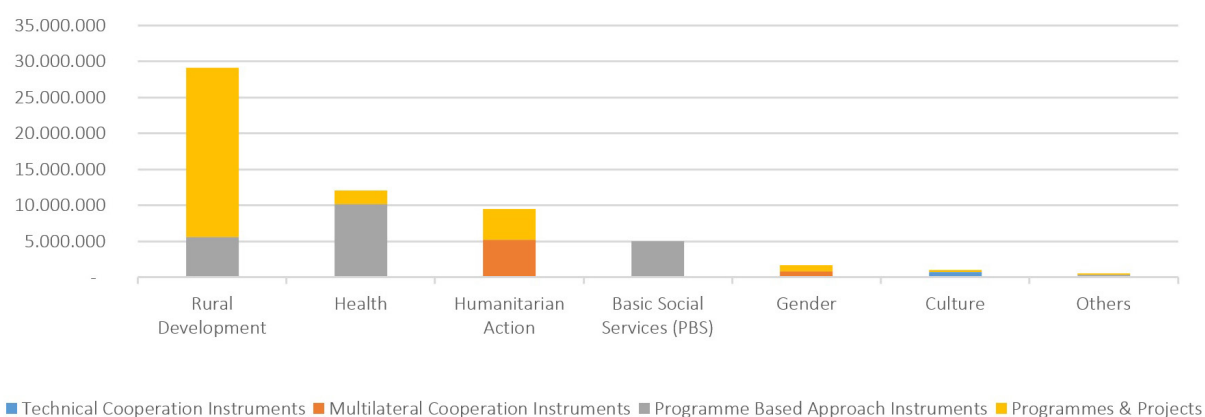
Chart 9. ODA distribution per types of instruments in the CPF period



Source: compiled list of intervention 2011-2015

Both charts below show that most of the funds implemented in the rural development sector are projects and programmes (81%) channelled mainly through NGOs (76% out of the total in the sector). Support to health and PBS channels mainly through Programme Based approach instruments (basket funds): 83% in the case of health and 100% for PBS. Humanitarian actions are implemented mostly through Multilateral Cooperation Instruments (54%), followed closely by specialized NGOs. Culture is the sector with more Technical Support Instruments (71%) through scholarships, and gender funds are channelled in similar proportion through Multilateral Cooperation Instruments, and Programmes and Projects.

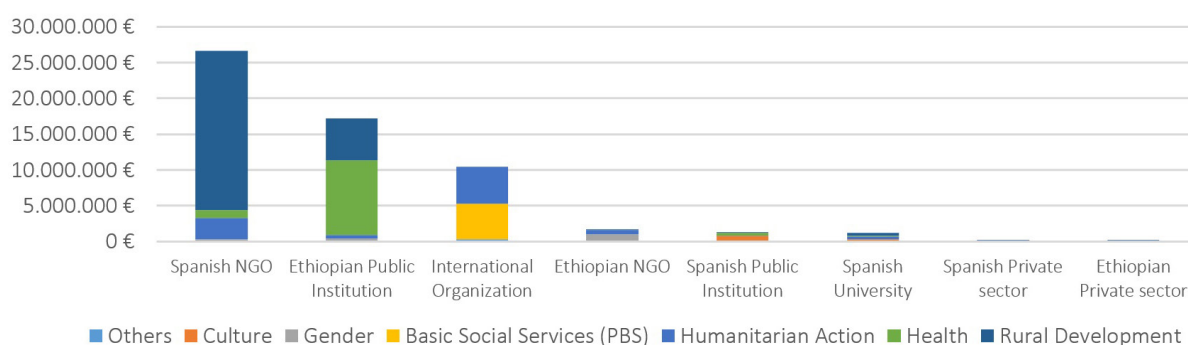
Chart 10. ODA per sector and instrument in the CPF period



Source: compiled list of intervention 2011-2015

Thus, NGOs have concentrated their action in rural development, followed by health and humanitarian action. Ethiopian Public Institutions have worked mainly in health followed by rural development. International Organizations were mostly involved in humanitarian action followed by basic social services.

Chart 11: ODA per channels of delivery and sector in CPF period



Source: compiled list of intervention 2011-2015

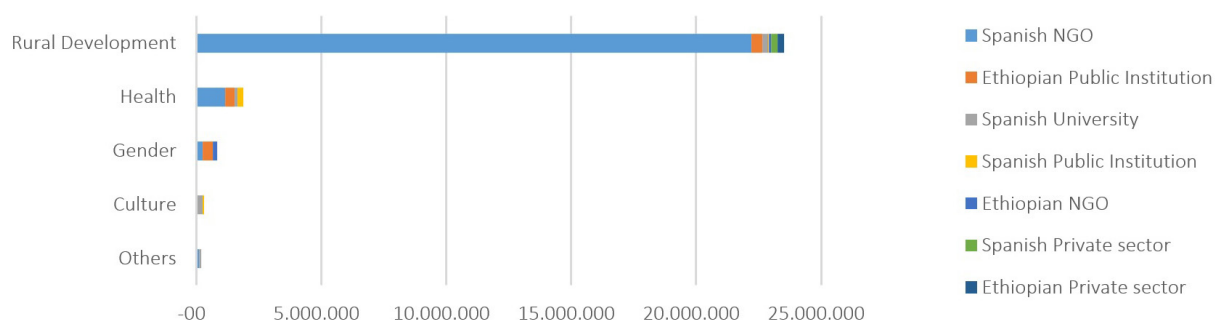
Next sections focus on each of the major categories of instruments used in Ethiopia during the CPF period. The analysis attempts to identify those elements that have helped to advance towards aid effectiveness, enhance the added value of the Spanish Cooperation and its role in policy dialogue, as well as adequately responds to the Ethiopian priorities.

3.4.1 PROGRAMMES AND PROJECTS

Undeniably this is the most commonly used instrument in Ethiopia during the CPF period. Leaving aside humanitarian action (whose instruments will be discussed in the chapter on Humanitarian Action), nearly 180 interventions have been implemented in the period 2011-2015, with 54 % of all ODA falling under this category (including 7 agreements that have absorbed more than 60 % of ODA in programmes and projects). The share of this category of instruments is even greater when funding from the Ministry of Foreign Affairs of Spain is not considered. As such, other stakeholders of Spanish Cooperation (Autonomous Communities, Local Entities....) mainly use this instrument, amounting to 91% of all ODA provided by them.

Most of the programmes and projects have been implemented by Spanish NGOs in the rural development sector (this category of instruments represents 83% of the total investment), followed far behind by public Ethiopian entities, with more programmes and projects mainly in the sectors of health, rural development and gender:

Chart 12. Distribution of the programmes and projects by sector and channels of delivery in the CPF period



Source: compiled list of intervention 2011-2015

AECID’s Guide of Aid Modalities and Instruments states that "projects tend to be more effective to the extent they meet the criteria of the program based approach (in which case the projects could be considered within the category of programme based support)".

Within the AECID, projects and programmes are distributed according to the following call for proposals:

Table 5. AECID programmes and projects funding to Ethiopia 2011-2015

PROGRAMMES AND PROJECTS	EUROS
NGOs Agreements	14,216,975
NGOs projects	5,084,916
Foreign Policy Grants	2,212,493
Permanent Open Call (CAP)	841,575
Interuniversity Cooperation	591,095
Business CAP	576,959
Innovation Actions	271,280
Cultural Projects	37,641
TOTAL	23,832,934

The table above shows that agreements and projects⁴⁸ implemented by NGOs represent more than 80% of AECID funds allocated to the type of instrument during the CPF period. These are granted through calls for proposals subject to the principles of publicity and competition, with precise rules, and limited context specificity.

This clear preponderance of agreements and projects via NGOs is a priori in contradiction with the expressed intention to improve the effectiveness of aid. Indeed, from the point of view of aid effectiveness agenda and aid channels mechanisms with which the Spanish Cooperation wants to align, agreements and projects implemented through NGOs do not follow the programme based approach criteria with regards to harmonization, predictability and/or use of national systems (they are considered parallel units). Thus, from the perspective of instrument effectiveness, these projects do not promote aid effectiveness; rather they tend to increase sector fragmentation⁴⁹.

However, it would not seem fair to limit the assessment on the work of NGOs to the latter. Despite reservations, the Ethiopian Government recognizes that NGOs' work is fully aligned with national development policies and strategies, and has greater ability to reach remote areas, as it has been verified during the field visits. The case of NGOs agreements and support to the AGP program in the rural development is a good example: in both cases, they seek to achieve the same goals and work on similar components by applying similar strategies. The main difference lies in the fact that the agreements are developed in more depressed areas than those covered by the AGP.

⁴⁸ Agreements here make reference to what is known as *Convenios* in Spanish.

⁴⁹ According to the OECD, aid fragmentation is a function of the number of projects by sector.

On the other hand, looking at alignment in terms of use of national systems and procedures, projects that channel resources directly to the Ethiopian institutions (and of course the pool funds) are more aligned than NGOs projects. The latter are managed in accordance to their specific procedures and subject to the norms and rules of public subsidies regulation. However, especially in the case of agreements with large budget and long implementation timeframes, local authorities have recognized the value of mutually agreed processes and standards for joint diagnosis, planning and monitoring of the interventions. They have also highlighted the contribution of these agreements to their own capacities development.

In addition to the projects funded through NGOs, during the CPF period 9 projects have been financed through foreign policy grants: 6 of them with Ethiopian public entities (channels 1 and 2), and 3 of them through Spanish public institutions (FCSAI and UPM). Foreign policy grants allow fulfilling bilateral cooperation commitments through the transfer of financial resources to public institutions of partner countries. They can have annual or multi-annual budgets. It is usually the most common instrument used by the Geographic directorates of AECID (Africa and Asia Cooperation Directorate in this case) as it enables strong alignment with policies and management flexibility⁵⁰. The profile of these projects is very heterogeneous and it is not possible to draw any general conclusion as a whole. However, the documents analysis and additional information collected in the field confirms what the AECID's Guide of Aid Modalities and Instruments (2014) anticipates: when these projects have been integrated into government initiatives with a strong government ownership and drive, where Spain has a longer term and more consolidated position, they have encouraged to a larger extent harmonization, complementarity, mutual accountability and policy dialogue. The grants allocated to the Ministry of Agriculture (in addition to the AGP) are a good example of this. Thus, the support to the Secretariat of the sector working group on Rural Economic Development and Food Security (RED&FS)⁵¹ has allowed the Spanish Cooperation to complement the support provided to the AGP program and to position itself as a key partner in the sector. Conversely, projects that are not part of a well-articulated strategy by the Government and where there is a lack of a solid and shared position with other donors, tend to remain as a one-time isolated support with little coordination and policy dialogue. This is the case for example of the projects awarded to the BOFED of Amhara or the MoCT.

All the other projects funded via the different calls for proposals seen in the table 5 above - open and permanent calls (CAP), business CAP, Programmes of Interuniversity Cooperation (PCI), Innovation Actions - have little relevance in terms of budget and more importantly, they are projects for which the OTC has very limited (CAP) or null (PCI) decision making capacity or influence. Although the OTC does participate in the proposals assessment, the possibility to articulate this type of projects with other initiatives financed through other modalities so as to integrate them into the structured dialogue with the Government is limited. Most of these instruments are not designed for this purpose and have their own specific mechanisms for design, approval, monitoring and justification. CAPs are oriented to particular initiatives and small volume; and Business CAPs to private companies' initiatives.

⁵⁰ Guide of Aid Modalities and Instruments (2014).

⁵¹ Sectoral platform for dialogue between the Ministry and the development partners.

The PCI is designed to promote the link between research centres, universities and researchers from Spain and the countries with which it has cooperation, in different areas of interest. Generally, the call for proposals includes the requirement to align with the priorities of the CPF. However, beyond those generic requirements, these are not really "programmable" instruments by the OTC in order to operationalize the CPF. Neither complementarity between instruments has been pushed for⁵². For instance, the PCI could have been seen as a strategic complement to feed into the advice provided to the Government, using the evidence produced by scientific research. The information collected during the field visit does not evidence any clear linkage between approved research projects and CPF strategy in each sector. While nine out of ten PCI approved in the last 2011 call are related to rural development (4), health (3) and culture (2), the CPF only envisaged linking the strategy and the PCI in the case of the health sector. In other sectors, this linkage was neither anticipated nor sought in practice. In addition, the PCI 2011 designed for a period beyond 1 year, were abruptly disrupted when the possibility to request or implement renewals of grants was cancelled due to budgetary cuts.

Both call for proposals, CAP and PCI, ended in 2012. In spite of their low contribution to aid effectiveness, an advantage of the CAP was that it allowed providing direct support to local organizations, with no need to go through Spanish intermediaries. In a context such as the Ethiopian, this possibility is even more relevant as a way to directly support civil society. With the extinction of this instrument, these organizations have lost the opportunity to directly access Spanish funds. On the other hand, there was the risk of approving very isolated interventions and disconnected from the overall strategy of Spanish Cooperation.

The *innovation actions*, which replaced Business CAP, open access to other type of stakeholders not only from the private sector. As they promote innovative and replicable pilot initiatives, they have the potential to feed into the policy dialogue with practical evidence and innovative research products. However, the evaluation team is not aware that the Spanish Cooperation has taken any concrete step in that direction. Furthermore, as it will be shown, CAP initiatives results were not directly linked to the CPF in rural development strategy.

3.4.2 PROGRAMME BASED SUPPORT: DONORS BASKETS/

POOL FUNDS

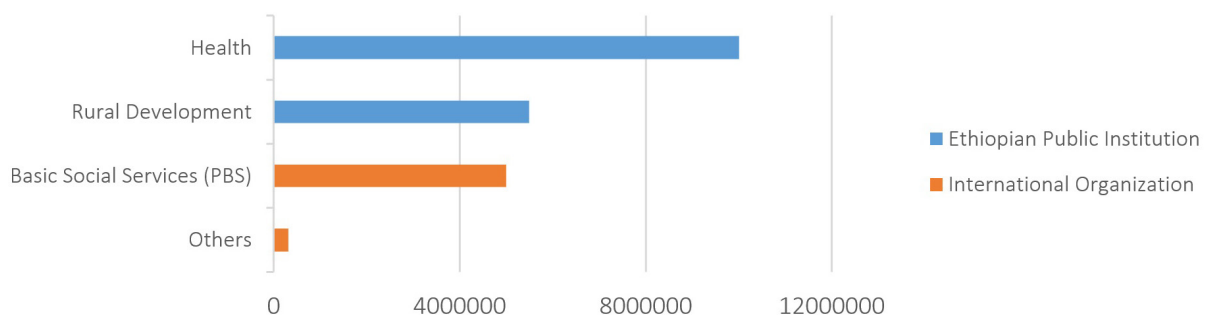
As mentioned, ensuring compliance with the principles of the Aid Effectiveness Agenda was at the heart of the CPF design.

⁵² PCIs have been studied as a whole. However, the evaluation team has reviewed specific documentation on several PCI, those that by title could be associated with one of the priority sectors. Also, one PCI in-charge within AECID has been interviewed, as well as one PCI beneficiary. In both cases it is evident that this call is independent, does not seek complementarity with other interventions, and that its relationship with the OTC is scarce or null. Conversely, (from the main sectoral interventions towards PCIs) there is no evidence of complementarities. However, former OTC staff reports about one PCI in the Health sector complementary to the sectoral strategy.

Basket or pool funds are the second most used instrument during the CPF period. Leaving aside the humanitarian action, during the 2011-2015 period, six grants were awarded for pool funds, for a total amount of €20,81 million. All grants except one (PBS) were funded through the Directorate for Africa and Asia Cooperation of the AECID.

As shown in the graph below, in the three priority areas of the CPF, resources have been allocated to the existing basket funds: in Health - Sustainable Development Goals Pool Fund (SDG-Pool Fund); in Rural Development - Agricultural Growth Program (AGP) and Basic Social Services - Program of Basic Services (PBS). The small contribution under "others" refers to the contribution of Spain to the Fund for support to the Central Agency of statistics managed by the DAG. Although the channelling entity is the UNDP, it is considered a programme-based support since the objectives sought by the DAG converge with programme-based approach: improve the coordination and harmonization of aid.

Chart 13. Distribution of common funds by sector and channel of delivery in the CPF period



Source: compiled list of intervention 2011-2015

Thus, funding for these three sectors has been allocated according to the national mechanisms prioritized by the Ethiopian Government: channels 1 and 2 in the health sector and basic services for the most part, in the rural development only partially. In health and rural development subsidies were granted directly to the implementing ministries (channel 2), while in the case of the PBS the subsidy was channelled through the World Bank (in this case Ethiopia considers it channel 1).

It is important to note that AGP is managed in a similar way to the PBS, i.e. through a fund administered by the World Bank aiming at financing the program designed and implemented by the Government in partnership with other donors. The World Bank is responsible for ensuring the financial and accounting compliance and audits the program accounts following its procedures and standards.

While the first contribution of the Spanish Cooperation to the AGP (before the CPF) was made through the World Bank, the following contributions have been made directly in a separate account of the Ministry without placing the resources in the Fund managed by the World Bank.

According to the documents reviewed and interviews conducted this change in the way funds were channelled was due to “administrative incompatibilities” between Spanish Cooperation requirements and the World Bank rules and regulations. From the programmatic perspective, this has had no consequences; the resources provided by Spain followed exactly the same criteria for allocation, management and justification that those managed by the World Bank, without any specific arrangement. In that sense, the Spanish contribution to AGP meets the programme based approach criteria in the modality of basket fund. However, it is important to mention that in the interview, the World Bank expressed the particularity of the case of Spain’s contribution (it is also the case of Italy). The World Bank charges 5% of all the contributions to the Fund as management costs to cover financial quality assurance and reporting services. Despite benefiting from the guarantor services provided by the World Bank (public tenders, audit, accountability, supervision, and joint missions) Spain does not contribute to the associated management costs.

As mentioned above, this is the instrument that is more aligned with the principles of aid effectiveness, and therefore offers a more harmonized work and stimulates mutual accountability. Furthermore, the Spanish Cooperation recognizes the potential of this instrument as it allows to participate through dialogue with the partner country in the formulation and monitoring of public policies and to promote public reforms, with the ultimate goal of fighting poverty⁵³.

This potential has been clearly evident in Ethiopia both in the case of the SDG Pool Fund and the AGP. While the weight of Spain in these pool funds is very small in terms of funding (around 0.4% in the SDG and 2.5% in AGP), its contribution is publicly recognized and valued, not only by the implementing ministries, but also by other bilateral donors and international organizations. This has been a general trend throughout the interviews in Ethiopia when asked about the role of Spain: overall, it is commended for its commitment, accessibility, interest, proactivity, pragmatism and constructive ideas in relation to the SDG Pool fund and the AGP. As such, most of the development partners consulted recognize the good leadership attitude of Spain in health and in the Agricultural Growth Program. In fact, until December 2015 Spain was co-chair of the Health, Population and Nutrition Sectorial Working Group. It has also been co-chair of the Agricultural Growth Technical Group on (AGTC) and has financed the RED&FS secretariat until August 2016.

Therefore, the decision to participate in pool funds even with (comparatively) modest volumes of resources has been a smart and strategic decision. It has enabled Spain to have a seat at the table, that is, to participate on an equal footing with the other donors in the dialogue and decision-making structures. Opportunity that Spain has successfully seized thanks in part to the proactive profile of the OTC staff. It is important to acknowledge the meaningful role that individuals have played and can continue to play in the future in order to cultivate this good image of the Spanish Cooperation.

In the case of the PBS, the role of Spain has evolved in a different manner. Prior to the CPF, between 2008 and 2010, Spain had made a total contribution of €30 million to PBS II. According to one informant, the participation of the Spanish Cooperation in developing the PBS program,

⁵³ AECID’s Guide of Aid Modalities and instruments, pag. 20.

particularly in the design of phase II, was very active (at least until 2011). The CPF envisaged disbursing over €50 million to the PBS during the 2011-2015 period. However, during these years only one contribution was finally made in 2011 for an amount of €5 million. After 2011, no additional funding was contributed to the PBS.

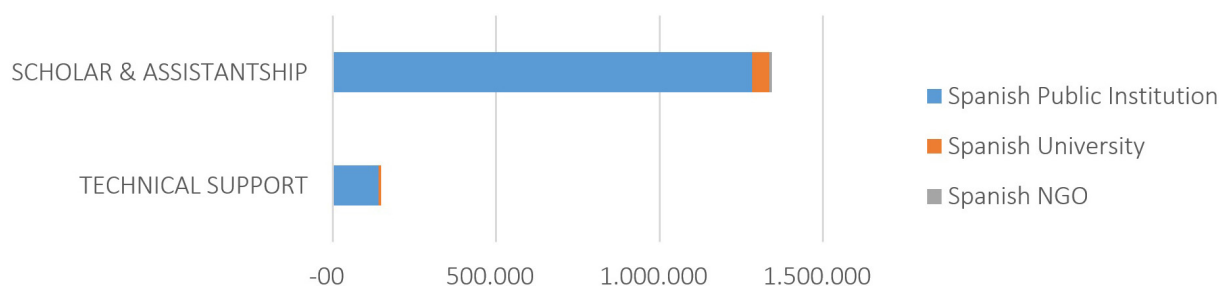
This drastic reduction against what was originally planned is explained by the fact that the PBS was mostly funded through financial cooperation instruments (former FAD, current FONPRODE). However, since the Spanish economic crisis, the General State Budget Laws from 2013 onwards have prevented the FONPRODE to use non-refundable aid instruments (as it would increase public deficit) and Ethiopia is not eligible to receive state-to-state refundable cooperation, according to FONPRODE rules and regulations. Therefore, with the financial restrictions, Spanish Cooperation found that the funding mechanism that was thought-out to make contributions to the PBS was no longer available. In spite of this, it would be reasonable to think that other aid modalities or instruments such as foreign policy grants (used in health and rural development) could have been found to honour the commitments made. However, information gathered throughout the evaluation shows that from 2013 this was not possible because of the financial restrictions applied to all non-refundable aid. The only reason that they were maintained in health and rural development sectors is because those grants were multiyear commitments made before the General State Budget Law 2013. This supports the idea that CPF implementation and the work in a particular sector or line of action is highly dependent on the existence of the instrument or on the availability of funds for that instrument.

Finally, since the OTC opened, Spain has been an active member of the DAG, participating in the Executive Committee and technical working groups. In addition, it has financially supported DAG through contributions to funds managed by the Secretariat hosted in UNDP country office. Before the CPF period, the Spanish Cooperation financed the gender pool fund (€475,000 between 2009 and 2010) and has also funded during this period the DAG pool fund (€50,000s in 2015).

The DAG Pooled Fund includes three outputs: (1) Effective support to the GTP and MDG consultative processes; (2) Effective DAG and Government dialogue; and (3) Enhanced capacity of Government and development partners to achieve aid effectiveness and harmonisation targets. Implementing partners for this project include the National Planning Commission and the Ministry of Finance and Economic Development. The DAG Pooled Fund works towards fostering harmonization and aid effectiveness in line with the Mexico High-Level Communique; Busan Partnership for Effective Development Cooperation Document; Accra Agenda for Action; and Paris Declaration.

3.4.3 TECHNICAL COOPERATION INSTRUMENTS

Chart 14. Distribution of technical cooperation instruments by channels of delivery in CPF period



Source: compiled list of intervention 2011-2015

One of the strengths of this instrument is to support knowledge transfer and institutional capacity building while providing opportunities for exchange by creating collaboration networks. Technical cooperation can be very useful to strengthen human capital within institutions particularly when it is implemented within the framework of a larger capacity building programme.

Technical cooperation in Ethiopia has had little weight in terms of volume of funds as it only represents 2.7% of the funds disbursed in 2011-2015. More than half of these funds have been allocated to 50 grants of small amount granted by the Directorate of Cultural and Scientific Relations of the AECID to Ethiopian university students in Spain (37) and Spanish university students in Ethiopia (13) for the 2011-2012 to 2013-2014 academic courses. Catalonia also stands out as funder of this type of instruments: it has allocated more than €300,000 in the form of fellowships during the CPF period. In addition, around €85,000 have been assigned to assistantships, through which aid is granted to individual persons, like the fellowships. The evaluation team has not been able to obtain more information on the programmes of scholarships. In any case, it should be noted that according to AECID's Guide of Aid Modalities and Instruments, this type of instrument has the risk of not seeing the return of the knowledge acquired by individuals who benefited from the scholarships.

With regard to the technical assistance, besides several very small grants provided directly by Spanish universities to Ethiopia, there has only been one technical assistance at the end of the CPF period within the framework of the Programme of Support to African Inclusive Public Policies (APIA in Spanish). The technical assistance in Ethiopia, which has recently concluded, was part of the strategy of health and had the objective to support the development of universal coverage health insurance. Implementing a health insurance is one of the priorities of the Ministry of Health, which explicitly requested collaboration to several donors for this technical support. However, this particular initiative does not seem to have contributed substantially to the institutional strengthening and development of the capabilities of the Ethiopian Medical Insurance Agency as the majority of the persons trained by the expert no longer work in the Agency.

In any case, this instrument is underutilized in Ethiopia, despite its potential to promote aid effectiveness as a complement to larger interventions. In fact, the OTC has expressed its desire to be able to further use this form of aid, which sometimes may be much more suitable than the provision of financial resources.

3.4.4 VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

During the CPF period the only voluntary contributions to multilateral organizations, specifically earmarked to Ethiopia, come from the Office of Humanitarian Action of the AECID and therefore fall within this area of intervention, which will be discussed in a separate chapter.

However, in Ethiopia several interventions have been financed through two global trust funds: Spain-NEPAD Fund and the Millennium Development Goals Achievement Fund (MDG-F). In both cases, contributions were made before the CPF period. Nonetheless, since several interventions executed in Ethiopia were indeed implemented during the CPF period, it seems relevant to briefly discuss these funds.

Both funds are mentioned in the CPF and are specifically linked to the gender sector. In the case of the Spain-NEPAD Fund it is mentioned that the second call for proposals prioritized three main areas of intervention: economic empowerment, institutional building and strengthening of civil society. With regards to the MDG-F, the CPF mentions that it will give continuity to the Leave no women behind program. However, in both cases the OTC has a very limited role in the decision making regarding the design, funding and monitoring, as explained below.

Since the Spain-NEPAD Fund was created in 2007, there have been two contributions to the fund for a total amount of €20 million, funding a total of 77 projects in 35 countries of sub-Saharan Africa. In its first call for proposals 5 projects were financed in Ethiopia that ended before the CPF. In the second call (Spanish ODA 2010), 3 interventions were approved in Ethiopia for a total of €830,090, all of them performed by African NGOs. The interviews conducted and the follow-up reports from the OTC, indicate that the role of the AECID and OTC in these interventions is minor. In fact, the document “Spain-Nepad Fund for the empowerment of African women: role of Spanish technical cooperation offices” stipulates that the role of the OTC is to support the management and technical bodies of the Fund and act only upon their request. The NEPAD Spanish Fund retains primary responsibility over monitoring and evaluation of all funded projects while the OTC has no autonomy over the portfolio. Its role is limited to activities such as giving publicity to the call for proposals, reviewing proposals (but without making technical recommendations) or take a supporting role in conducting field missions and following up on implementation of projects by the Technical Management team of the Fund.

The MDG-F was established as a mechanism for international cooperation launched in 2007 with the mission of promoting the achievement of the Millennium Development Goals (MDG) worldwide. It aimed at supporting national governments, local authorities and civil society organizations in their efforts to fight poverty and inequality. Between 2009 and 2013, in Ethiopia,

a total of five joint programmes were implemented with an overall budget of \$26,5 million in the sectors of culture (\$3,5 million), gender (\$9 million), nutrition (\$7 million), Private Sector (\$3 million) and environment (\$4 million), through various agencies of the UN family. All of them, except the intervention on private sector, were formulated and approved during 2009, a year before starting the design of the CPF.

A Steering Committee formed by the Government, Spain and the UN was responsible for overseeing the performance of the MDG Fund programmes. Similarly, at the level of each of the five programmes, programme steering committees were established with the regular participation of the OTC. The participation in these committees allowed the OTC to appreciate the progress of the programmes and exchange information but the ability to create real synergies between these programmes and those directly managed by the Spanish Cooperation seems very low. The evaluation team has no evidence regarding any complementarity or integration of these programmes neither to the overall strategy of the Spanish Cooperation nor to other specific interventions funded by Spain. It does not seem that Spain has taken any advantage of these experiences to improve policy dialogue, to establish relationships with new partners or to enhance information regarding CPF priority sectors.

A brief summary of three out of five of MDG-F programmes is explained in this section:

- The MDG-F Joint Program (JP) “Nutrition and Food Security in Ethiopia” was developed to support the efforts of the Government of Ethiopia in the existing National Nutrition Program. It was executed from September 2009 until May 2013 and managed by WFP, UNICEF, FAO, WHO, together with MoFEC and MoH. According to the final evaluation of the programme the main achievements have been to: Address the situation of nutrition and food security in the 16 selected woredas in Ethiopia; establish innovative, direct and very coordinated joint actions of the four UN agencies on the basis of the principle “delivering as one”; and provide successful capacity building for direct and indirect beneficiaries. In addition to funding, the Spanish Cooperation has not provided any further support to the Project or has promoted any type of coordination with CPF interventions.
- The MDF- FJP “Edible Oil Value Chain Enhancement” was designed as a pilot project to address the issues of the oil seeds sector indicated. The execution period started in January 2010 and lasted until June 2013. It was managed by UNIDO (lead agency), FAO and ILO, together with the Ministry of Industry (lead governmental institution), the Ministry of Agriculture and the Ministry of Labour and Social Affairs. According with the evaluation of the programme for the group of oil seed farmers who have been involved (4 large processing plants, plus 92 SMEs, 4 farmer units) and for their related primary cooperatives, productivity and competitiveness of oil seeds has been enhanced. Also, the programme has contributed to the capacity and competitiveness of the stakeholders for processing of edible oil seeds and to increase access to local and international markets for edible oil producers.

- The MDG-F JP “Enabling Pastoral Communities to Adapt to Climate Change and Restoring Rangeland Environments”, was designed to strengthening capacities to implement the GoE strategies and programmes at national, regional and community levels, while supporting the Government in its endeavour to address climate change challenges. The implementation period started in October 2009 and ended in March 2013, and the implementing institutions were FAO, UNDP and UNEP, together with their counterparts in the Government (MoFEC, Environmental protection Authority (EPA) and Ministry of Agriculture and Rural Development)
- The MDG-F JP “Harnessing Diversity for Sustainable Development and Social Change Programme” aimed at strengthening intercultural dialogue and promote cultural/natural heritage to foster socio-economic development implementation by the MoCT with UNDP and UNESCO. More details are provided under the paragraph on results of the cultural sector.
- The MDG-F JP “Leave no Women Behind Joint Programme” aiming at empowering women on multiple fronts such as health, education and life skills and economic opportunities. It was implemented by the MoWCYA together with UNFPA and WFP- The section on results on gender includes more details on this.

3.4.5 INSTRUMENTS OF FINANCIAL COOPERATION

The CPF envisaged the possibility of using the Microcredits Fund (Fondo para la Concesión de Microcréditos-FCM-in Spanish) and reimbursable cooperation facility of FONPRODE for programmes on access to credit for small-scale farmers, in order to complement the work carried under AGP. It also highlighted the MOFEC’s interest to explore the possibilities of using Spanish Cooperation reimbursable instruments in the following years, principally in the field of basic infrastructures, including irrigation, and renewable energy.

When the design of the CPF started (December 2010), FONPRODE had just been established in October 2010 by law 36/2010⁵⁴. The creation and implementation of FONPRODE involved the reformulation of reimbursable Development Aid Fund (FAD in Spanish) as well as incorporating the former Microcredits Fund (FCM). Its regulation was not adopted until mid-2011 by Royal Decree 845/2011 of 25th June.

FONPRODE’s financial cooperation instruments can be both reimbursable and non-reimbursable. Non-reimbursable operations include donations for programme aid (budget support), donations to international organisations or international financial institutions. Coinciding with the CPF period, the financial crisis and the resulting budgetary cuts in Spain restricted the use of non-reimbursable funds as they affect public deficit. As such, General State Budget Laws from

⁵⁴ Note that during the CPF period the FONPRODE Regulation has been modified. From 2011 to 2014 it was regulated by Law 36/2010; and in 2014 the Law 8/2014 (Second Final Provision) amended the aforementioned Law 36/2010

2013 onwards prevented FONPRODE to use non-reimbursable resources, which had major consequences in Spanish Cooperation's programme in Ethiopia, as it will be further explained on section 3.5.3. (PBS).

In terms of reimbursable cooperation, FONPRODE operates through i) granting loans and lines of credit on concessional terms to States and Public Administrations and also to microfinance private or public institutions to support the productive social fabric (inherited from the former FCM), as well as ii) the acquisition of direct or indirect equity and quasi-equity in financial institutions or financial investment vehicles aimed at developing production or supporting small and medium size enterprises with capital from beneficiary countries. However, during the CPF implementation none of these options were finally used. On one hand, the law regulating FONPRODE prevents low-income countries to access state loans to finance basic social services, and operating with countries with high risk of unsustainability of public debt⁵⁵. Regarding microcredits the evaluation team has been informed (although no documents have been provided to support this information) that FONPRODE management felt that regulatory constraints in Ethiopia made it virtually impossible for the country's micro-finance entities to borrow abroad and to obtain the necessary foreign currency to eventually make the investment re-payments to the Spanish Cooperation.

3.5 OPERATIONAL LEVEL: CONTRIBUTION TO DEVELOPMENT RESULTS

As mentioned in the chapters on methodology (Chapter 2.1) and limitations of the evaluation (Chapter 2.3.), the CPF is formed by a wide variety of interventions rather than a single structured programme. In terms of the intervention logic, the CPF defines the upper level of the results chain: the outcomes and impacts it wants to contribute to, taking national indicators and targets as reference. However, it fails to define specific targets at output level that depend on the aggregated effects of the different interventions, which were not fully defined at the time of the formulation of the CPF. As a result, not only it is not possible to use these chains of results to assess to what extent the Spanish cooperation has contributed to overall objectives, also it would render invisible the work done mainly at the level of activities and products which are not explicit in the CPF. Thus, in order to overcome these shortcomings the evaluation team has reconstructed the intervention logic in each of the sectors in which Spanish Cooperation has worked.

These reconstructions seek to provide more consistent and truthful frameworks based on which assessing what has been achieved by Spanish Cooperation throughout the whole spectrum of the implicit results chain. Therefore, the paragraphs below reflect these findings and not a comparison between what was done compared to what was explicitly proposed as planned originally. Finally, as reflected in the preliminary report and in the methodological proposal, the analysis is more exhaustive at the level of activities and products than at higher levels since the

⁵⁵ art 2.2y art 2.3 e) of modified Law 36/2010 in force since 2014

link between outputs onwards is weaker.

The following analysis is based on information gathered through different sources:

- Quantitative information is based on the list of interventions financed during the period 2011-2015 which includes the official public statistics regarding Spanish Official Development Assistance (ODA) for the years 2011-2014 and partial estimates of ODA 2015 regarding only AECID. This list breaks down interventions financed by the Spanish Cooperation actors that have contributed more than €100,000 in 2011-2014 according to ODA records. For smaller funders the information has not been broken down by intervention, but is reported in all graphs since the information is disaggregated by sector, instrument and type of channel of delivery.
- Documentary analysis of 46 interventions implemented mainly during the CPF period.
- 16 interventions have been visited on the field:
 - 11 interventions in the rural development sector, which represent 56% of total disbursements in sector during the CPF period.
 - 3 intervention in the health sector, which represent 86% of total disbursements in the sector during the CPF period
 - 2 interventions in Culture, financed before the CPF period.
- 15 interviews have been held, focused on obtaining project information implemented in humanitarian action, gender, culture, PBS, rural development and health sectors.
- Collected aggregated data on 19 interventions on rural development and 3 interventions on health through two specific sectoral online surveys.

Annex 10 shows the entire list of interventions for the period 2011-2015, detailing those visited, interviewed, who responded to the questionnaire and/or which documents have been examined.

3.5.1 RURAL DEVELOPMENT AND FIGHT AGAINST HUNGER

3.5.1.1 DESCRIPTION OF THE SECTOR

Sector's profile, national policy and institutional framework

Since 1993 with the launch of its Agriculture Development-Led Industrialization Strategy (ADLI), Ethiopia has centred its growth and poverty reduction strategy on the development of the agriculture sector. Agriculture represents 42% of the GDP (ATA Progress report) with around 80% of the population in Ethiopia living in rural areas where poor and food insecure households rely on safety net programmes. The sector remains dominated by subsistence and rained farming systems exposed to periodic climatic shocks (drought, floods) that reverse performance gains

with devastating effects on household food security and poverty levels. According to Ethiopia's agricultural sector Policy and Investment Framework 2010-2020 (PIF), in 2010 the sector involved "about 11,7 million smallholder households accounting for approximately 95% of agricultural GDP and 85% of employment".

Over the last years, the different national development plans (PASDEP (2005-2010), GTP I (2010-2015) and the current GTP II (2015- 2020)) recognize the importance of agriculture and its contribution to poverty alleviation and overall national economic and social development. In 2009, the Government of Ethiopia signed the Comprehensive Africa Agriculture Development Programme (CAADP) of the AU to stimulate agricultural production and productivity in the continent. The CAADP provides a strategic framework within which each country formulates its Policy and Investment Framework. The Ethiopia's agricultural sector Policy and Investment Framework 2010-2020 (PIF) provides a strategic framework for the prioritisation and planning of investments in the sector.

The Ministry of Agriculture (MoA) oversees the agricultural and rural development policies of the country on a federal level. The sector has a strong governance and coordination structure articulated through the rural economic development and food security working group (RED&FS) which was established in April 2008. Its objective is to ensure the government strategy of rural economic development and food security is effectively supported by development partners.

CPF approach and planned contribution to the sector

CPF is fully aligned with national policies and aims at increasing agriculture and livestock production and productivity with the double objective of fighting hunger on one hand and making agriculture a leading sector for the economy, on the other.

Overall, the approach of the Spanish Cooperation in the sector focuses on supporting small farmers and livestock breeders to increase their production and improve their food security and nutrition status, while increasing their profits in a sustainable, inclusive and environmental friendly manner. It seeks to support cooperatives and associations of small producers so as to improve market access for the products and increasing profits.

In order to do so, the CPF lays out the two following components taken from the AGP and the GTP and links them to national results and indicators.

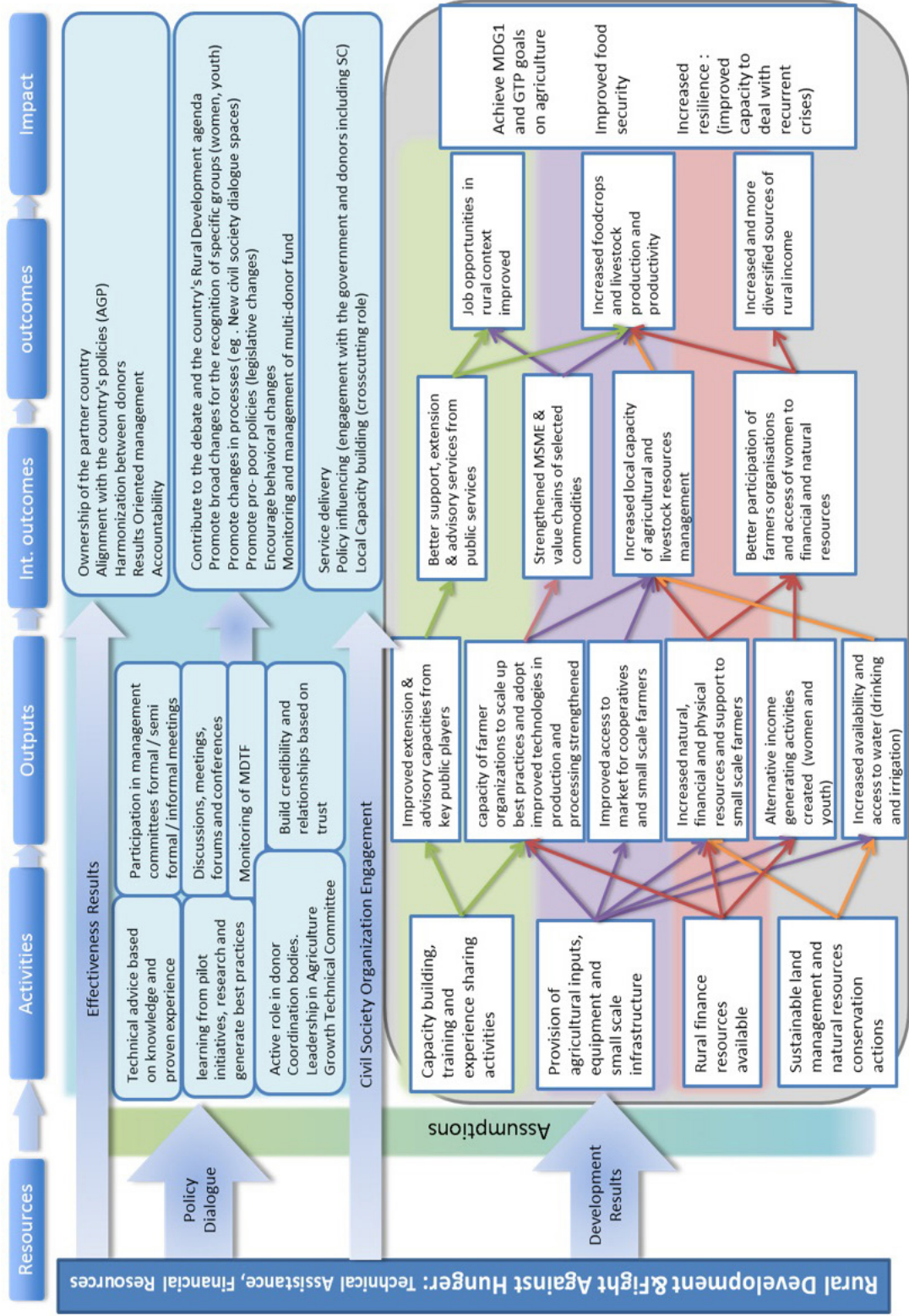
1. Improvement of agricultural and livestock production and productivity.
2. Improvement of market access for small farmers and commercialisation of food staples. Contribution to the creation of small enterprises of agriculture and livestock product transformation.

However, besides selecting national components and indicators to which the Spanish Cooperation intends to align and contribute to, the CPF does not define a clear roadmap on how this will be achieved. That is, the CPF does not articulate a results chain that sets what is to be achieved through the strategy of the Spanish Cooperation in the sector and what are the logical and expected cause-effects relationships among the different elements of the chain.

Reconstruction of the strategy

As shown in the graph below, by increasing agriculture production and productivity, ultimately these interventions seek to increase food availability so as to achieve food security, build resilience and attain MDGI and GTP goals.

Chart 15. CPF reconstructed intervention logic: RURAL DEVELOPMENT AND FIGHT AGAINST HUNGER



Source: prepared by the authors

3.5.1.2 WHAT HAS BEEN DONE?

Budget distribution by instruments

Sector's mapping shows 77 interventions during the period 2011-2015, for a total ODA disbursement of €29,102,177.05 . 90% of funds were disbursed by AECID, followed by Cataluña (4%) and a number of Spanish autonomous regions and local governments with less than 1% share each.

Spanish Cooperation support has been channelled through several instruments:

- Pool Fund: 18.9% of the total AOD disbursed in the sector has been channelled through contributions to the Agricultural Growth Program (approx. 2,5% donor contribution to AGP I)
- Programmes and Projects: almost 81% of the funds have been channelled through this instrument.
 - NGOs interventions: More than 94,5% of the funds allocated to programmes and projects have been executed by NGOs.
 - Direct contributions to the Ministry of Agriculture, including support to the RED&FS Secretariat, and support AGPII formulation (1,9% of the funds).
 - Public-Private projects (2,2% of the funds).

Assessment of activities, outputs and results achieved

While all interventions aim at contributing both to fighting hunger and to strengthening agriculture as a driving sector for the economy, the documents review and the interviews with former and current members of the Spanish Cooperation office in Ethiopia show that broadly speaking, implicitly, the view was that AGP and private-public interventions would focus on the production and commercialisation side whereas NGOs interventions would address rural poverty by reducing vulnerabilities and improving income through increased farmers production and productivity. However, the documents review, the site visits and the questionnaires reveal that the type of activities implemented, regardless of the modality used, are very similar.

What activities have been carried out?

The bulk of efforts have been placed in three main type of activities: a) Capacity building, training and experience sharing activities; b) Provision of agricultural inputs (seeds, tools, fertilizer, packaging, etc.) and equipment (vehicles, furniture, computer, generator); c) Construction/rehabilitation of small scale rural infrastructure (rural road, access to potable water, irrigation schemes, bridges, water pumps, storage facilities, market stands, etc.). These are central activities in most of the interventions.

By contrast, the following activities, less frequent, are secondary: d) Financial resources and rural financial services availability (rural credit and insurance, revolving funds, microcredits, strengthening of SACCOs, income generating activities, saving schemes); e) Sustainable land management and natural resources conservation (soil conservation, rangeland management, terracing, reforestation, tree planting, etc.).

When “efforts” refer only to financial resources, not surprisingly hard activities such as infrastructures and provision of inputs and equipment clearly stand as the most resource-consuming activities followed by softer activities related to enhancement of capacities. The paragraphs below describe what these activities have consisted of and how they have contributed to the achievements of the different outputs.

OUTPUTS

Improved extension & advisory capacities from key public players

Overall, programmes funded by the Spanish Cooperation both through direct support to the AGP or through NGOs, have sought to strengthen the advisory and technical services provided by public players in order to better respond to farmers and rural stakeholders’ needs. Through field visits and interviews conducted with government technical staff at zonal, woreda and kebele level in Oromiya, Somali and Amhara, the evaluation team has confirmed that all rural development interventions funded by the Spanish Cooperation are implemented together with local authorities. Although the level of participation in the implementation varies from program to program, in general terms it can be said that there is a close interaction and that the programmes have benefited the technical services at least by providing training (managerial to technical skills) and much needed equipment (transportation logistics (bikes and motorbikes, and fuel), office furniture, etc.). This has undoubtedly improved the capacity of the staff in the agricultural offices at woreda level to undertake its activities.

Private-public interventions merit a separate mention, as except one, most of them did not specifically include any component on improving public players capacities. During the field visit, the manager of the KifleBulo apple seedling producer (Production and Distribution of Apple seedlings project) did mention that on occasions staff from the agricultural services participated during regular demonstrations to client farmers on how to best manage the newly acquired seedlings. Yet, the objective was not to reinforce public players and in that sense it is difficult to see these programmes as contributing to strengthening the capacities of public services to better support farmers.

While the frequency of service as well as staff knowledge are likely to have increased during the implementation of the programmes, it is difficult to measure the extent to which this has improved the quality of the services provided globally.

Farmer organizations capacities to scale up best practices and adopt improved technologies in production and processing strengthened

Programmes implemented both by NGOs and by MoA (AGP) have either created new or built on existing multipurpose cooperatives and/or unions of cooperatives. In addition, one intervention funded through the Business CAP also aimed at strengthening a union of cooperatives in Oromiya and another one sought to reinforce the Horticulture Producers Association by supporting the creation of a resources centre. As such, considerable efforts have been put to build the capacity of these organisations by for example improving their managerial capacities, and their accounting and bookkeeping skills. Also, improved agricultural knowledge and techniques have been encouraged, inputs provided (tools, seeds, fuel, pesticides etc.) and infrastructure constructed (warehouse, shops, office). Since the Government distributes agricultural inputs and fertilizers through cooperatives, the proximity and access to nearby cooperatives is of key importance for many farmers in Ethiopia. Therefore, by promoting the creation and/or consolidation of cooperatives, and particularly by constructing storage facilities for cooperatives, programmes



Agricultural Cooperative in Oromiya

have improved access to fertilizers, seed suppliers and other subsidized consumables such as sugar. In some of the interventions visited, cooperatives have mentioned that in addition to access inputs, storage facilities have been instrumental to save money (from renting) and as collaterals to access loans from commercial banks. A main difference observed during the field visits between NGOs interventions and AGP is that the NGOs programmes not only provide trainings and supplies but also inject capital as revolving funds in cooperatives.

Capital injection is very appreciated by beneficiaries, as it responds to one of the problems verbalized in interviews during field visits, that is the lack of capital to finance marketing operations (farmer cooperatives), or to provide credits (SACCOs). With capital injection, grassroots organizations are strengthened and when funds are well managed, capital may increase progressively. However, when only one time in kind contribution is provided, there is more risk of capital depletion, since the inputs are spent and not replaced, as reported by AGP staff during the field visit.

Agricultural cooperatives seem to have a positive effect on making available better market information to farmers and improving their bargaining power with middlemen and brokers. This has been expressed in interviews regarding NGOs interventions and in the case of the union of cooperatives supported through business CAP. According to these interviews, by having better information regarding prices fluctuations, product demands and market places, farmers

can better plan crops, make decision on what to grow and improve their negotiation power. However, based on site visits, the linkages with market seem to be stronger in Arsi (Oromiya), than in Somali region where visited interventions show that the focus has been on the production side rather than commercialisation. However, overall, the evaluation team has not found a solid value chain approach in the interventions analysed. Rather, programmes tend to focus on one single economic agent (producer) and one set of activities (production) instead of looking at the interdependence of economic agents and activities along the chain.

Though the evaluation team is mindful that visited programmes are likely to be the best performers, it is worth highlighting that interviewed farmers have mentioned that through programmes and action of the cooperatives production, income and saving have increased.

Improved access to market for cooperatives and small scale farmers

With access to markets being one of the primary constraints faced by smallholder farmers, AGP seeks to strengthen rural market development to enhance the profitability of agricultural activities and links to agro-processing. To do so, the target of the AGP was to build 800 km of rural roads and 80 footbridges together with market improvements. From the start of the program to date, construction contracts were entered for a total of 95 feeder road covering 638.96 km, from which 83% have been completed, 142 foot bridges have been constructed and 85 primary market centres are completed and other 4 market centres are currently under construction (AGP JRIS March April 2016 Aide Memoire). During the visit to the AGP in Amhara the evaluation team visited a suspension bridge constructed to connect two isolated communities that had difficulties crossing the river especially during rainy periods. The bridge has facilitated an easy access to social services like health centres and schools. In addition, it has facilitated market access for the two communities. Both in Amhara and Oromiya, the team also visited market-shed infrastructures. In Amhara, as per the interviews with local officials, the new market infrastructure is believed to cut the time required to go to market by half and improve the way trade takes place.

Besides physical access to market some interventions have improved access to market information (as seen previously) and also increased market linkages between actors. For instance, the union of cooperatives supported through the business CAP reports that the programme has enabled the union to establish direct links with consumer associations in Addis Ababa.

Increased natural, financial and physical resources and support to small-scale farmers

As described under several outputs, small-scale farmers production capacities have been reinforced through providing agricultural supplies (seeds, tools, fertilizer, packaging, etc.), equipment (vehicles, furniture, computer, generator), financial resources (see paragraph below) as well as by improving natural resources. Regarding the latter, some of the programmes have conducted activities of soil conservation, rangeland management, terracing, reforestation and tree planting in order to reverse or minimize environmental damages that have an impact on agricultural yields. As per the information gathered, these activities have been conducted with the participation of local communities so as to promote improved natural resources protection and management. However, during the course of this evaluation, it has not been possible to verify the extent to which these activities have had an effect in reversing depletion of resources and favouring a restoration of means of production. As seen previously, the activities on sustainable land management and natural resources conservation have had less weight in the interventions.



Market-shed infraestructure in Oromiya

Alternative income generating activities created (women and youth)

Besides the multipurpose cooperatives, AGP focuses on the promotion of Common Interest Groups (CIGs) targeting vulnerable women and youth. These groups constitute a precursory form of cooperatives although the approach is different. Unlike cooperatives, the members of the CIG share a common business, which requires people to work together as business partners. This has proven to be challenging in some cases as reported in Amhara during the visit. AGP provides in kind contribution to promote small rural businesses such as fattening of small ruminants, bee-keeping, poultry, milk processing tools, etc. However, according to the interviews conducted with some CIG members Oromiya technical support is low and may hinder the sustainability of the initiatives.



Women SACCO in Oromiya

On the contrary, the programmes supported by NGOs have included a strong support to savings and credit cooperative societies (SACCOS) and Unions of SACCOS. Programmes have trained members in basic cooperative principles, values and practices, as well as in financial literacy. In addition, they

have provided technical support and capital injection to establish revolving funds for saving and credit among members. Capital fund also serves as collateral to facilitate access to banking credit. The underlying objective is to promote saving culture and assets building. The group interviews held during the visit showed SACCOS are mainly formed by women. Some examples of alternative economic activities that have been promoted include cooperatives dedicated to beekeeping, livestock, poultry and natural resources management.

Based on the information gathered during visits, in overall terms, cooperatives seem to be working well, members report increase in yields and income. However, as mentioned earlier, an issue that does not seem to have been fully addressed is commercialisation and marketing. Aspects related to access and transportation, contact with wholesalers, market research and studies of the value chain are not well addressed in the programmes, particularly those in the Somali Region. This is a common problem with many cooperatives, which hinders their growth and/or sustainability. Possible factors to explain this may be related to the limited timeframe to consolidate this type of activities, which ultimately seek behavioural changes and entail overcoming cultural barriers.

Increased availability and access to water (drinking and irrigation)

Through both AGP and NGOs implemented programmes, Spanish Cooperation resources have funded the construction, rehabilitation and upgrading of **irrigation** schemes. According to AGP JRIS March April 2016 Aide Memoire, the target regarding irrigation schemes has been exceeded. Similarly, water schemes promoted through the NGOs programmes have the potential to increase the number of irrigated hectares. From the visits conducted and the information gathered, the evaluators can only attest that the irrigation infrastructures are undeniably raising the potential for increasing the surface of land irrigated. However, verifying the actual increase has not been possible since the infrastructures visited were not operational. Unlike in Oromiya, in Somali and Afar regions, water infrastructures have addressed the shortage of potable water by improving and/or building drinking water infrastructures both for human and animals. These include hand dug wells, ponds, hafer dam, birkats, etc.



Hand dug well in Somali

Information gathered through documents review, interviews and field visits shows that the construction of small rural infrastructures by NGOs has faced considerable challenges both from a technical and financial perspective. On the technical side, some of the programmes visited have been implemented in physically harsh and difficult to access areas, which have made the construction technically complicated. Insufficient engineering capacity, problems to find local expertise and constructors and lack of know-how from the NGOs side has been reported as main challenges to implement these

infrastructures. In terms of finance, high construction prices, constructors' turnover and inflation⁵⁶ have also increased the costs of these infrastructures which make the team question the efficiency of undertaking them. Sustainability and maintenance remains a big challenge. On this issue, the evaluation team considers that there is room for further complementarity and experience sharing between different interventions funded by the Spanish Cooperation. In the visits conducted in Somali region, maintenance of water pumps provided through programmes has clearly stood as a main challenge, some of them being out of order. However, at the same time, Spanish Cooperation has been supporting the capacity of the Ministry of Water and its regional bureaus to maintain and repair water infrastructures and equipment through two projects implemented by one NGO.



Broken water pump in Somali

Around the small-scale irrigation infrastructures and the drinking water schemes, existing or new Water users' associations have been promoted. The AGP JRIS March April 2016 Aide Memoire mentions that "as result of the efforts proper utilization of water has reportedly increased, conflict between members has reportedly decreased and confidence of resource use right has also reportedly increased". Regarding water users' associations created within NGOs interventions, the evaluation team finds difficult to assess their performance since some of infrastructures visited were not functional at the time of the visit.

3.5.1.3 INVOLVEMENT OF THE PRIVATE SECTOR IN RURAL DEVELOPMENT

The set of five projects funded through the business CAP needs to be analysed separately. These projects are referred to as public-private projects funded in 2011 following a specific call for proposals from AECID aimed at stimulating the participation of the private sector in development. As per the ToRs, the evaluation team was requested to specifically look at this set of programmes so as to compare the results with those of NGOs-implemented programmes or even other aid modalities. It is important to clarify that the evaluation team considers that there is little to no room for a reasonable comparison: first, the difference in size of funds and budgets are too big; second, the programmes have been implemented in different regions and areas; third, they differ in nature, goals and expected results, and last but not least, nor the design or implementation of these programmes envisaged such a comparison and therefore no mechanism to collect comparable data was put in place.

⁵⁶ According to the Government "The 12 months moving average general inflation rate increased to 18 percent in June 2011 and further to 33.7 percent in June 2012" (GTP II Document)

However although the comparison is not possible, the evaluators believe it is still very relevant to look at how this new mechanism has worked and to what extent it fits in the overall strategy of Spain within the rural development sector. At the end of this section, a table summarizes strengths and weaknesses of the instrument.

The informants specifically interviewed on this subject explained that although the private sector had traditionally been seen by AECID as an actor in development, there was no solid experience and no precise funding mechanism. In 2011, this mechanism was created as a pilot experience with a specific call for proposals with the overall goal of promoting inclusive and environmental sound growth, job creation (especially women), business oriented activities, strengthening SME, productive capacities and value chains, etc. This was a generic call not geographically earmarked. Thus, although enhancing private sector participation in Agriculture was (and still is) a priority of the Ministry of Agriculture, the instrument was not tailored to the specific needs, challenges and opportunities of the private sector in Ethiopia.

As shown in the table below, five projects were approved in Ethiopia for an overall amount of €576,959, the largest portfolio in Africa. A first observation is that under “private sector” different types of institutions were involved: two Spanish businesses, one Ethiopian Association, one Ethiopian cooperative and one Ethiopian private business. Also, these projects spread across four different regions of the country and only two of them in one of the CPF prioritized region for rural development. From the interviews conducted it is unclear to the evaluation team whether this variety of actors and locations was intentional or not. It would be conceivable that, this being a pilot initiative, the decision maker wanted to compare the work with different private sector agents. However, none of the documents mention this nor the interviews are conclusive on this matter.

For this evaluation, available documents of the programmes have been reviewed, two site visits and several interviews conducted.

Business strengthening through Arba Minch University via technology transfer of photovoltaic pumping equipment.	€66,959	Spanish Private sector/business	SNNPR
Creation of mixed production unit: Fruit and Cheese Factory. phase I	€200,000	Spanish Private sector/business	Awasa
Strengthening of horticulture producers and exporting Association in Ethiopia	€70,000	Ethiopian NGOs/association	Addis Ababa
Strengthening 120 farmer cooperatives to improve access to market information and increase marketing agreements	€40,000	Ethiopian Private sector/ cooperatives	Oromiya
Production and Distribution of Apple seedlings	€200,000	Ethiopian Private sector/Business	Oromiya

Despite being a pilot initiative, the evaluation team has found that Spanish Cooperation did not conduct any specific situation analysis of the business/private sector environment, which would have shed light on the potential and challenges of the private sector to contribute to rural development in Ethiopia. As seen, private sector and agribusiness development is a clear strategic objective of Ethiopia in the frame of accelerating rural development and reducing poverty. It is striking that Spain having such a strategic position in the sector, did not use this mechanism as a complementary instrument to strengthen its work within the sector. On the contrary, this was a separate call, not coordinated with AGP or the RED&FS in the Ministry of Agriculture, and as such it has remained as an isolated experience without solid connection with the work that it is done in the sector.

From the site visits and interviews to the stakeholders directly involved in the different programmes, it is difficult to draw definitive conclusions regarding the overall contribution to development results, besides the specific benefits that each project has brought to beneficiaries.

In the case of the support to the cooperatives union in Oromiya, the project seems to have allowed similar type of achievements as those produced by projects implemented through NGO in support of the cooperatives, particularly in reference to increasing market information and better negotiation power of the members. The interview made to the Horticulture Producers Association shows that the support of the resource centre has been beneficial but punctual without further impact.

More, in the evaluators' opinion, the justification of some of these interventions seems questionable. This is the case of the two largest projects in terms of funds, which involve private business companies. From the documents reviewed, the site visit and the interviews conducted, it is unclear to the evaluation team which were the development benefits expected from this financial support. The use of public funds to subsidize these two individual businesses has not been sufficiently justified. Unfortunately, the team was not provided with the appraisal documents that conducted to these programmes' approval so it is not possible to judge the assessment criteria used (if any) and their coherence. Also, no specific evaluation has been conducted regarding these programmes. In any case, undoubtedly the manager of the private nursery visited has used the resources received to improve the business by upgrading the nursery equipment and facilities. According to the interview resources have allowed the business to gain market share. However, beyond these immediate outputs, the evaluation has found no evidence that the resources provided have had larger benefits such as the strengthening of the rural business fabric or overall farmers' capacities or rural services development. There are no data regarding the number of jobs created but some sources have questioned whether new jobs have actually been created and the quality of the working conditions, although the evaluation team has not verified this information. Overall, the team questions the legitimacy, the limited transparency of the process and the purpose of this support.

The following table shows a summary of strengths/opportunities and weaknesses/ limitations of two instruments: Business CAP and NGOs projects and agreements. It is important for the evaluation team to clarify that the purpose of the table is not to compare how different instruments have had different impact on the results achieved. As mentioned at the beginning of this section, the team noticed the methodological flaw of such exercise due to the lack of sufficiently solid criteria to allow a judicious comparison.

	Strengths/Opportunities	Weaknesses/ Limitations
Business CAP	<ul style="list-style-type: none"> • Promoting and strengthening the role of private sector in agriculture is a priority of the Ethiopian Ministry of Agriculture. • Allowing the Ethiopian private sector to access credit and finance and exchange of knowledge and expertise. • Serving as collateral to access rural credit. • Allowing to directly fund local business, cooperatives and organisations without the need of intermediaries. • Offering opportunities for the Spanish Cooperation to identify areas for private sector enhancement. This is the case of the "Agribusiness Market Development Program" funded by USAID as contribution to AGP. 	<ul style="list-style-type: none"> • Lacking clarity/definition regarding development objectives: What are the challenges for private sector involvement in the Ethiopian agriculture? What specific areas does the Spanish Cooperation want to support? How? What technical, financial, legal resources are available? • Lacking differentiation between supporting Ethiopia private sector development in agricultural production and commercialization and promoting Spanish private sector involvement in Spanish development policy. • Limited transparency in the appraisal and selection process of projects. • Limited resources envelope. • Implementation timeframe too short to allow for long lasting changes. • Scarce experience of Spanish business in development programmes.
NGOs Projects and agreements	<ul style="list-style-type: none"> • Presence in remote areas with vulnerable communities. • Strong work experience with cooperatives • Alignment with public policies and development plans. • Coordination and dialogue with local administration and authorities. • Good command of participatory identification, management and social mobilisation techniques with sensitivity to vulnerable communities. • Proximity to communities and continuous support. • Agreements: timeframe and budget size are significant enough to enable durable changes. 	<ul style="list-style-type: none"> • Limited experience and knowledge in terms of private sector fabric enhancement, value chains strengthening and commercialization. • Inadequate recognition from the Ethiopian Government which leads to significant levels of vulnerability for NGOs. • Limited sustainability of medium to large scale infrastructures. • Projects: limited timeframe and budget. • Risk of proliferation of multiple small-medium size projects in the sector with loss of strategic vision.

3.5.1.4 RESULTS ACHIEVED

This section attempts to provide an overview of the overall development results achieved in the sector during the period. As mentioned previously, it is not possible to measure the direct contribution of Spanish Cooperation funded interventions to these results. It is however relevant to know the evolution of the sector so as to appreciate the extent of alignment and coherence between the trends of Spanish Cooperation programmes and the national trends.

Based on Government's assessment of the GTPI, real agricultural GDP growth during the plan implementation period reached an average of 6.6% per annum, below the 8% annual average growth set target. The assessment finds that production of major crops by smallholder farmers during the Meher season (main season from September to February) experienced a 50% increase, from 180 million quintals in 2009/10 to 270.3 million quintals by 2014/15. An estimated 2.34 million hectares of land is developed through small-scale irrigations schemes during the plan period. At the same time, the average productivity of major crops by smallholder farmers for the main season is reported to have increased from 15.7 quintal per hectare in 2009/10 to 21.5 in 2014/15. The average productivity per year during the implementation period of the GTP did not meet the target set by the Government.

As such, the Government recognizes that performance to bring about commercialization and transformation of the sector from subsistence farming to high value crop production has been below expectations. This underperformance is associated to "the coverage and quality of implementation of the agricultural extension system. The coverage and quality of the agricultural extension system was planned to be scaled up via mainly social learning among community development groups ('agricultural development army')".

These findings seem consistent with the trends seen in the programmes funded by the Spanish Cooperation.

3.5.1.5 AID EFFECTIVENESS AND POLICY DIALOGUE

As seen at the beginning of the chapter, rural and agricultural development is a cornerstone of the development policy of the Ethiopian Government. The Government has a clear leadership and ownership in the implementation of the policy and in structuring the sector with the different key actors. Over the past years, Spain has aligned its efforts with the policies and integrated into existing structures as an active member.

In terms of the principles of aid effectiveness, overall there are two main trends.

1. First, the support provided through the AGP and through the participation in the agriculture related coordination structures (more details below) represents a good example of alignment and harmonization. All funds go through one single programme with one single budget and one single reporting mechanism. Spain participates in the governance and coordination structures and has a coordinated dialogue with the Government within a platform of key partners. The design of the AGP program established implementation support and review mechanisms in which the OTC-Ethiopia has participated in different ways. One of the instruments are the JRIS (Joint Review and Implementation Support) missions, which are conducted twice a year and in which a multidisciplinary team of technical experts from the World Bank, as well as other donors and implementing agents (including regional governments and district) analyse each of the relevant aspects of the program establishing diagnoses, recommendations and conclusions. According to the MoA, ten missions have been conducted since the beginning of the AGP, which have included the participation of Spain. Reviewed documents show that the OTC considers the AGP the first priority within this sector not only because of its perceived greater impact but also because it meets the criteria of aid effectiveness, having been assessed as efficient resources (“Fichas de desembolso 2014”).
2. Second, the largest volume of Spanish Cooperation funds to the sector is channelled through approx. 55 interventions implemented by NGOs and other non-Government institutions (i.e. via channel 3). Although, the assessment has shown that most of these interventions are overall aligned with government policies and priorities, they are individual programmes and projects underway by numbers of different organizations and lack a harmonized approach. This proliferation of programmes and parallel management structures with their own cumbersome practices, procedures, terms and conditions contribute to increase the administrative burden of public institutions. When it comes to these programmes, the OTC support seems to be mainly focused on assisting individual projects and programmes.

Policy Dialogue

Spain has been a very active member of the RED&FS working group since its inception. The rural economic development and food security working group (RED&FS) was established as part of the 11 Thematic Working Groups associated with the Development Assistance Group (DAG). It is a Joint Government and Development Partners platform, bringing together the Ministry of Agriculture and 22 major multi and bi-lateral institutions engaged in the agriculture sector. The objective of the SWG is to ensure the government strategy of rural economic development and food security is effectively supported by development partners. In doing so, the group aims at improving communication and cooperation among stakeholders, mobilizing adequate resources in pursuit of Government identified development goals, improving harmonization and alignment of support for the sector and enhancing aid effectiveness in line with the principles of the Paris Declaration. The RED&FS agenda has three sub-components or pillars, namely: Disaster Risk Management and Food Security (DRMFS), Sustainable Land Management (SLM), and Agricultural Growth (AG). Each cluster has its own Technical Committee (TC). Two of the TCs (Sustainable land Management and Food Security) were already in place during the formation of the SWG. The third TC (Agricultural Growth) was formed following the establishment of the SWG.

For the past three years up to August 2016, Spain has financially supported the Secretariat of the RED&FS. Besides financially contributing, Spanish Cooperation has technically been involved in different discussions, forums and dialogues concerning the sector as well as joint planning participation, review and missions. Promoting common intervention frameworks across technical working groups as a way to break the silo approach is an example of a recent contribution to these technical discussions.

In addition, within the RED&FS, Spain has been very involved in the Agriculture Growth Technical Committee (AGTC). Jointly with other donors, the Spanish Cooperation has contributed to define the priorities for agricultural growth and to shape what later became the AGP I. Spain was co-chair of this committee from 2013 and 2015 and as per the request of the MoA remained co-chair even beyond the two years mandate.

It is important to note that generally speaking, the development partners that have been consulted during this evaluation consider that within coordination structures such as the RED&FS, the dialogue revolves mostly around "fine tuning" operational issues more than around orientation of policy changes. It is commonly recognized that the Government is rather disinclined to have open public discussions on policy orientation. Still, the importance of being part of joint government and donors' dialogue and coordination structures such as the AGTC should not be underestimated. The AGTC offers a unique platform where the potential for change that a program like AGP generates can be optimized. From that perspective for example, discussions around AGP performance, achievements and challenges can be seen as opportunities to address more fundamental issues such as the legislation on seeds, restrictions to private sector investments or others.

During the interviews, different stakeholders have commended the support provided by Spain and the commitment to maintain its engagement even in the face of difficult financial restrictions during the crisis. In that sense, different persons have suggested that the value of the Spanish Cooperation may not rest so much on the volume of its financial contribution but rather on the consistency and sustainability of the support and the relationship of trust it has built over the years. This commitment together with the constructive and open spirit of Spanish Cooperation representatives of the OTC is believed to have had a certain galvanizing effect among the stakeholders as a rallying focus for agricultural growth. As such, Spain is overall well valued and has managed to maintain a privileged place as a key donor within the sector despite the modest amounts it provides compared to other big players such as the World Bank, USAID and other donors. It should be noted however that throughout the evaluation it has become clear that this positive impact is often associated with specific individuals' attitudes and engagement. Therefore, efforts should be made in the future to ensure that these "political capital" gains are not lost.

Notwithstanding all of the above, it is important to remind that the largest proportion of Spanish Cooperation funds is channelled through channel 3 and therefore is somehow invisible since this aid channel modality is not considered in the sector working group, the coordination structures and policy dialogue opportunities mentioned so far. This does not question the validity of the work of the NGOs but demands more efforts to improve recognition, coordination and complementarity among different types of interventions. Failing to do so may overrule the efforts

made to harmonize with the Government.

In this sense it is necessary that Spain takes more knowledge and practices generated through projects implemented by NGOs. Because of their geographical reach and presence in more remote areas and their outreach work, they can provide valuable information and experiences that could be moved up and incorporated into the dialogue with policymakers.

3.5.2 HEALTH

3.5.2.1 DESCRIPTION OF THE SECTOR

Sector's profile, national policy and institutional framework

Since 1996, Ethiopia has implemented four consecutive Health Sector Development Programmes (HSDP), which have provided the Ministry of Health with the policy and strategic framework for improving health in the country. The HSDP IV for the period 2011-2015 is currently in force. At the same time, the successive national development plans express the Government of Ethiopia's priority for the health sector. The GTP I, which coincides with the period of implementation of the HSDP IV, prioritizes primary health care and preventive services and improving the effectiveness of services in relation to availability of drugs.

Comparisons between the Ethiopian Demographic Health Surveys of 2005 and 2011 indicate that Ethiopia has made substantial progress: e.g. under five mortality fell from 123 to 68 per 1,000 live births; contraceptive prevalence rate increased from 15% to 29%; skilled birth attendance doubled from 5% to 10% of deliveries; and stunting in children under five was reduced from 52% to 44%⁵⁷. Despite these improvements huge challenges remain. Estimated life expectancy at birth is 57 years for males and 60 years for females. The burden of disease measured in terms of premature death is estimated at 350 disability adjusted life years lost per 1000 population, which is the highest in sub-Saharan Africa⁵⁸.

CPF approach and planned contribution to the sector

The health sector was already a priority for Spain in Ethiopia when the design of the CPF started. In fact, health represented 25% of the budget in the period 2007-2010. In the year 2008, Spain together with other donors, signed a Code of Conduct, the Compact of the International Health Partnership (IHP) to apply the principles of the Paris Declaration in the health sector (one of the main agreements consists in allocating at least 90% of the resources in health sector to the public system). That same year, the SDG Performance Plan was jointly created and promoted by the Ministry of Health and several donors such as DfID and Spain. Thus, the foundations for the good performance of the Spanish Cooperation with the principles of aid effectiveness were laid out during this period based on the strong leadership and ownership of the sector by the Government of Ethiopia and the Ministry of Health in particular.

⁵⁷ National Indicative Program for Ethiopia 2014- 2020, European Union

⁵⁸ World Health statistics 2010. World Health Organization

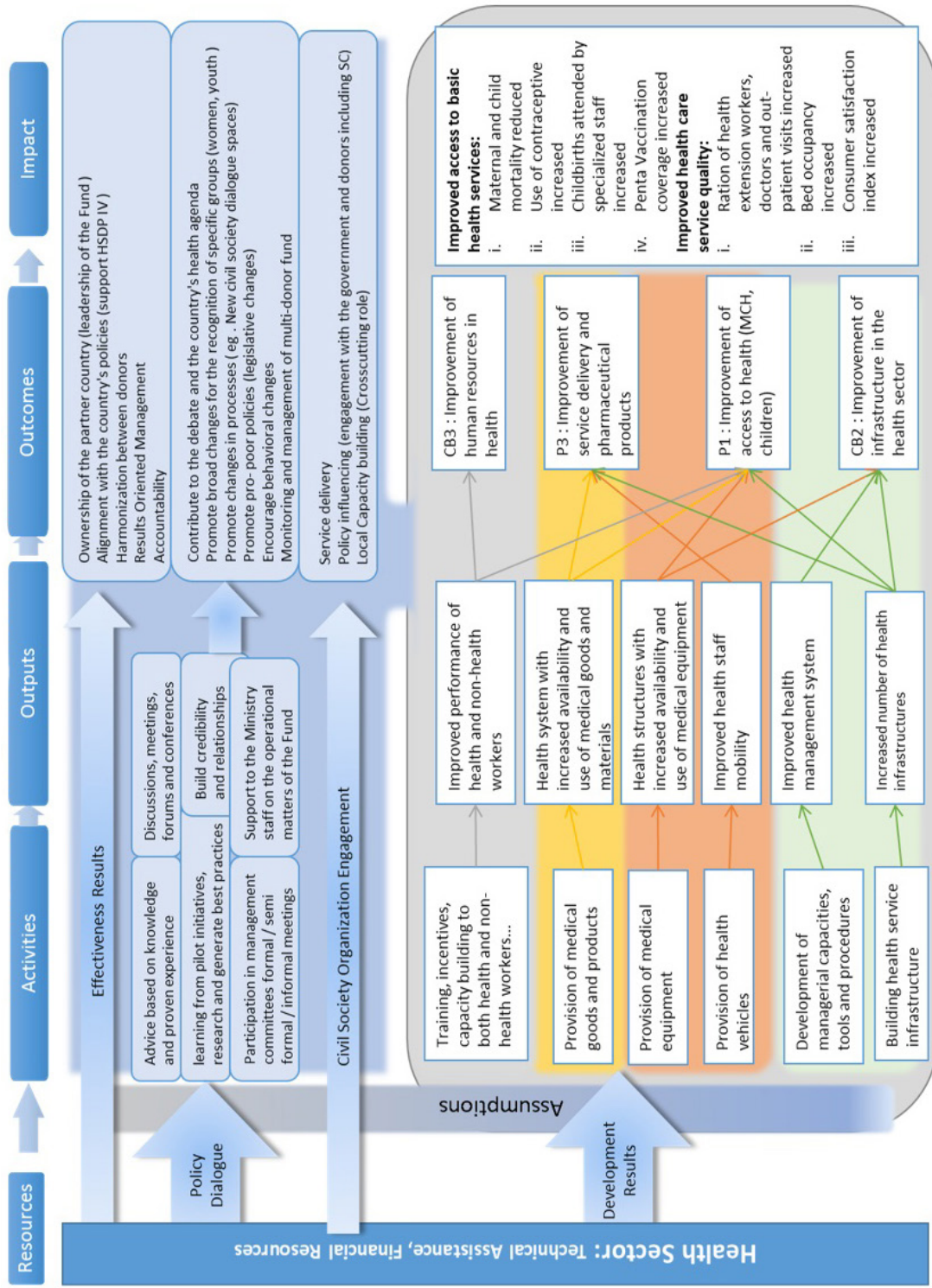
In the CPF, Spanish Cooperation planned to work in two components: i) Improve access to the health services; ii) Improve the quality of the health services. The SDG fund pool was the instrument chosen to support the first component. With regards to the second component, the idea was to contribute to the hospital reform in the country through specific interventions regarding: a) accompaniment, training and technical assistance; b) timely support at the regional level and c) triangular financial cooperation. The Spanish Cooperation has not developed this last type of instrument in the CPF period. The strategy was to directly support the Ethiopian public health system, reducing the number of interventions outside this line of work (such as collaboration via NGOs). Thus, rather than developing a complete diagnosis and concrete design of the work in this sector, the CPF formalized what had been done so far, confirming the strong commitment to the public system and ordering the lines of work.

This alignment with public policy does not require a specific diagnosis, or an exhaustive process of planning. Nevertheless, in the CPF the only lines of work, results and indicators established are at such a high level that it is impossible to analyse the contribution of Spanish Cooperation and to monitor work. The decision to support the public system is consistent and positive, as are the national indicators selected to measure its progress at the global level. Yet, individual process and results targets together with a chain of results and a strategic sectorial framework are not included for the Spanish Cooperation. Failure to do so means that the type of efforts and work required to adequately support basket funds (attend coordination meetings, lead working groups, disbursement criteria, monitor the management of the Fund, etc.), the products derived from Spain's support (constructions, specific technical knowledge, etc) or the kind of activities that are funded, or their weight (training, infrastructure, acquisition of equipment, etc) remain undefined.

Reconstruction of the strategy

Due to the absence of a specific sectorial framework for the health sector, during the design phase of the evaluation logic of intervention was rebuilt with four levels in the chain of results and five areas of work derived from the following activities: training and development of capabilities; acquisition of goods and medical products; procurement of medical equipment; construction and development of capabilities and management tools.

Chart 16. CPF Reconstructed intervention logic: HEALTH



Source: prepared by the authors

3.5.2.2 WHAT HAS BEEN DONE?

Budget distribution by instruments

The mapping shows 71 interventions in the area of health (51 with less than 100.000 €) during the period 2011-2015, for a total of 12,047,983.05 € disbursed. 90,1% of funds were disbursed by AECID, 2% by Valencia, 1% by Madrid, Alcobendas Council, Catalonia, Asturias each; and the remaining funds by various funders investing less than 100.000 € (3,3%).

Spain's support is channelled through several instruments:

- **Basket Funds:** 83% of total AOD disbursed in the sector has been channelled through the Sustainable Development Goal Performance Plan/SDG Pool Fund.
- **Technical Cooperation:** 1,5% of total AOD disbursed in the sector:
 - Specialized technical projects such as the technical assistance for the implementation of health care insurance in Ethiopia.
 - Scholarships.
- **Programmes and Projects:** 15.5% of funds have been channelled through this instrument.
 - Direct contributions to the Bureau of Finance and Economic Development (BOFED) in Amhara Region for strengthening its health system.
 - NGOs interventions.

Assessment of activities, outputs and results achieved

The analysis conducted is based on five individual interventions, which represent 89.3% of the volume of funds in the CPF period (the remaining are 66 small interventions for a total of €1,376,199):

- Sustainable Development Goals Pool Fund (SDG Fund) (AECID's contribution).
- Strengthening of the health system and prevention in the Amhara region through the strengthening of the Hospital and regional laboratories of Bahir Dar (direct contribution from AECID to BoFED in Amhara).
- Strengthening of Ethiopian health system through the specialized training for nursing supervisors in Addis Ababa (implemented by FCSAI and funded by AECID).
- Technical assistance for the implementation of the health insurance in Ethiopia (jointly managed by FIIAPP and AECID).

- Improving access to primary health care and sexual and reproductive health services for youth and women in South Omo (implemented by AMREF and funded by AECID).

What activities have been carried out?

In the health sector Spain's largest volume of funds has been placed to a) provision of medical equipment (including health vehicles), since 65%⁵⁹ of SDG Pool fund expenses have been placed to this end; b) provision of medical goods and products (which engross 15% of SDG Pool Fund expenses); and c) construction of health infrastructures, since 10% of SDG Pool Fund budget is invested in this activity. In the remaining health interventions, where theoretically the Spanish Cooperation has greater decision-power, the effort has been focused on the construction of health infrastructures, and training and capacity building for both health and non-health workers. Finally, very little resources have been located for "development of managerial capacities and tools".



Training room in Amhara Health

OUTPUTS

Improvement of health and non-health workers' performance

According to the health survey, 7% of the SDG pool fund is aimed at training and skills development through the Health Extension Program (HEP). This activity is focused on improving the quality of the HEW rather than increasing their number. The SDG pool fund budget is not independent from the overall budget of the Ministry of Health and as such it is not possible to identify to what extent it contributes to each of the global results. Thus, the results hereunder are those reported in relation to the national policy. In relation to HEW, to maintain 2 HEWs per HP, a total of 3,644 students were enrolled for level III replacement training in 2015. To improve the quality of health extension services at community and household level, a total of 8,647 Level III HEWs were enrolled to be upgraded to level IV qualifications. Out of enrolled students in last 3 years, a total of 3,667 graduated and deployed back to their respective HPs. The remaining 4,970 were on training and should have been graduated at the end of 2015⁶⁰. This emphasis on the improvement of the quality was verified during the visit to one of the Health College in Amhara region.

⁵⁹ According to the health survey developed by the evaluators

⁶⁰ Annual Performance Report 2015- HSDP IV

With regards to the health system strengthening program in Amhara, training on prevention of infections, quality of the service of infirmary and management of the Hospital was conducted. With regard to the laboratory, the training was on microbiology and planning and management of the laboratory. It is difficult to assess whether the training offered to the hospital and laboratory of Bahir Dar has contributed to acquire and put into practice new knowledge. Several years have passed since the courses were offered, information has not been compiled, and their relative importance with respect to the total of the project was low. Even so, during interviews, the hospital staff and the laboratory had a positive appreciation of the trainings but were not considered as one of the main contributions of the project.

The bulk of the project regarding specialized training for nursing was devoted to training actions in four hospitals. The training program was structured in three common and six specific modules of training. The first ones were addressed solely to supervisors and midwives and focused on a theoretical level in the following areas. The specific modules were provided to supervisors, coordinators and technical staff of the various units and departments of hospitals. There is a great difficulty to assess the results of the training. In spite of the evaluation team attempts, it has not been possible to meet the Ministry of Health and FCSAI staff involved in the implementation of the project. However, sources of the OTC in this period and internal reports show that the Ministry of Health expressed its disappointment in the first phase of the project because the methodology used in the first two modules was too theoretical and not practical, as requested. In addition, there were problems with the language, which resulted in unforeseen expenditures on translators necessary to conduct the training. Thus, FCSAI with the support of the OTC, adapted contents of the remaining courses to the Ethiopian context and redesigned the program. After this adaptation, both the Ministry of Health and the staff trained, positively appreciated the training.

The final evaluation of the project *Improvement of access to primary health care and to sexual and reproductive health services for young people and women in South Omo*, shows that the knowledge and behaviours of the target population have improved in aspects such as the use of contraceptives, knowledge on HIV/AIDS, prenatal care, deliveries attended by trained personnel, consultations on sexual and reproductive health, etc.

Health system with increased availability and use of supplies and materials

The SDG Pool Fund contributed 15% of its budget in this endeavour. In the remaining projects, the contribution to this output is insignificant or non-existent. Within the SDG Pool Fund, the main products purchased are medicines, vaccines, contraceptives, supplies to the HPst, and medical materials. All of them are used in various programmes of the HSDP IV as the HEW; Maternal and new-born health; child health and communicable diseases. According to the HSDP IV annual report, more pharmaceutical products than those initially planned (ETB 12,6 billion compared to ETB 12,2 billion) have been distributed to health centres in the country.

Health structures have greater availability and use of health equipment and health staff mobility

This is the output to which the SDG pool fund has allocated more funds (65%). Health posts and hospitals were equipped and furnished. Procurement of medical equipment for emergency service like operation theatre and intensive care unit was funded by SDG pool fund. In addition, equipment for new-born corner, refrigerators as well as spare parts for cold chain equipment, and ambulances at woreda level were provided. According to the director of the Laboratory of Bahir Dar one of the greatest contributions received has been the equipment of microbiological analysis, which is still in use. In AMREF project, 12% of funds were used for the procurement of medical equipment. Eight Health Posts have been equipped and three youth centres have been built. The training for nursing supervisors' project and the one for the implementation of a health insurance have not invested in medical equipment.

Increase of the number of health infrastructures

Thanks to SDG Fund, in the year 2015 196 new health posts were constructed, making a cumulative number of HPs 16,447. The total number of available health centres reached 3,586 of which 3,547 (98.1%) are functional. With regard to hospitals, a total of 234 public hospitals are available of which 189 (80.8%) are functional. A total of 147 hospitals are under construction⁶¹.

The most relevant and appreciated according to Bahir Dar Hospital Managers, Bureau of Health and BoFEC in Amhara is the construction of a new waste treatment system in the hospital. The old system had collapsed, polluting Lake Tana and its surrounding communities. The programme also improved the facilities of the hospital. In addition, ramps, x-ray room, latrines, cobblestones and paving of several internal and external areas of the hospital were built, and operating theatres improved. These infrastructures improvements are emphasized and attributed specifically to the Spanish Cooperation.

In the AMREF project, 42% of the total resources were destined to the construction and equipment of 8 HPs and 3 youth centres have contributed to the good results reported in the final evaluation. Significant constructions were not performed on other projects.

Improvement of the health administrative management system

The technical assistance project for the implementation of health care insurance in Ethiopia has focused mostly on this output. All activities have been implemented: the assessment of needs assessment, the design of the computer software for the financial management of the Agency, and the corresponding trainings so that the system could be used. This was undertaken during the one-year period the Technical assistance was hired at the Agency, until last June. However, sustainability is problematic. Both the Medical Insurance Agency and the FIIAPP confirmed that the system is still not operational, and that out of the seven persons who were trained to use

⁶¹ Ministry of Health (2015). Annual Performance Report 2015- HSDP IV

the system, only one remains employed at the Agency. Thus, there is a high risk that the efforts made may be unproductive.

The project of Amhara has invested some resources to improve its internal management, particularly in support of the environmental health department, the planning and programming department as well as overall daily management of the hospital. The interviews confirm that the advice of the expatriate on management issues was continuous and fruitful but they could not be more specific on what was the actual added value. SDG Pool Fund has only invested 3% and the AMREF 6% of the funds in this group of activities.

3.5.2.3 RESULTS ACHIEVED

As mentioned in the section 3.3.1., indicators used in order to measure Spain's contribution are at a distant level from the actual Spanish Cooperation efforts and outputs achieved. In other words, the causal relationship between what has actually been done (i.e. new skills acquired by nurses from four hospitals or from the communities where AMREF worked, or the existence of new infrastructure or the provision of new equipment) and expected results (reduction of maternal and infant mortality) is too far-stretched. It is not even possible to analyse the contribution of the SDG pool fund to these results, despite the high volume of funds (\$563,159,246 since its creation in 2008)⁶². However, information is provided below on indicators for which data are available, based on the GTP II and on the last available report of HSDP IV corresponding to the year 2015.

Improvement of access to basic healthcare services

- Maternal mortality ratio has decreased from 1,400/100,000 in 1989/90 to 420/100,000 by 2014/15. *Not achieved, established target was 267/100,000 in 2015.*
- Contraceptive Prevalence Rate (CPR) has increased from 15% in 2009/10 to 42% by 2014/15. *Not achieved, established target was 66% in 2015.*
- Deliveries attended by skilled health personnel have increased from 16.8% in 2009/10 to 60.7% by 2014/15. *Nearly Achieved, established target was 62% in 2015.*
- Under five mortality rate has decreased from 204/1,000 in 1989/90 to 64/1,000 by 2014/15. *Achieve, established target was 68/1,000 in 2015.*
- Postnatal care coverage has increased from 36.3 percent in 2009/10 to 90% by 2014/15.
- General increase in immunization coverage was observed from EFY 2006 (2013/ 2014) to EFY 2007 (2014/2015) for pentavalent 3 vaccines (from 91.1% to 94.4%). *Nearly Achieved, established target was 96% in 2015.*

⁶² Annual Performance Report 2015- HSDP IV

As shown, only one of the indicators has been fully achieved. With respect to the "**improvement of the quality of health services**", there is no information available in the official reports.

3.5.2.4 AID EFFECTIVENESS AND POLICY DIALOGUE

To confine Spanish Cooperation work in health to previous results would be an unfair assessment. Together with what has been described so far, the Spanish Cooperation has held a proactive policy dialogue through the effective participation in the following structures of dialogue with donors and the Ministry of Health:

- Health, Population and Nutrition Group (HPN): Monthly meetings at technical level with all donors participating in the health sector and no representation of the Ministry. It is part of the working groups of the DAG.
- Joint Core Coordination Committee (JCCC): Biweekly meetings at technical level between seven donors (representing all donors of health) and the Department of Planning and Finance of the Ministry.
- Joint Committee Forum (JCF): Meeting every four months at political level with all health donors and the Ministry of Health (Heads of Agency and technicians, Minister of Health and technical).
- SDG Fund meetings: Only the contributors to the Basket Fund and the Ministry. The technical level meets quarterly and the political level every six months at Heads of Agency and, Minister of Health level.

Donors' work in the HPN Group feeds into the rest of the coordination and dialogue structures. Spain has been co-chair of the HPN, together with UNICEF, from January 2014 to December 2015. This responsibility has to be endorsed by the Ministry, and involves not only to galvanize the work and organization of the group but also to act as a privileged interlocutor with the State Minister. The role played by Spain in these forums is highly commended by both the Ministry and donors, which highlight the pro-activity, commitment, and problems solving spirit shown by Spain in the dialogue. This has positioned Spain as one of the most representative partners in the health sector. Position that would not have been achieved without the participation in the SDG pool fund, since the other interventions funded by the Spanish Cooperation do not provide relevant entry points for policy dialogue with the Government of Ethiopia at national level. This is a significant achievement given the limited share of funds (0.4%) compared to the overall resources in the fund. Therefore, the evaluation finds that the decision to be part of the SDG Fund is very strategic and efficient. Nevertheless, it is necessary to mention that the activity of the Spanish Cooperation has diminished from the last semester of 2015, probably determined by changes of personnel in the OTC that have caused periods of gaps in filling the same positions.

Regarding aid effectiveness, the strong ownership of the Government of Ethiopia in the health sector has already been mentioned. However, the participation of civil society is limited, which is apparent in the fact that the SDG Pool Fund does not have a system to involve civil society in the political dialogue, accountability or monitoring of the program. Alignment both in terms of policy and systems level is high. However, the harmonization among donors only occurs in the SDG Pool Fund.

In terms of monitoring and mutual accountability, the SDG Pool Fund meetings report regularly the technical and financial progress. Some of the interviewed stakeholders claim that the transparency and reliability of the data are not always optimal, but this has not been verified. Other aspects that donors have mentioned during the evaluation concern the low absorption capacity of the program. According to the latest annual report of HSDP IV \$268,496,227 of SDG Pool Fund are still not invested⁶³. In general, NGOs programmes are subject to requirements in terms of technical and financial monitoring, and as discussed in the chapter 3.7 on aid effectiveness, joint monitoring with the woreda and kebele authorities is conducted on a regular basis. In the rest of projects, informal monitoring has taken place on the part of the expatriate staff that was recruited to work in the Ethiopian institutions.

However, there have been neither formal structures nor periodic reports on progress towards results, which not only produces a loss of information and makes the learning and constant progress difficult, it can also cause additional disadvantages. The last project with BoFED in Amhara has not been closed, and Spain has sent a formal letter to settle this problem. Not only the Hospital but also BoFED are confused, since according to their version the project was suddenly terminated when the expatriate left, circumstance that has negatively affected the image after the years of collaboration.

3.5.3 BASIC SOCIAL SERVICES

In the area of basic social services, the CPF focused exclusively on supporting the Promoting Basic Services programme (PBS), to which it originally planned to allocate more than half of all funds committed to Ethiopia. Yet, this clear stand of the decision maker in favour of this programme contrasts markedly with the lack of any specific analysis regarding the sector during the first two phases of the CPF elaboration. Although Spain had already been supporting the programme (which confirms the idea that the CPF sought to continue and consolidate the work that had been undertaken so far) a critical review of the programme and a clearer positioning of what the Spanish Cooperation intended to achieve would have been useful in view of the funding difficulties experienced later.

⁶³ Regarding to the annual report HSDP IV 2015, this amount refers to all the funds which are not liquidated so far. It is not necessarily in cash, it includes committed and paid.

The PBS started in 2006 (currently on its third phase of implementation) as the largest government-led multi-donor programme aiming at expanding the access and improving the quality of basic services in education, health, agriculture, water supply and sanitation, and rural roads, provided by sub-national governments, while continuing to deepen transparency and local accountability in service delivery. Since its inception, the Government of Ethiopia has financed \$1,750 and \$1,763 million dollars in the PBS I and II, which represent, respectively, 59.3% and 46.5% of the total⁶⁴.

In 2008, the Spanish Cooperation agreed to contribute to the PBS in response to MoFEC's request asking to support equitable access to decentralized basic services. At the time, the programme was entering its second phase and had significant funding gaps in comparison with other programmes; therefore, the incorporation of new actors was welcomed. With an annual budget of about €900 million (65% financed by the Government of Ethiopia and the remaining by donors), it was supported by eleven donors: the World Bank, the UK, the African Development Bank, the European Commission, Ireland, the Netherlands, Germany, Italy, Austria, Spain, and Canada. It had four sub-programmes: a) Support for providing basic services on the sub-national level (where Spain's funds were allocated); b) Health and the MDGs; c) Transparency and accountability; d) Monitoring and evaluation. PBS II finalized in January 2013.

As mentioned earlier, prior to the CPF, between 2008 and 2010, Spain had made a total contribution of €30 million to PBS II. The CPF envisaged disbursing over €50 million to the PBS during the period 2011-2015. However, during these years only one contribution was finally made in 2011 for an amount of €5 million. After 2011, no additional funding was contributed to the PBS due to financial restrictions imposed by the General State Budget Laws from 2013 onwards.

Due to the nature and dimension of the program, the small size of Spain as donor and its inactivity during most of the CPF period, it is challenging to analyse Spain's contribution to the PBS development results. A final report⁶⁵ and a multi-annual review⁶⁶ are available for further information regarding outputs and impacts of the program. Having said that, what seems relevant to comment on is the existence of a gap between perception and performance. According to the Multi-Annual Review, *the central paradox is that PBS has performed very well by most reasonable criteria, yet there has been a continuing struggle for acceptance of its validity, notably amongst donors. The report documents the contribution PBS has made to the rapid expansion of basic services, and to qualitative improvements in financial management, transparency and accountability. Despite its strong track record on implementation and results, and on dialogue with the federal government, it is still seen by some as a temporary 'fix' and not a long-term solution. It is also under-appreciated by the sectors it supports most. This is true within aid agencies as well as government. This reflects an unusual, but appropriate, design that does not fit standard categories of sector support or budget support, while PBS's role in financing basic sector recurrent costs tends to be taken for granted and undervalued by sector ministries.*

⁶⁴ MOFEC, PBS II Government's Implementation Completion Report, January 2013.

⁶⁵ Protecting Basic Services, Phase II, Government's Implementation, Completion Report. June 21, 2013.

⁶⁶ Multi-Annual Review of PBS Programme, ECORYS MACRO Consortium, May 29, 2012.

With respect to the contribution of Spain in Policy Dialogue in this sector, the interviewees mention that the participation of the Spanish Cooperation in developing the PBS program, particularly in the design of phase II, was very active (at least until 2011). The program included a mechanism of joint review every six months, the Joint Review and Implementation Support or JRIS, and the Joint Budget and Aid Reviews or JBAR, as the main mechanism of financial monitoring as well as monthly donor meetings, in all of which the Spanish Cooperation played an active role. Conversely, in the last few years Spain's role has not been active. In fact, when PBS III was launched, Spain ceased to participate and therefore lost its place at the table of dialogue and negotiation.

3.5.4 CULTURE AND DEVELOPMENT

3.5.4.1 DESCRIPTION OF THE SECTOR

Sector's profile, national policy and institutional framework

Ethiopia is known to have a rich and diverse cultural and natural heritage both tangible and intangible. Nine of Ethiopia's cultural and natural heritage sites are listed on UNESCO'S World Heritage Site, attesting to the universal value of its heritage. Ethiopia is home to more than 80 ethnic groups, each with its own language, culture, customs, traditions and lifestyle. Recognizing this rich diversity and its potential contribution to the socio-economic development of the country, the first cultural policy was approved and put into practice by the former Ministry of Youth, Sport and Culture in 1997⁶⁷. However, it is not widely known and it does not seem to be guiding the development of the sector. Recently attempts have been made to revise it, but there is no evidence that supports the endorsement of the revised version. In 2010 the new Ministry of Culture and Tourism was formed to focus on the cultural aspects of the country and its direct relevance to the expansion of tourism.

In the GTP I the role that culture and tourism play in the socio-economic and political development of the country was recognized. However, compared to other sectors like agriculture, health and education, culture was given less weight in the plan as it was included as a crosscutting sector. Besides, GTP I fell short in identifying opportunities for integrating it with other economic sectors, such as agriculture and manufacturing, and it did not detail ways in which culture might help to achieve general growth and employment targets beyond outlining some specific goals.

According to the plan, the main objective was that of *“ensuring the sustainable development of a cultural and tourism policy of preserving flora and fauna, along a policy of conservation, management and enhancement of the value of the tangible and intangible heritage of the country focused on community development, exploiting existing potentials and using cultural attractions to build a positive image of the country”*. Furthermore, the plan aimed at generating wealth from the country's cultural property, making sure that profits contributed to eradicate poverty. It also considered cultural, social, natural and historical assets as tools to enable spaces for social participation, contributing to the greater cohesion and democratisation of the country.

⁶⁷ The Federal Democratic Republic of Ethiopia Cultural Policy.

In order to align the development of the sector with the GTP, MoCT also developed a five-year Culture and Tourism Growth and Transformation Tourism Plan (2010-2015)⁶⁸ which tried to integrate culture and tourism into one common plan and integrated GTP targets into the national sector plan. However, it has been estimated that this plan suffers from significant funding gap (91% unfunded) for the achievement of the planned targets. According to the World Bank⁶⁹, a donor-mapping analysis conducted by UNESCO in 2011 showed the fragmented and multiple donor support in the areas of tourism and culture in Ethiopia. The main donors identified in the sector were the World Bank (US\$35 million), the European Union (US\$ 21 million), AECID (US\$7 million, including a UNDP-UNESCO joint Millennium Development Goals-Fund project), and USAID (US\$6 million). Other important donors, particularly in areas of cultural and natural heritage conservation, included the French and German embassies and their cultural institutes, as well as the Norwegian Embassy. In terms of the size of the support, in 2011 about 40 initiatives were reported as ranging from about US\$4,000 to US\$35 million, and about 60% of the projects are small-scale with funds ranging from US\$4,000 to US\$100,000.

CPF approach and planned contribution to the sector

The involvement of the Spanish Cooperation in the sector of Culture started in 2009, prior to the CPF, through the bilateral programme with the Ministry of Culture and Tourism (MoCT). At that time, the Ministry prioritized the development of cultural industries, particularly handicrafts, and the enhancement of the value of the country's tangible and intangible cultural heritages. Accordingly, the MoCT, supported by AECID, prepared a handicrafts development plan with participation of handicraft associations of Amhara, Harar and Addis Ababa regions. The handicrafts development programme was conceived by MoCT as the continuation of a programme initiated in 2006 by the World Bank, which aspired to create four local handicraft excellence centres that would include training, quality and market development in the aforementioned three regions. In that period, Spain also supported the UNDP-UNESCO joint Millennium Development Goals-Fund programme⁷⁰ "Harnessing Diversity for Sustainable Development and Social Change" (UNDP-UNESCO MDG-F Programme).

During the CPF period, Spain intended to participate in the culture and development sector in Ethiopia by supporting the following three main lines of work as per the GTP priorities:

1. Supporting Ethiopian institutions responsible for Culture and Tourism
2. Supporting cultural industries that promote job creation, diversification of the economic activities with particular focus on the promotion of artisan crafts

⁶⁸ Ethiopia's Tourism Sector: Strategic Path to Competiveness and Job Creation, October 2012.

⁶⁹ Ethiopia's Tourism Sector: Strategic Path to Competiveness and Job Creation, October 2012.

⁷⁰ The decision to fund each specific MDG Fund did not belong exclusively to the Spanish Cooperation but was taken by the Fund Steering Committee, which reviewed the recommendations made by the technical subcommittees of each window, which in turn evaluated the proposals presented by the UN resident coordinator in each country.

3. Management, protection and enhancement of the value of Ethiopian Heritage

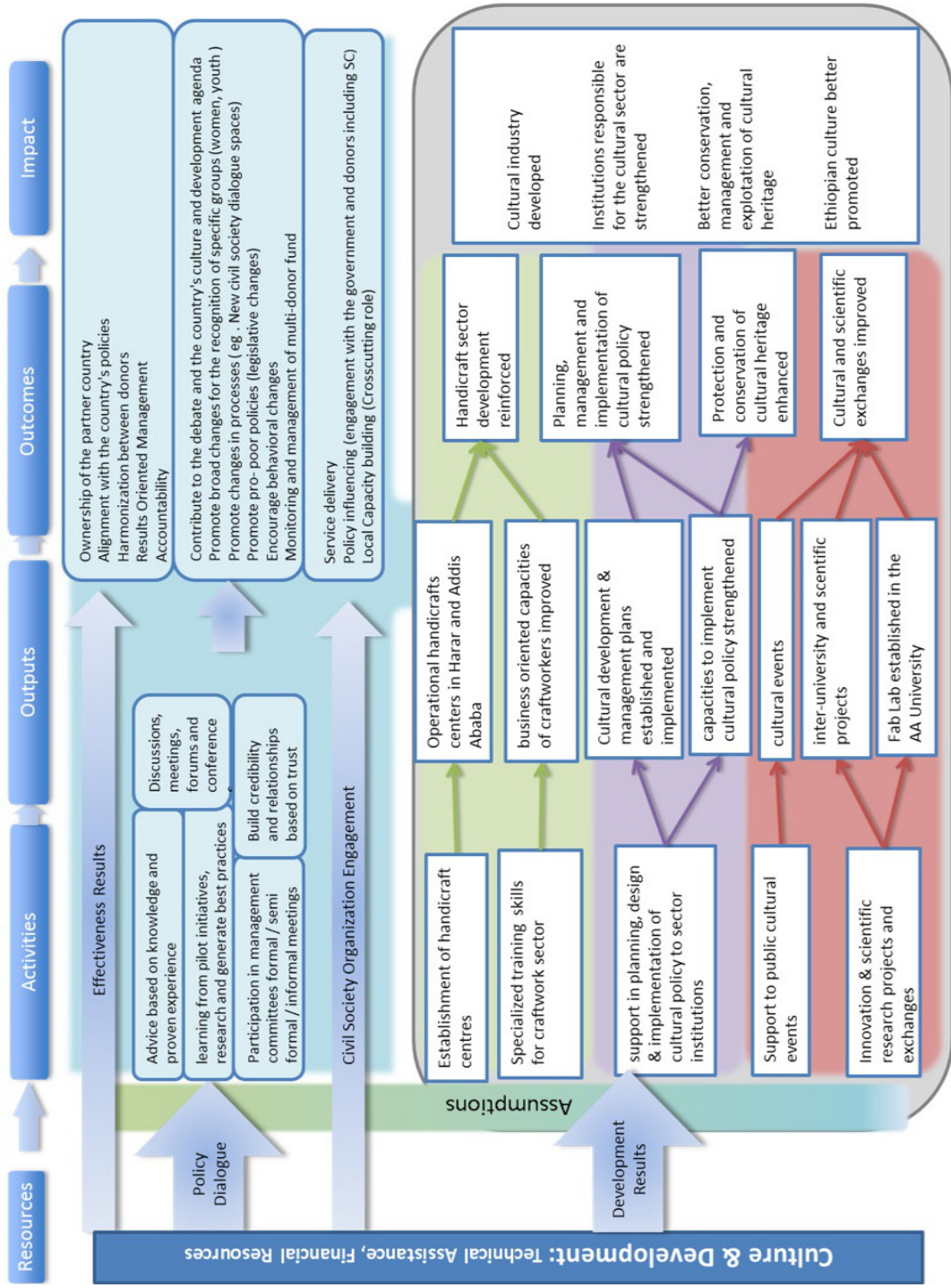
In addition to those three main lines of work, Spanish Cooperation planned to establish ties of inter-university cooperation between Spain and Ethiopia through PCIs in cultural and scientific cooperation.

In terms of the quality of the design of Spanish Cooperation interventions during the CPF, consultations were made with the MoCT and GTP priorities were taken into consideration in defining the different lines of work. Nevertheless there has not been a clear and comprehensive sector wide strategy to address the gaps in the sector. On the other hand, unlike other sectors there has been limited ownership and leadership role by the MoCT to maximize the support given from the Spanish Cooperation. This could mainly be attributed to the relatively young nature of MoCT and its lack of capacity and experience since the sector receives little support from development cooperation partners.

Reconstruction of the strategy

In order better understand Spanish Cooperation's interventions in the cultural sector; the evaluation team has reconstructed the sector activities, outputs, outcomes and impacts. Spanish Cooperation's interventions in culture and development sector constituted the following six main lines of activities: 1) Establishment of handicraft centres; 2) Specialized training skills for craftwork sector; 3) Support in planning, design and implementation of cultural policy to sector institutions; 4) Support to public cultural events; 5) Inter-university and scientific projects; and 6) Establishment of a Fab Lab at Addis Ababa University. These activities were expected to result in the reinforcement of the handicraft sector, the strengthening of planning, management and implementation of the cultural policy, enhancement of the protection and conservation of cultural heritages and the improvement of cultural and scientific exchanges between the two countries. Eventually, these results were expected to bring about the development of the cultural industry, the strengthening of institutions responsible for the cultural sector, and better conservation, management and exploitation of cultural heritage as well as better promotion of Ethiopian culture.

Chart 17: CPF Reconstructed intervention logic: CULTURE AND DEVELOPMENT



Source: prepared by the authors

3.5.4.2 WHAT HAS BEEN DONE?

Budget distribution by instruments

During the CPF period very limited funding was allocated to culture, with 37 interventions and total ODA disbursement of € 1,053,471. Almost all funding during this period went to piecemeal cultural exchange and scholarship projects (26 scholarships for postgraduate studies and 5 projects for interuniversity cooperation) that went to Spanish public institutions and universities as per the following breakdown: Scholarships (Spanish universities): 705,337€; Technical support (Spanish public institutions): 41,664€; programmes and projects (Spanish universities and public institutions): 306,470 €.

The three main cultural initiatives funded directly through MoCT and MoFEC (Handicraft centers in Addis and Harar, and FabLab Addis) as well as the UNDP-UNESCO MDG-F Programme were designed and disbursed prior to 2011.

The evaluation team has assessed the results on the basis of the reconstruction described above and on the information gathered from interviews, field visits and secondary sources. Accordingly, the following section outlines the main activities, outputs and results achieved during the CPF period.

What activities have been carried out?

Establishment of handicraft centres: Through the Artisan Crafts Development Programme, support was given to the establishment and start-up of Artisan Craft Centers in Addis Ababa and Harar. However, during the CPF period no activity was undertaken in relation to Artisan Craft Centres in Addis Ababa due to a dispute over the land where the centre was supposed to be established. Now the dispute is resolved and preparations are underway to recommence the construction.

The Harar Artisan Craft Centre, launched at the beginning of 2014, was established by restoring a historical building at the centre of the city (“Menen House”). The rehabilitation of the historical building was undertaken by a local firm called Cevita Consulting Architects and Engineers PLC with a technical supervision of a Spanish Architect. The centre has received various handicraft tools, workshop equipment, office furniture, machineries and supplies. Except some challenges related with finding experienced local contractor and the resulting delay in commencing the restoration work, the project is completed as per the plan. In addition to the rehabilitation work, the training curriculum/program has been developed for 5 training fields: Pottery and ceramic; Textile brafts; Basketry and bamboo work; Parchment and leather; and wood, stone and horn⁷¹.

⁷¹ Harar Artisanal Craft Project completion Report, March 2013

Specialized training skills for craftwork sector:

In relation to this activity, Spanish Cooperation through the Harar Craft centre has trained 165 artisans (including those that are on training now). While the target for the CPF period was to train up to 500 artisans, the target was not met due to the delay in the establishment of the National Cultural Centre in Addis Ababa.



Land on which the Artisan Craft Centre in Addis Ababa is expected to be built

Support to sector institutions in planning, design & implementation of cultural policy:

The support provided through UNDP-UNESCO MDG-F Programme aimed at strengthening intercultural dialogue and promote cultural/natural heritage to foster socio-economic development through various activities undertaken during the CPF period. These activities include: 1) Awareness raising through workshops, dialogue, and information sharing; 2) Developing intercultural dialogue mechanisms; 3) Training and capacity building at the community, institutional, local, national levels; 4) Provide technical support to tour operators and local institutions 5) Strengthening cultural infrastructure, cultural community centres/villages, museums; and 6) Creating socio-economic opportunities for women (craft, entrepreneurial skills, etc.).

Support to public cultural events: Various cultural events, which include music concerts, photo exhibitions and film festivals, have been supported by the Spanish Cooperation in order to promote cultural exchange between both countries. Both Spanish and Ethiopian institutions have received support from the Spanish Cooperation. As it was learnt during interviews with OTC staff, there is no clear strategy for extending support to cultural events. With the exception of few regularly supported events, Spain has provided support to a wide range of cultural activities. In this regard, it is important to underline that these activities fall under the cultural programme of the Spanish Embassy in Ethiopia. Although they are registered as ODA, these activities do not always pursue the same purposes and are not managed in the same way as the support provided to the culture sector by the OTC.

Inter-university and scientific projects: During the CPF period 11 projects (5 culture, 3 rural development, and 3 health) were financed, which promote inter-university cooperation and joint scientific projects, through PCI. Despite the relevance of the projects, they are not directly related with on going interventions on those sectors and they are not used as an opportunity to support the work and fill the capacity gaps in the sector.

FabLab established in the school of Arts at the Addis Ababa University: The FabLab project activities included remodeling of the building that houses the FabLab, purchase and installation of laboratory equipment, training and deploying the necessary human resource for the proper operation and maintenance of the Lab. The Spanish Cooperation provided full scholarship to two students for 1 year on FabLab technology and project management. Despite the delay in the project's implementation mainly due to problems related with the purchase and importation of the equipment, all the activities have been undertaken as planned.

3.5.4.3 RESULTS ACHIEVED

Owing to the fact that the support and interventions in culture sector was quite scattered and there has not been a clear and consolidated results chain, the evaluation team had some difficulty in properly assessing the results achieved at different levels. However, efforts are made to outline the main results under three main expected outcomes:

Support to the Ethiopian institutions responsible for Culture and Tourism

During the CPF period the work undertaken in this respect and the results achieved were limited in scope. Only five people took training on culture and tourism fields through PCI program, yet the impact of these trainings in strengthening the capacity of public institutions is unclear and inconclusive.

Similarly, as part of the culture and development interventions during the CPF period, the Spanish Cooperation provided 26 scholarships for postgraduate studies and supported 5 interuniversity cooperation projects on culture, which could be considered as part of the institutional strengthening component. However, due to the dispersed and piecemeal nature of the interventions, it is difficult to assess their direct capacity building impact on institutions responsible for culture and tourism.

On the other hand, the evaluation team has learnt that UNDP-UNESCO MDG-F Programme, has somehow positively contributed to building the capacity of public institutions responsible for culture mostly the MOCT /BOCTs. According to the final evaluation report, the joint programme has helped to gain experience in project formulation and management and it has catalyzed MoCT/BoCTs to develop more cultural programmes, enhancing their vision for cultural and tourism development.

As part of strengthening Ethiopian public institutions, the Spanish Cooperation had planned to support improving coordination between the MoCT and development partners. Nevertheless, no intervention in this line was implemented. The Spanish Cooperation's direct engagement with the Ministry was limited to the artisan craft center development activity. The sector still suffers from limited development partners' engagement with limited coordination platforms.

Support to cultural industries that promote job creation and diversification of the economic fabric and contribute to the promotion of Ethiopian culture, in particular, the promotion of artisan crafts.

The main result achieved under this line of work is the establishment of the Harar Artisan Craft Center. The center is up and running since January 2015 providing training on five fields: textile, woodwork, bamboo crafting, basketry work and embroidery. So far the centre has trained 52 students for 6 months. Some of the trained artisans are already employed and some have their own businesses. Currently, 115 students are being trained and the centre is recently upgraded to college level, which will enable it to increase the number of trainees and the depth of the training.

Besides providing training, the Harar Artisan Craft Centre is also serving as a reference for other regions and several regional Culture and Tourism Bureaus have visited the centre for experience sharing. Moreover, the centre is also serving as a culture attraction for tourists.

On the other hand, the Spanish Cooperation supported the establishment of a FabLab at Addis Ababa University. It is operational since February 2013. Out of the two students trained in Spain, one is currently managing the centre and providing training to students on the technology. The University uses the FabLab mainly for educational purposes, but from time to time the university also organizes workshops and visits to introduce the technology to various public and private institutions. The FabLab technology course is also included within the industrial design curriculum. However, considering the fact that the Lab was supposed to provide service to the wider private and public institutions, its reach is still very limited in scope. Even if there was a plan to widen the scope of the Lab by developing a business plan that ensures additional income generation and broader service outreach, this was not realized. Still the operation and management cost of the Lab is covered by the budget allocated from the university and there is no mechanism for providing the service by charging fees. Moreover, during the Lab visit the evaluation team has observed that the Lab operation is affected by regular power cuts and non-functionality of the generator, which further raises questions about its proper functionality and, hence long term sustainability.

Contribution to the protection, conservation, management and enhancement of the value of Ethiopian cultural heritage

In the CPF period, Spanish Cooperation planned to improve the conservation, management and exploitation of Ethiopian cultural heritage through contributing to the improvement of technical capacities and specialized trainings, and supporting rehabilitation, conservation and the enhancement of heritage assets as well as awareness rising about Ethiopian cultural heritage. Besides some actions undertaken through the UNDP-UNESCO MDG-F Programme no funding has been allocated for this purpose during the CPF period.

3.5.5 GENDER AND DEVELOPMENT

3.5.5.1 DESCRIPTION OF THE SECTOR

Sector's profile, national policy and institutional framework

The situation of women in Ethiopia is characterized by significant levels of inequality in terms of access to education, health and other basic services, entitlement to productive assets, lower employment opportunities, and participation in political/legal activities. According to the 2014 Ethiopia MDG assessment report, the country lags behind on MDG 3, which focuses on promoting gender equality and empowerment of women⁷². In terms of indicators of parity,

⁷² Millennium Development Goals report 2014, Ethiopia. Assessment of Ethiopia's progress towards MDGs. UNDP, October, 2015

although there are improvements in the access of girls to primary education and access to and control of productive resources by women, it is one of the least developed countries in terms of gender equality (it ranks 126 out of 148 countries, with a an IDG value, gender inequality index of 0.853⁷³). Harmful traditional practices such as early marriage, the abduction of children or in its most extreme form, female genital mutilation persist in Afar and Somali regions.

Factors limiting women's participation in socio-economic activities have to do with the persistence of attitudes, beliefs and practices that reinforce the relations of inequality of gender within the society. The 2014 Ethiopia MDG assessment report points to the persistence of early marriage, violence against girls, low level of parent awareness on the benefits of education and unfair household chore burdens on girls as main factors for the low performance explanation regarding MDG 3.

Ethiopia has ratified several international conventions and agreements on women and girls human rights and against discrimination such as the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and Convention on the Rights of the Child, Declaration on the Elimination of Violence against Women, or the Protocol of the African Charter to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa (2003).

Ethiopian Government has expressed its commitment to gender equity and equality in the 1995 Ethiopian Constitution as well as in its national policies. More recently, the GTP included gender equality and the promotion of opportunities for women and youth as one of the priorities to be mainstreamed throughout government policies.

In 2010, the Ministry of Women's Affairs was restructured and its mandate expanded to include youth and children issues with the establishment of the Ministry of Women, Children and Youth Affairs (MoWCYA). At sub-national level, it was left to the decision of each region to structure their women's affairs services, either to restructure in accordance to the revised and expanded mandate or to keep women's affairs as a separate structure. As a result, the design and formation of women's affairs bureaus vary by region⁷⁴. In addition, to ensure horizontal coordination, Gender Directorates were created in all sector Ministries. However, most of the literature reviewed suggests that overall women's departments are still challenged with inadequate capacity, both human and financially. They are often not part of the core units of the Ministry and gender related issues are considered to be the exclusive responsibility of the Gender Directorate. According to UN Women this can be explained by the "limited allocation of resources for the implementation of gender equality and women's empowerment and related programmatic interventions from both the national budget and the development partners".

Donor coordination is provided by the Donor Group on Gender Equality (DGGE), a Development Assistance Group (DAG) technical working group. The DGGE was established in 2007 and revived in 2013 with the role of improving mainstreaming of gender in government policies, programmes and projects and improving coordination and harmonisation on gender

⁷³ Available information in: http://hdr.undp.org/sites/default/files/hdr_2015_statistical_annex.pdf

⁷⁴ Preliminary Gender Profile of Ethiopia, UN Women, November 2014.

policies/approaches, programmes and projects. Between 2008 and 2011, a Gender Pooled Fund (GPF) managed by the DAG was established to support the then Ministry of Women's Affairs (MoWA). The main objective was to improve its policy and capacity strengthening and its support services to stakeholders in their promotion of gender equality and to improve coordination. Spain contributed to the fund from 2008 to 2010 with an overall amount of €150,000. Reports from the OTC, suggests a certain degree of dissatisfaction with the performance of the fund due to the difficulty of knowing the results achieved by it.

CPF approach and planned contribution to the sector

In the CPF, gender is considered both a sector of intervention and a horizontal priority. The document states that Spain's objective in this area is on one hand to support strengthening of the institutions responsible for gender equality and the implementation of equality policies and on the other, to contribute to the economic empowerment of women.

To this end, the CPF takes the GTP and the Women's Development Initiative Project (WDIP I) as reference for the sector policies. In this regard, it should be noted that while in sectors such as rural development or health, the sector policy is clearly defined and recognized and there is no doubt about the relevant documents, when it comes to gender, it is difficult to clarify the existence or not of a reference policy framework. Throughout this evaluation, none of the interviewees, either Spanish Cooperation, donors or the Ministry itself, has mentioned the WDIP as the national policy on gender. The evaluation team has not had access to any related documents and a quick search online only shows a World Bank loan pre-appraisal document. The section about policy on the web page of the MoWCYA links to the health policy.

Thus, it is generally considered that the GTP defines policies and priorities in the sector, specifically by Pillar 7 "Promote Gender and Youth Empowerment and Equitable Benefits", which prioritizes promoting the role and the active participation of women in economic growth. In this regard, it should be noted that the GTP covers gender issues from a perspective limited to the exercise of economic rights, leaving aside other areas of participation and the recognition of social, sexual, political and cultural rights.

Unlike the priority sectors, in general the informants who participated in the design of the CPF (mainly of OTC but also from the Africa and Asia Cooperation Directorate at AECID Headquarters), claim that there was nor a categorical position from the OTC nor a demand expressed by the Government on the maintenance of gender as a specific line of work, only as a crosscutting issue. Thus, some advocated for exiting the sector as such and for focusing on mainstreaming gender within the priority sectors of the CPF instead. However, on the other hand, the Spanish Cooperation had been working on the sector for several years, so at the request of AECID headquarters in Madrid, gender was finally included as a sector to ensure that the work done until then was not overshadowed. The promotion of gender equality is indeed a global priority of the Spanish Cooperation, which has positioned itself internationally as a gender sensitive donor.

Moreover, between 2008 and 2010, AECID supported the Ministry of Women Affairs through a series of consecutive bilateral programmes. Although they were independent grants formalized through separate resolutions, together they amounted to €1,2M divided into annual contributions of €400,000 starting in 2008. In addition, since 2009 Spain participated in the DAG-donor coordination group and had made contributions to the gender pool fund managed by the DAG in support of the Ministry of Women's affairs. This Fund was intended to contribute to improving knowledge about gender issues in the country; strengthen and empower institutions working for gender equality and improve the coordination of stakeholders working in gender. According to the documentation consulted by the evaluation team, the Spanish Cooperation also supported the political participation of women through the Federal Parliament of Ethiopia (Women Caucus) since 2008. Finally, Spanish Cooperation had funded two more general initiatives through multilateral cooperation with projects in Ethiopia:

1. The Spain-NEPAD Fund for the Empowerment of African Women was created in 2007 with a contribution of 30M€ from Spain. The Fund operated through calls for proposals for civil society projects, mainly African social organizations as well as national and regional public institutions. From the two calls for proposals (2007 and 2011), approximately €1,1M⁷⁵ were allocated to Ethiopia. The April 2011 call was prior to the signature of the CPF.
2. MDG Fund, through the gender thematic window, in 2009 one of the 5 programmes funded in Ethiopia is the *Leave no Women Behind Joint Programme* with a total budget of \$9 million dollars (approximately €6,5 million as per the exchange rate 2007).

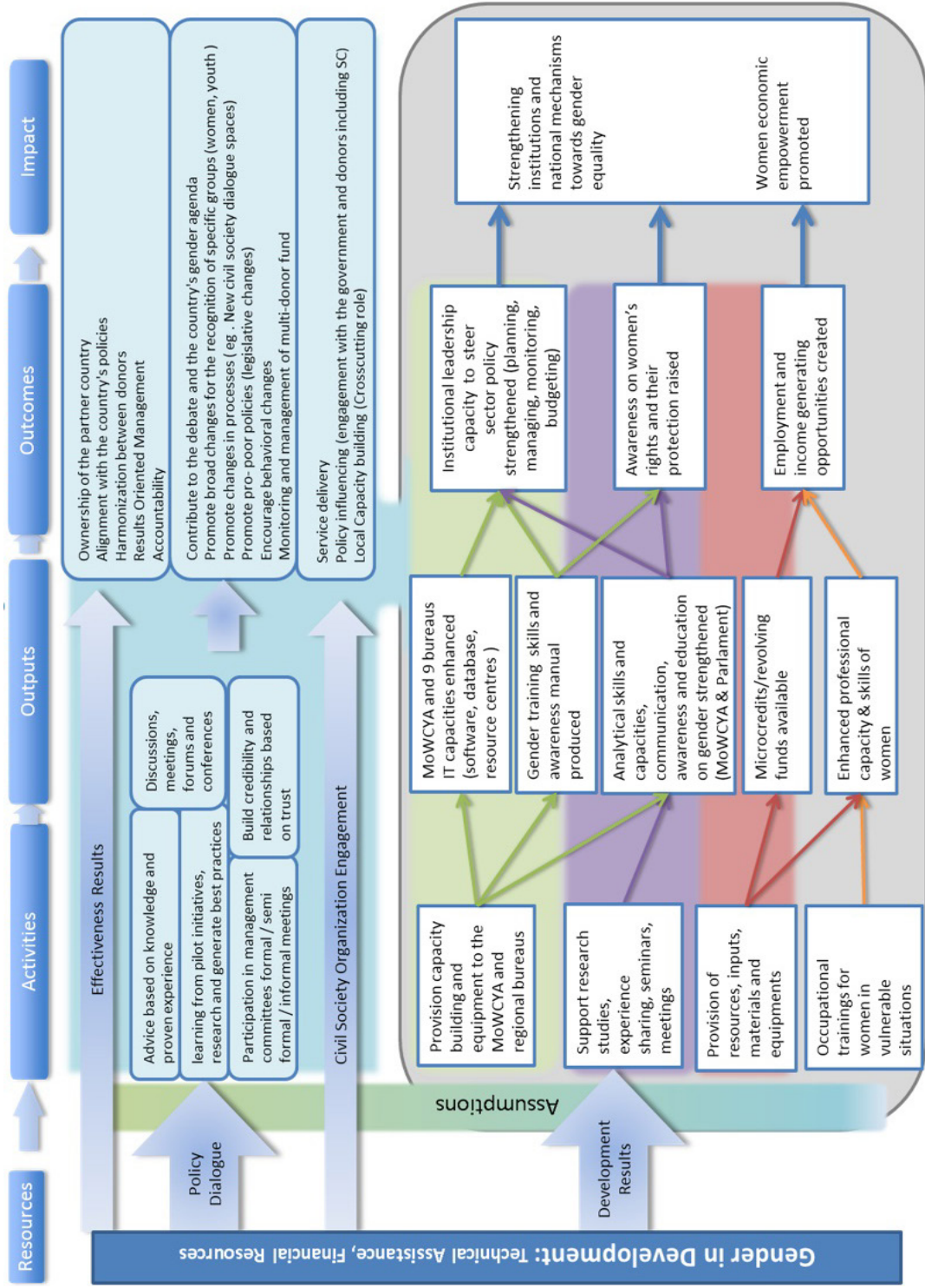
In any case, besides the interviews, the evaluation has not found any evidence regarding these differences of views about the inclusion of gender as intervention sector in the documents of the CPF formulation. Moreover, the document "Spanish support to the Ethiopian Ministry for Women, Children and Youth affairs" written by the OTC sums up Spain's position⁷⁶ in gender in Ethiopia. It indicates the intention of maintaining the support to the Ministry and the willingness to advance towards a programmatic approach, similar to the one of Ministry of Health in line with the commitments of aid effectiveness. Nevertheless, it worth noting that the operational programme of the AECID in Ethiopia designed in 2014 does not include gender as a priority sector.

In short, the CPF gathers the work initiated in the previous years across two differentiated lines of work. On one hand, to maintain the institutional support to the Ministry and on the other, support the economic empowerment of women through organizations of civil society.

⁷⁵ In the call of 2007, six projects were approved with a value approximately of 290,000 euros and in 2011, 3 projects for 830,000 euros. The calculation is approximate because it includes multi-countries projects where the exact budget to Ethiopia is not indicated. In this case, the calculation, was made dividing the budget by the number of countries involved.

⁷⁶ Although the document is aimed at the MoWCYA, it is neither signed nor dated so it is unknown if it was finally shared with Ethiopian counterparts. In any case, yes, it is relevant insofar as it reflects the position of the OTC in this sector at the moment in which the CPF is being prepared.

Chart 18: CPF Reconstructed intervention logic: GENDER IN DEVELOPMENT



Source: prepared by the authors

3.5.5.2 WHAT HAS BEEN DONE?

Budget distribution by instruments

The support has been channelled through programmes and projects as follows:

- Direct contribution to the Ministry of Women, Children and Youth Affairs (MoWCYA) (€400,000)
- 4 local NGOs projects (€175,402) on women economic empowerment through CAP 2011
- 5 small project channelled through Spanish NGOs and funded by Spanish Autonomous regions (€258,030)
- In addition, 3 multilateral initiatives supported in 2011 at the regional level (Spain-NEPAD Fund) (€830,090).

Assessment of activities, outputs and results achieved

The assessment of activities, products and results is drawn from the interviews and the documents of the programmes mentioned above, mainly of the direct subsidy to the MoWCYA and the documentation of the projects of the 2011 CAP. It is important to highlight that the documents provided for this evaluation are essentially formulation and administrative documents, which include few narrative monitoring and/or evaluation reports that provide data on results or indicators. Only the follow up reports from the OTC are available but they mainly cover monitoring of individual activities. Therefore, adding data related to the development results is not possible. Within the framework of this evaluation, none of the local NGOs that have received funding from Spain have been interviewed: despite the team's request, interviews with NGOs supported within the frame of the NEPAD fund were finally not conducted. As per projects funded through CAP, the information gathered from follow up documents from the OTC suggested that an interview would have not added significant information.

The following paragraphs described the actions carried out in each one of the two lines of work of the sector.

1. Institutional support through direct bilateral contribution to the MoWCYA:

As mentioned, this grant is part of a series of consecutive supports provided to the Ministry, from 2008 to 2011. Despite being independent grants, they are meant to form a consistent intervention in terms of the results to be achieved and have logic of continuity. Thus, every year the Ministry has received €400,000, adding up to a total of €1,6 million. According to the interviews, the idea was to progressively strengthen the Ministry so that in the medium term it could adopt a programme based approach to the sector with a harmonized funding mechanism following the example of the Ministry of Health and the SDG pool fund. This is confirmed also by the document "Spanish support to the Ethiopian Ministry of Women, Children and Youth Affairs".

The aforementioned document reflects AECID's will to maintain the support to the Ministry while at the same time express its concern about the lack of progress seen as a result of the grants provided in the previous years. Thus, according to the OTC, "we still do not have evidence that the system and database are in place. Funds have mainly been used to cover expenses of seminars and workshops as reporting has shown, but we ignore if results/objectives of those seminars have been achieved either".

The grant considered in this evaluation (year 2011), was primarily intended to improve information and communications between the Ministry headquarters and regional offices through the implementation and use of new technology. The direct contribution to MoWCYA has provided the Ministry and regional bureaus with ICT infrastructure and equipment. The program has also promoted training on gender mainstreaming to MoWCYA but according to the interview with the Ministry, the high staff turnover who benefited from the trainings has limited the institutionalization of skills and capacities within the Ministry. The informant also mentioned that the program helped to develop the Ministry's 20 years' core development plan, but the document has not been shared with the evaluation team to confirm this information.

The interviews conducted and the revised documents point to the very low capacity of the Ministry and its difficulties to manage programmes in an efficient way. In addition to the support through the grant, according to the interviews, the OTC supported directly the Ministry in regular tasks such as drafting terms of reference, formulation of funding proposals, or elaboration of monitoring and accountability reports. During the assessment, the weakness and the limited leadership that the Ministry exerts have been corroborated. On the other hand, the interviews show that the relationship between the Ministry and the OTC is largely based on the voluntariness of the people responsible in both institutions. In this case, it is difficult to talk about a consolidated institutional relationship or policy dialogue as the relation is articulated solely around programme management without a wider vision of the sector. The fact that there is no on-going project with the Ministry and that there is no staff in charge of gender within the OTC, evidence the weakness of the relationship between both institutions.

Having said that, in the final compliance of the subsidy report produced by the OTC in 2011 (from July 6th, 2015) the OTC observes positive changes compared to previous grants, pointing out that "we have seen a great improvement by the Ministry, not just when it comes to the implementation of activities but also when it comes to justification where we found a much clear technical report and also much higher quality". Nevertheless, the report concludes that the management capacities of the Ministry remain very limited and recommends the strengthening of the financial department through technical assistance. In any case, the evaluation team finds that the reports made by the OTC tend to focus on accounting, financial and technical management of the programmes (formulation of proposal, of justification, etc.) rather than on a more exhaustive analysis of institutional capacities towards its mandate and political responsibilities.

2. Economic Empowerment

The four projects funded through the CAP in 2011 are basically small scale and low volume (less than €45,000 on average) projects aimed at supporting the professional integration of women

in vulnerable situations (victims of violence and/or discrimination, single mothers, widows, poor) providing training and expanding skills and professional qualifications. It also includes supporting the search of employment opportunities, access to microcredit and creation of savings groups. The revised documents provide information only on the implementation of activities. For the most part, these projects consist in basic technical capacity building actions such as trainings on hairdressing, tailoring of traditional fabrics, baby sitting, etc. Two of the projects have provided assistance in the form of revolving funds and in-kind inputs (animals, tools, equipment, veterinary services) for the creation and development of small productive businesses such as poultry farming.

Information available is considered insufficient to assess whether the resources, equipment and materials provided have been sufficient, and adapted to the needs and the extent to which women who have benefited from the programmes, have actually used the skills, resources, inputs and equipment provided. Therefore, beyond the implementation of activities, it is impossible to assess the achievement of results. In any case, these are one-time projects with limited scope. Besides these projects, three projects funded by the NEPAD Spanish Fund are active during the CPF period, but they were approved before the CPF and the participation of the Geographical Directorate of the AECID or the OTC in decision making, management or monitoring of these projects is none or very limited. Information about the projects funded through Spain-NEPAD Fund is extracted only from the follow-up reports prepared by the OTC. In these documents, the limited information available to the OTC on these initiatives is clearly noticed.

Finally, during the CPF period, the UN joint program “Leave no Women Behind” executed by the UNFPA, WFP and the MoWCYA and funded by the MDG achievement Fund was under implementation with a budget of 9M dollars. The Joint Program “Leave No Woman Behind” was created to empower women and girls through health and business education, literacy training and better access to loans and reproductive services. The program used an integrated approach and capacity building as a central strategy. It comprised community-based components in education, literacy and reproductive health, including HIV/AIDS and livelihood interventions targeting adolescent girls and women.

As it is the case with the Spain-NEPAD Fund, this is a programme funded through a multilateral global fund with specific procedures and structures in which the decision-making capacity at country level is limited. Although, in the case of the MDG Fund, there is a joint Government, Spain and UN supervision structure at country level and at each programme level. There is evidence that the OTC participated regularly in meetings of the management and monitoring of the program. The final evaluation of the program underlines the contribution of the program to social transformations and behaviours in communities. Thus it reports, the social mobilization provided a better and rational understanding for positive community response to the rights of women and girls in general, supporting implementation of national law and policies such as prevention of harmful traditional practices, such as child marriage, health and HIV/AIDS, community outreach to pregnant women and increased access and demand for sexual and reproductive health services.

3.5.5.3 AID EFFECTIVENESS AND POLICY DIALOGUE

As shown, action in this sector was mainly limited to monitoring initiatives that were already in progress before the CPF period. Except the institutional support to the MoWCYA, the supported interventions are relatively isolated and small-scale programmes or larger programmes, in which the OTC has little decision power and therefore limits its role to monitoring activities.

Accordingly, in general it cannot be said that work in the sector has followed the principles of aid effectiveness. There is an alignment with the national policy as it fits within the national priorities established in the GTP, but in the absence of an articulated sectoral policy, the alignment is rather based on very generic aspects. The institutional weakness and lack of leadership of the Ministry as well as the general poor "gender machinery" in the country are widely recognized among the sources consulted.

The OTC has participated in several meetings organised by the gender coordination group in the DAG, at least while there was specific staff in the OTC in charge of gender. However, according to the gathered information, the group has an irregular performance and the discussion level and dialogue is weak, primarily due to the lack of leadership on the part of the Government.

In spite of having economically supported the Ministry during four years, there has been no continuity to this support due to the budgetary restrictions of AECID in recent years. Since no funds are allocated to the Ministry anymore and with the absence of a person in charge of gender in the OTC, the former relationship (mainly based on managing the grant) has been lost.

3.6 HUMANITARIAN ACTION

3.6.1. WHAT HAS BEEN THE ROLE OF HUMANITARIAN ACTION IN THE CPF?

Before starting to analyse the Spanish Cooperation performance in this field of action and the way humanitarian action fits in the CPF, the following paragraphs briefly describe the humanitarian characteristics of Ethiopia.

Ethiopia is a country exposed to recurring crises as a result of cyclical natural disasters, droughts and floods, together with persistent chronic vulnerabilities. In addition to the drought, events such as seasonal flooding, sporadic conflicts between communities, the rise of food prices, outbreaks, pests, and the limited access to health, water and sanitation services, adversely affect the livelihoods of the population, mostly, farmers and pastoralists, contributing to the persistence of a large number of humanitarian needs. According to OCHA, almost 10% of the population is in situation of chronic vulnerability to food insecurity and depends on national social protection programmes. Every year several millions of people need emergency aid to meet their basic needs for survival. According to the Government, the frequency, scale and intensity of these phenomena is aggravated by climate change whose predictions suggest that this situation will tend

to get worse in the future⁷⁷. Thus, for example, since 2005, the Productive Safety Net Program (PSNP) implemented by the Government with support from the World Bank and other donors seeks to tackle chronic vulnerability. The program provides cash or food aid to approximately 8 million people in 318 food insecure woredas, people who would otherwise be included in the humanitarian appeals for food aid.

In addition to this chronic situation, the seasonality of many of these phenomena must be considered. The cycles of drought and floods are directly related to the rainy and dry seasons, and the sowing and harvest stations. The country has two rainy seasons in the year: the shortest season “belg” between February and April, followed by the main “Meher” season from May to September. The central crop season is the Meher season, harvesting from September to February. Five main cereals (teff, wheat, corn, sorghum and barley) are the core of the agriculture and food economy in Ethiopia. Up to 20% of the total annual production of cereals in the country comes from areas that depend on the belg season. Equally, the main epidemics are linked to these stations calendar (malaria, cholera and measles in the time of rains, meningitis in periods of dry).

Moreover, in Ethiopia the pockets of vulnerability and the outbreak of crisis can be geographically much localized. In fact there is a map of “hotspots” woredas that are defined according to their degree of food insecurity and vulnerability. This means that emergencies can arise in a “woreda” in a very severe way, while the immediately neighbouring area remains free from disaster. In order to respond to the needs, it is important to have a good knowledge of the area and have flexible instruments that can adapt quickly to changing circumstances.

With more than 730,000 refugees, Ethiopia hosts the most refugees in Africa including Eritreans, Somalis, Sudanese and South Sudanese. There are 25 refugee camps spread across five different regions (Tigray, Afar, Somali, Gambella and Benishangul Gumuz) while some refugees also stay in urban areas. The continuous arrivals from South Sudan (the largest refugee population) and Eritrea in addition to the long term refugees from Somalia and Sudan overstretch the absorption capacities of the existing facilities⁷⁸. The increasing tensions between refugees and host communities in certain regions are highlighted by some organisations as increasing reasons for concerns.

Finally, in terms of conflicts, the persistence of the Ogaden conflict in the Somali region (despite a decrease in intensity over the years) and the recent clashes in Oromiya remain sources of concern and require close monitoring regarding their humanitarian consequences. Humanitarian organizations systematically report the difficulties encountered to access the areas, assess the needs and provide assistance to conflict affected populations.

National policy and response coordination

During the past few decades, the Government of Ethiopia has significantly strengthened its National Disaster Risk Management approach. In 2013, Ethiopia adopted a national policy and

⁷⁷ National Policy and Strategy on Disaster Risk Management, July 2013. Federal Democratic Republic of Ethiopia.

⁷⁸ More information available in: http://reporting.unhcr.org/node/5738#_ga=1.57386472.350527250.1466168977.

strategy on disaster risk management (DRM).

It includes general directions and major implementation strategies, including a decentralized DRM system, early warning and risk assessment, information management, capacity building, and on integration of disaster risk reduction into development plans. The Government has taken steps to strengthen national disaster risk management, including transforming the Disaster Risk Management and Food Security Sector (DRMFSS) to a full-fledged Commission, the National Disaster Risk Management Coordination Commission (NDRMCC)⁷⁹.

The coordination of humanitarian action is led by the NDRMCC (former DRMFSS), with sectoral task forces led by the relevant ministries and supported by UN agencies. UNOCHA promotes the clusters implementation approach. The Humanitarian Country Team (HCT) is the representation and coordination body for non-Ethiopian humanitarian stakeholders. It consists of the Humanitarian Coordinator, representatives of United Nations agencies, donors, and representatives of international NGOs.

Based on joint needs assessment (conducted by government, UN, international and national NGOs), the Humanitarian Requirements Document (HRD) is published on a yearly basis so as to identify the number of people in need of food aid and non-food aid assistance throughout the country and the financial resources requirements. The document is updated twice a year.

In addition, the Humanitarian Response Fund is a country based pooled fund, administered by UNOCHA and designed to facilitate rapid humanitarian response in the event of slow or sudden-onset disasters to save lives and protect threatened livelihoods. Established in 2006, the Ethiopia Humanitarian Fund (EHF) responds to disasters triggered by natural hazards, such as floods, droughts and outbreaks of diseases, as well as conflict-related crises. The fund is designed to facilitate response to unforeseen needs that emerge between planning periods. It also responds to needs that were unacknowledged during the humanitarian appeal processes. Designed as a gap-filling tool, the HRF has developed over the years into one of the major non-food contributors in the country⁸⁰. From 2008 to 2012, Spain contributed to the HRF with a total amount of €3,5 million.

Furthermore, as mentioned, Ethiopia hosts a large number of refugees from neighbouring countries under the auspices of the Administration for Refugee-Returnee Affairs (ARRA) established by the Ethiopian government and part of the Ministry of Home Affairs, with support of UNHCR. Coordination and responses of refugee matters are not included in the Humanitarian Requirements Document (HRD). ARRA takes the lead coordination role of food distribution, security issues in the camps, and other programmes on health, education, etc., but its relationship with implementing NGOs and other organizations in the refugee camps has been criticized as

⁷⁹ More information available in www.humanitarianresponse.info

⁸⁰ UNOCHA

⁸¹ www.alnap.org/pool/files/erd-3040-full.pdf

challenging⁸¹.

According to the interviews conducted and the documents reviewed, the Government of Ethiopia is eager to avoid as much as possible the negative image of Ethiopia as a “hunger country” that could jeopardize the significant efforts and gains made to fight poverty and food insecurity in the last decades. In view of some informants, this would explain that data provided by the Government in relation with humanitarian requirements are not always fully reliable and some discrepancies have been noticed regarding the number of persons in need⁸² allegedly to minimize the severity of the situation. Some informants have also raised concerns regarding the decreasing humanitarian space in view of difficulties of access and independence. The surrounding insecurity is the main arguments mentioned to explain the firm control exercised by the Government over the humanitarian assistance and deployment in the country.

How Humanitarian Action fits in the CPF

As explained earlier in the section about CPF design, OTC and AECIDs’ Humanitarian Action Office (OAH in its Spanish acronym) had different points of view regarding Humanitarian Action priorities within the country.

On one hand, the OTC thought that given the cyclical character of the crises, it was necessary to go beyond the "emergency" paradigm, and work closer to development, strengthening the work in prevention and risk reduction, aligned with government policies. To do so, they thought it was necessary to include a component on prevention and resilience due to the foreseeable and recurrent humanitarian crises in Ethiopia and the high rates of food insecurity. On the other hand, the OAH considered that according to the principles of the good humanitarian donor, Humanitarian action should not be negotiated or planned with the partner countries, in order to ensure the principles of humanity, impartiality, neutrality and independence. Thus, Humanitarian Action should be excluded from planning exercises such as the CPF. Moreover, in the case of Ethiopia, the perception that the Ethiopian Government exerts a strong control and interference in the humanitarian affairs explained the reluctance to include humanitarian action in a document essentially seen as a development framework aligned with government policies. In this line, the evaluation of the Spanish humanitarian action in Ethiopia made in 2012 stresses the existence of differences in the approach between the OTC and OAH, which have impeded designing a humanitarian strategic planning document in Ethiopia.

As result of these differences, the CPF document only refers to humanitarian response and leaves the underlying question unsolved: how to face simultaneously the structural causes of vulnerability and to improve the response to the yearly recurrent crises? In contexts like the Ethiopian, policies and long-term approaches must get together with emergency responses, overcoming the artificial division between development and humanitarian action.

However, although sensible to the legitimacy of this debate, it is not clear to the evaluation

⁸² Evaluation of the response of the Office of Humanitarian Action of the AECID in Ethiopia. 29 November - 19 December 2011. Evaluation Report . May 2012, David Noguera Hancock Pierre Leguéné.

team why it was impossible to find a solution that would address this fundamental issue without compromising the independence of humanitarian action. Wouldn't it have been possible to include a section on risk prevention without detailing which department is responsible for funding the interventions?

3.6.2 WHAT HAS BEEN DONE?

Humanitarian action to Ethiopia needs to be framed within the almost 84% cut of the OAH budget between 2011 and 2013⁸³. This substantial reduction of funds led the OAH to concentrate its efforts on three different forms of intervention as shown in the Operational Plan for Humanitarian Action 2013 - 2014: (A) attention to specific crises, prioritizing 8 contexts: Sahel (Mali, Niger and Mauritania); Syria crisis; Occupied Palestinian Territory; Sudan and South Sudan; Latin America and the Caribbean; Colombia; Sahrawi refugees Camps and Philippines. The recent Ebola and Central African Republic crisis add to these contexts. (B) Supporting global humanitarian funds: mainly CERF and ICRC. (C) Direct allocation to specific sudden crises caused by natural disasters: specific actions in very special cases of large-scale natural disaster where access and added value of the Spanish cooperation is evident. In terms of sectors, the operational plan suggests to focus action on food and nutrition security, water and sanitation, health, protection and coordination.

From 2011 to 2015, in total, over €9,5 million⁸⁴ were allocated to humanitarian action in Ethiopia through funds coming from AECID and mainly two autonomous regions of Madrid and Catalonia. The support was channelled mainly through international organizations (54%) with seven actions implemented by UNHCR, WHO, WFP (2), OCHA (2) and ICRC, amounting to more than €5 million. In addition, 37% of the funds were channelled through NGOs, 31% by Spanish NGOs and 6% by Ethiopian NGOs.

All the mentioned actions above were funded between 2011 and 2012 to respond to the 2011 humanitarian crisis. Contributions to OCHA refer to the support to the HRF mentioned earlier. One of the contributions to WFP was made in support of the "Building resilience in Ethiopia" Program of the DRMFS. As for NGOs interventions, three emergency agreements⁸⁵ signed in 2010 with three humanitarian NGOs were activated in 2011 to respond to Ethiopia's emergency for a total of €1,870,000.

More recently in 2013 and 2015, one innovation Program (with 2 phases) for a total amount of €340,000 was funded through a public-private partnership to support energy supply in a refugee camp.

⁸³ Mid-term review of the IV Master Plan of the Spanish Cooperation.

⁸⁴ This amount is issued from official ODA figures of Info@od completed by the information provided by SGCID, the two main sources of information used in this document to map and report on ODA. However, according to the OAH the ODA provided by AECID only for the period is €9,6 million, which would make a total of €10,6 million overall. This difference in figures may be due to the discrepancies noted at the beginning of the document on how ODA is registered.

⁸⁵ Emergency agreements are non-geographically earmarked agreements entered with humanitarian NGOs that are activated jointly with OAH to respond to humanitarian crises.

The 2011 emergency response

The 2011-2012 crises in the Horn of Africa affected 13 million people throughout the region, primarily in the south of Ethiopia, in southern and central Somalia and northern Kenya, caused by a set of interrelated events. The “La Niña” phenomenon intensified the severity of drought, caused repeated flooding and increased the level of malnutrition; a measles outbreak forced to launch a mass vaccination campaign and increased the flow of refugees from Somalia and Sudan⁸⁶.

According to the humanitarian action evaluation conducted in 2012, OCHA estimated that Spain was the 10th donor in the 2011 emergency, with a contribution of 1.6% over the total. The evaluation highlighted the pertinence of the Humanitarian Action interventions during the 2011 emergency, both in terms of the geographic focus (Afar & Somali) as well as the thematic sectors supported, mainly WASH, nutrition and food aid. It particularly judged positively the “Humanitarian Agreements” for their flexibility and adaptation to the Ethiopian context of chronic crises. In addition, the “Development Agreements” implemented by NGOs specifically in Ethiopia were allowed to have contingency funds (between 2% and 5% of total budget) that could be mobilized in case of emergency. These agreements provide a benefit: they allow stakeholders to work on reducing chronic vulnerabilities and risks with long/mid-term presence in a specific area while at the same time, if needed, they provide emergency response actions in a highly flexible and rapid way.

This is the case of the agreements implemented by ADRA and Manos Unidas. The Humanitarian Action Office appreciates the flexibility to include emergency actions in development programmes, but has some reservations regarding the fact that these NGOs do not have a humanitarian mandate, nor is the instrument adapted to the specificities of humanitarian interventions. This makes it difficult to ensure that the criteria and standards used in the interventions follow internationally recognized humanitarian criteria. In contrast, AOH prefers signing emergency agreements with humanitarian NGOs (Médecins Sans Frontières, Action against Hunger, Intermón Oxfam, among others) whose compliance with humanitarian action criteria is unquestioned.

The evaluation mentioned earlier highlights the overall positive perception of AECID as a humanitarian action donor and the good relationship with other donors and the Ethiopian Government. This strength has been confirmed in the interviews conducted with multilateral humanitarian actors during the fieldwork (UNICEF, WFP). The flexibility and availability of the Spanish Cooperation stands out among other aspects.

The fact that in the past the OTC had specific staff devoted specially to monitor humanitarian actions is also remarked as a favourable aspect in the evaluation report. Nevertheless, at the same time, it points out that “no member of the OTC has specific experience or training in the field”, and criticizes that monitoring is done on a sectorial basis, and points out certain “absence of analysis, monitoring and reactive strategies definition regarding crosscutting humanitarian aspects: access, humanitarian space for NGOs, independency of humanitarian aid, protection”. Therefore, it recommends strengthening OTC capacities. However, today there is no staff dedicated to humanitarian action in the office in Addis Ababa, and lately the actions and budget

⁸⁶ Reliefweb.int: Horn of Africa Crisis 2011-2012

for humanitarian action are almost non-existent, as shown in section 3.2.

From 2012, the global budget of Spain committed to humanitarian action has been reduced drastically. Thus, as explained the OAH was forced to focus its activity on a limited number of contexts, among which Ethiopia was not included. Since 2013 only three projects were financed with a total budget for €365,000. Two of them correspond to two phases of the same innovation project (public-private partnership). Hence, there has been no opportunity to implement the recommendation of the evaluation.

In addition to the emergency response 2011, other interventions funded within this field of action can be mentioned. First, in line with Hyogo Framework Spain has supported the DRMFS in its woreda risk-profiling programme (up to date 250 woredas) and contingency plans (up to date 86 woredas). The support has been provided through two different modalities. One funded in 2011 by the OAH through WFP (€1,038,610) and another contribution made by the Africa and Asia Cooperation Directorate at AECID (€500,000) in 2013. Finally, in 2013 the first public-private partnership in the field of humanitarian action (APPAH in its Spanish acronym)) was financed for a total amount of €160,000. It is a pilot project for energy supply improvement in the refugee camp of Shire in northern Ethiopia. The Centre for technological innovation at the Polytechnic University of Madrid (UPM) coordinate this initiative, together with the AOH, UNHCR, and three Spanish companies, including Iberdrola, Acciona and Phillips Ibérica. In 2015, the initiative received a second grant of 180,000 euros. According to the interviews with the OAH and UPM, this experience is conceived as a learning process, not only in terms of product but also principally in terms of the process. This initiative entails first to overcome the project approach idea and replace it by learning to work in partnership, on equal terms and in a collaborative way. In the implementation of the first grant most of the efforts were placed in building up the relationship between actors with diverse visions, nature and procedures. In fact, the signature of the partnership suffered considerable delays due to legal incompatibilities. The interviewees pointed to the inadequacy of the financing instrument (humanitarian action grant) which has a too rigid project approach in terms of timing and accountability. Although it is too early to assess the results of this initiative, in a pilot experience it is essential to gather and systematize information to enable learning and replicability of the model in similar contexts.

3.7 CONTRIBUTION OF THE CPF TO THE AID EFFECTIVENESS AGENDA

The literature on aid effectiveness suggests the following links between aid effectiveness and development outcomes⁸⁷:

- Ownership by developing countries will create buy-in and sustainability.

⁸⁷ Busan Background papers. How much does aid effectiveness improve development outcomes? (Brenda Killen), 2011.

- Donors aligning to country priorities will help strengthen their systems and strengthen ownership.
- Harmonized approaches to aid will reduce transaction costs.
- Managing for development results will ensure more targeted interventions.
- Mutual accountability will increase the legitimacy of the state in the eyes of its citizens and reduce accountability distortions created by more traditional aid delivery mechanisms.

The aid effectiveness agenda was very present at the time of the CPF elaboration and the willingness by the Spanish Cooperation to strengthen the effectiveness of its aid is reflected throughout the document. During the planning exercises, the need to align to national policies and to pursue common goals building on existing national programs and performance indicators was clearly put forward. This is reflected in the different matrices produced throughout the various stages of preparation of the CPF as per the methodology in force at the time. In coherence with this commitment, the CPF established specific indicators and targets in relation to the intended achievements regarding aid effectiveness (unlike with development results). For each aid effectiveness principle, annex 8 of the CPF displays a set of indicators with related baseline data (year 2010) and targets for the year 2015. Although the matrix was designed to collect information on the status of the indicators on a yearly basis, the evaluation team has found no evidence of any systematic follow up on these indicators. In fact, it is the impression of the team that during the CPF implementation, Spanish Cooperation actors, and specifically AECID, have focused their attention on sector development results from individual programmes and interventions, very influenced by the associated funding instruments and administrative procedures. As mentioned, there hasn't been any monitoring of the CPF as a whole, and as a consequence, the advances related to aid effectiveness not directly linked to specific programme have been overlooked. Thus although the objective of improving the effectiveness of aid was very clear in the CPF planning phase it has been somehow disregarded during its implementation. The CPF has not been a road map in this regard, since it has not been taken as reference to guide the decision making on the actions of the Spanish Cooperation.

This section examines the contribution of the CPF to the principles of aid effectiveness, and the degree of achievement of the planned goals in the CPF regarding the Aid Effectiveness Agenda. This is the first time these indicators are collected and reported on since the beginning of the CPF.

3.7.1 OWNERSHIP

Partner countries exercise effective leadership over their development policies and strategies and coordinate development actions⁸⁸.

The indicators provided in the CPF aid effectiveness framework refer to the legitimacy and leadership of the Ethiopian Government in the development of national and sectoral plans and the participation of all relevant actors and civil society. A first note here is that in the CPF this indicator is considered only for AECID, not for the Spanish Cooperation as a whole.

The overall strong ownership and leadership of the GoE has already been established in other sections of this evaluation.

At national level, the Government of Ethiopia has a strong ownership and leadership of its development, as reflected in the national development strategies (GTP II), and in the availability of national funds for development (e.g. Food Security Program (FSP), Productive Safety Net Program (PSNP) or the Program Basic Services (PBS)⁸⁹.

In the case of the three priority sectors of the CPF (Health, Rural Development and Basic Social Services) the implementing ministries have proven to have a high level of ownership and leadership in their own development policies and strategies. The ownership is expressed not only through the existence of these sectoral strategies, but also by the existence of strong coordination structures and policy dialogue platforms where government, donors and international organisations jointly work under common objectives. To the extent that the Spanish Cooperation, and specifically AECID, has aligned its support to these policies and structures, it can be said that it has helped to further consolidate the already strong ownership of the Government or at least it has not undermined it. This is particularly evident in the case of the Ministry of Health through the support to the MDG Pool Fund. It is also the case in the agriculture sector through the active participation in AGP and REDFSS although this statement needs to be nuanced in view of the fact that the greatest investments in this sector (through NGOs) are invisible to the Ministry.

Weak participation of civil society in development policies

With regard to civil society, its participation in development policies is low. As it has already been mentioned, the relationship of the Government and civil society is complex, characterized by a restrictive legislation and a democracy yet to be consolidated. This reality translates to the design and management of development policies, where the participation of civil society is often merely a formality rather than an effective dialogue (see section 3.1 on context).

⁸⁸ OECD, The Paris Declaration on Aid Effectiveness 2005.

⁸⁹ For more information, see section 3.1 on context.

However, it seems that in recent times some initiatives have been started to improve the participation of civil society in policy dialogue. Thus, in 2011 the DAG Civil society Sub-group (CSSG) created the “Charities and Societies Sector Working Group” aiming to improve the dialogue with civil society and the government. Furthermore, the Ministry of Agriculture is preparing the creation of a platform for dialogue and exchange of experiences with NGOs working in the sector. In any case, these initiatives are incipient and up to date not much progress has been made. The Spanish Cooperation does not participate in these working groups nor does it promote any activity related to this aspect, except a timid attempt to improve coordination of NGOs working in rural development with the AGP.

3.7.2 ALIGNMENT

Donors base their overall support on partner countries’ national development strategies, institutions and procedures.

The goals established in the CPF with regard to alignment were the following:

- Moving from 44.76% to 80% of Spanish aid on-budget.
- Moving from 44.76% to 66% of aid channelled through programme based approach instruments (common or trust funds, or budget support)
- In health move from 87.40% to 90% of aid channelled through program based approach
- In rural development move from 0% to 50% of aid channelled through program based approach
- Having a 3-5 years frame of commitments to disburse 100% of the funds (according to the CPF at least 101 million euros in 5 years)
- Provide a written notification to the Ethiopian Government about Spain’s financial commitments three months in advance of the start of the Ethiopian fiscal year (8 July - 7 July)
- Disburse 100% of the funds in the planned fiscal year
- 50% of the cooperation through ONGDs is jointly implemented with the local institutions.

Before analysing these indicators, overall it is possible to say that Spanish Cooperation interventions in Ethiopia fall under national government priorities in all sectors. All projects visited, regardless of the channel of delivery (Ethiopian or Spanish public institution, NGOs, international agency...), support Ethiopian authorities priorities: either at federal, regional, woreda or kebele level. Thus, all Spanish Cooperation funds in Ethiopia respond to GTP national policies and/or to the relevant sectoral policies. This fact is not surprising given the political

⁹⁰ See section 3.1 on context.

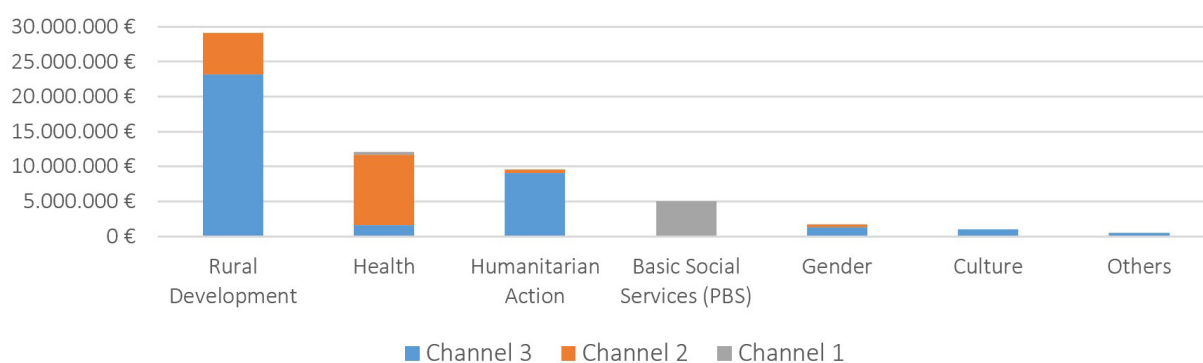
context in Ethiopia⁹⁰. Any intervention implemented in Ethiopia must be previously agreed with the authorities.

However, fulfilment of the specific goals set out in the CPF has been weak. In fact, the evaluation team has found that these goals have not been given any type of follow-up. Thus, according to ODA analysis, during the CPF period only 38% of funds have been on-budget (channels 1 and 2), instead of the expected 80%.

This circumstance is due to several factors. First, the contribution of €50 million planned for PBS was reduced to €5 million. If what was originally planned had been fulfilled, it would have meant a substantial change in distribution, since PBS is channelled directly to MoFEC (channel 1). In addition, contributions to donor baskets funds in health and rural development (channel 2) have also been lower than expected: SDG Pool Fund was supposed to have a budget of about €25 million, but only €10 million were disbursed. In AGP only 55% of the projected budget has been funded. These budgetary reductions through most aligned channels contrast with the slight increase of funds delivered through channel 3 (NGOs)⁹¹.

As shown in the graph below, there are differences between sectors in relation to the use of channels:

Chart 19: ODA distribution per channel



Source: compiled list of intervention 2011-2015

In terms of the use of the program based approach, the CPF also established 3 specific goals. The chapter on instruments already highlighted how the Spanish Cooperation has regressed in the use of this type of aid, compared with the previous period:

- Only 37% of the funds in the CPF period have been channelled through program based approach support, instead of 66%, as planned, and 8 points below the starting point according to the baseline of the CPF (44.76%).

⁹¹ See section 3.2 on Spanish AOD in Ethiopia.

- 83% of the funds allocated to health have been channelled with program based approach, rather than the expected 90%, and 4.4 points below the starting point according to the CPF baseline.
- Only 19% of resources to the rural development sector have been channelled through program based support. The target was 50% of resources.

The sector on Basic Social Services also envisaged using a program based approach. Although the effectiveness results framework does not set targets in this regard, the CPF expresses its intention to support this sector exclusively through the PBS, a commitment that has been mainly fulfilled⁹².

Regarding the other sectors, the use of instruments and channels was not pre-established. The predominant instruments in gender were projects and programs and in culture scholarships or assistantships. In gender 24% of funds have been on budget (channel 2).

Regarding targets related to predictability of aid, the following table compares the CPF funding estimates and the funds actually disbursed during the period (please note that ODA data on 2015 is incomplete as it only includes AECID funds and not those of all other Spanish Cooperation actors):

Table 6. Deviation between CPF budget estimates and disbursements

	CPF BUDGET 2011-2015	SPANISH ODA 2011-2014	DEVIATION
PBS	52.570.000 €	5.000.000 €	↓ -90%
Health	25.750.000 €	12.047.983 €	↓ -53%
Rural Development	16.650.000 €	29.102.177 €	↑ 75%
Gender	5.250.000 €	1.663.522 €	↓ -68%
Culture	1.200.000 €	1.053.471 €	→ -12%
Humanitarian Action		9.522.865 €	
Others		538.618 €	
TOTAL	101.420.000 €	58.928.636 €	↓ -42%

Source: prepared by the authors using compiled list of interventions 2011-2015

⁹² The exceptions are small projects financed by Autonomous Regions and Local Entities that in statistics have qualified like “others”

As shown, Spain is far from fulfilling its budgetary commitments, since only 58% of the estimated funds have been disbursed. However, as mentioned previously, this under financing must be read in the context of the economic crisis in Spain. In fact, Spanish ODA has been reduced in more than two thirds worldwide when comparing pre-CPF period (2007-2010) with the CPF period (2011-2014). In addition, it is important to emphasize that in the interviews, both the Ethiopian authorities and international organizations have appreciated very positively the efforts of Spain to maintain its cooperation with Ethiopia in spite of the economic crisis.

In terms of aid predictability, rural development is the only sector that has received more funds than expected. All other sectors have not received even half of the planned budget (with the exception of culture, although ODA has been finally allocated to scholarships, assistantships and PCI, namely Scientific and Interuniversity Cooperation, instead of being invested in promoting handicrafts and other initiatives led by the MoCT, as planned). The reasons of this deviation are explained throughout the document and are based on AECID's political decision to ensure budgetary constraints affect Spanish NGOs to a lesser extent than other channels of delivery.

The CPF included the commitment to notify to the Ethiopian Government the funds to be disbursed three months in advance of the beginning of the Ethiopian fiscal year in July, i.e. by April every year. The evaluation team has found no evidence that these notifications to MoFEC have been made. However, it would seem that with the implementing ministries communication has been more fluid and constant, although it is unclear how systematic and formal these notifications have been.

The CPF also foresaw to disburse 100% of the committed funds within the Ethiopian fiscal year, namely before July. Due to information fragmentation, it is not possible to determine exactly what aid percentage has been disbursed before July, but in any case, it can be said that it has not been 100%. For example, the SDG Pool Fund Grant resolution anticipated two disbursements, in 2011 and 2012, €5 million each. Finally, in 2012 only €3,5 million were disbursed, and until 2014 the grant was not completely disbursed. Something similar happened with the grant resolution for the AGP. However, it is also necessary to highlight the efforts of Spain to make multi-year agreements, an unusual procedure in AECID.

The CPF indicator on parallel implementation units is difficult to assess due to its ambiguity. The target for this indicator is stated as followed in the matrix "50% of cooperation through NGOs in Ethiopia runs jointly with local institutions" with an associated baseline 2010 of 0. However in the document (p 74) it says "Spanish Cooperation does not have isolated projects in the country and makes sure that UN agencies and NGOs execute its (sic) integrated budget on the existing plans, in coordination with local authorities" with baseline 2010 equal 0. It is very unclear for the evaluation team what the CPF intends to achieve and measure with this indicator and targets.

In any case, in all the projects visited, NGOs do coordinate their work with local authorities both in the design and the management, but the degree of "joint implementation" varies. In some projects "joint implementation" may go as far as joint decision making on project activities and budget distribution, while in others, it is limited to joint diagnoses on needs, priority lines and locations, with periodic follow-up on the progress, which in itself entails a positive coordination.

However, in terms of management, all projects and agreements implemented by NGOs use de facto parallel management units⁹³, and they could hardly do otherwise, given the grants rules and regulations they need to comply with.

3.7.3 HARMONIZATION

Donors' actions are more harmonized, transparent and collectively effective.

The harmonization of donors in Ethiopia is under the umbrella of the DAG, where different platforms and global and sectorial working groups are articulated⁹⁴. Without a doubt, these structures are a positive and sensible framework for the harmonization among donors.

Specifically, the CPF establishes the following goals in terms of harmonization:

- Actively participate in 5 coordination groups: DAG, PBS, health, rural development and food security and gender.
- 80 % of AECID missions are joint missions.
- 80% of the technical assistance is channelled jointly (M&E UNDP Fund, TA Health, UNICEF Fund).

Regarding Spanish Cooperation participation in coordination groups, the section on instruments describes in greater detail its good performance and leadership in the health group (HPN) and rural development group (RED&FS), as well as being an active DAG member, participating in the Executive Committee and various technical working groups. However, on gender and on PBS nowadays Spain has no active role. There was in the past, but it has not been maintained.

As for joint missions it should be noted that OTC has no systematic and consolidated registration of its missions to the field, hence it is not possible to measure this indicator. The evaluation team found that Spain has participated in some joint missions in the framework of the SDG Pool Fund and AGP, but it is not possible to determine the percentage over the total.

With regard to the last indicator, as seen in the instruments section, during the CPF period there has only been one technical assistance channelled through the APIA program. Therefore, the commitment to channel technical assistance through existing harmonized instruments has not been fulfilled.

⁹³ Parallel Project implementation units (PIU) operate on behalf of a donor outside the institutional and administrative structures of a country. According to the DAC, they have four characteristics: (1) PIUs are accountable to donors rather than to implementing agencies of the partner country; (2) Terms of reference for recruitment of external staff are determined by the donor; (3) Most of the staff is designated by the donor; and (4) staff salary structure is higher than that of officials in the country.

⁹⁴ See section 3.1 on Context.

3.7.4 MANAGING FOR RESULTS

Managing resources and improving decision-making for results.

The goals that the CPF established in relation to this principle are:

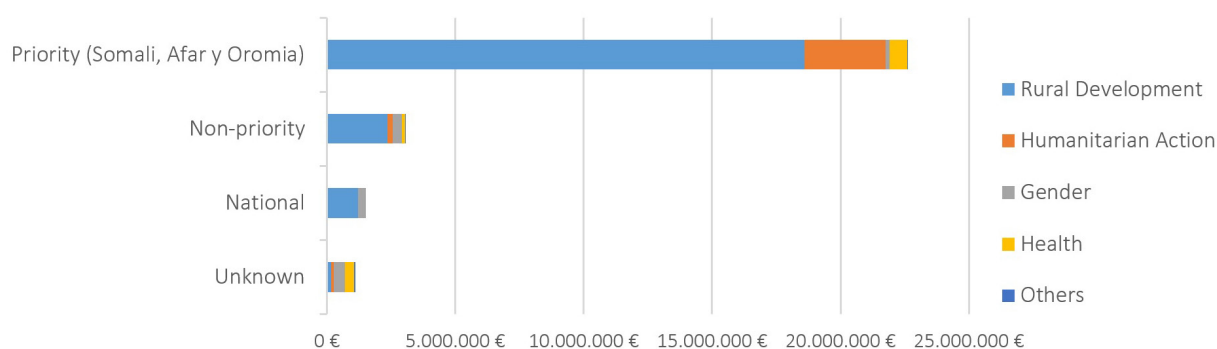
- The existence of a joint monitoring indicators matrix for each program, with concrete results for each year.
- Concentrate 80% of the funds channelled through NGOs in the sector of Rural Development and Culture in the three priority regions.

With regard to the first indicator, it is not clear what was meant exactly with joint matrix to each program. Does this refer only to the donor basket funds or to all interventions financed by Spain? The doubt arises because the baseline only shows the PBS as a program with a monitoring matrix, while all NGOs projects and agreements also have planning matrices.

If the indicator refers only to baskets funds, it has been met, since both SDG Pool Fund and AGP have planning and joint monitoring systems with indicators on which both programs can track performance. However, if the indicator refers to all programs supported by Spanish Cooperation, managing by results is very much conditioned by the demands of each instrument and the administrative procedure linked to it. Thus, NGOs projects and agreements generally include detailed planning matrices to guide monitoring. However, the Business Permanente Open Call (CAP in its Spanish acronym), the Interuniversity Programs (PCI) and many foreign policy grants for the implementation of isolated projects that are not part of a more comprehensive program, usually do not formulate any planning matrix.

The indicator on the geographical concentration of the NGOs in the priority areas of Somali, Afar and Oromiya has in fact been fulfilled, as shown in the graph below. Specifically, 80% of the projects channelled through NGOs has been implemented in the priority areas, for the most part in rural development (66%), followed by humanitarian action (11 %) and health (2%).

Chart 20. Geographical and sectorial concentration of the funds canalized by ONGDs

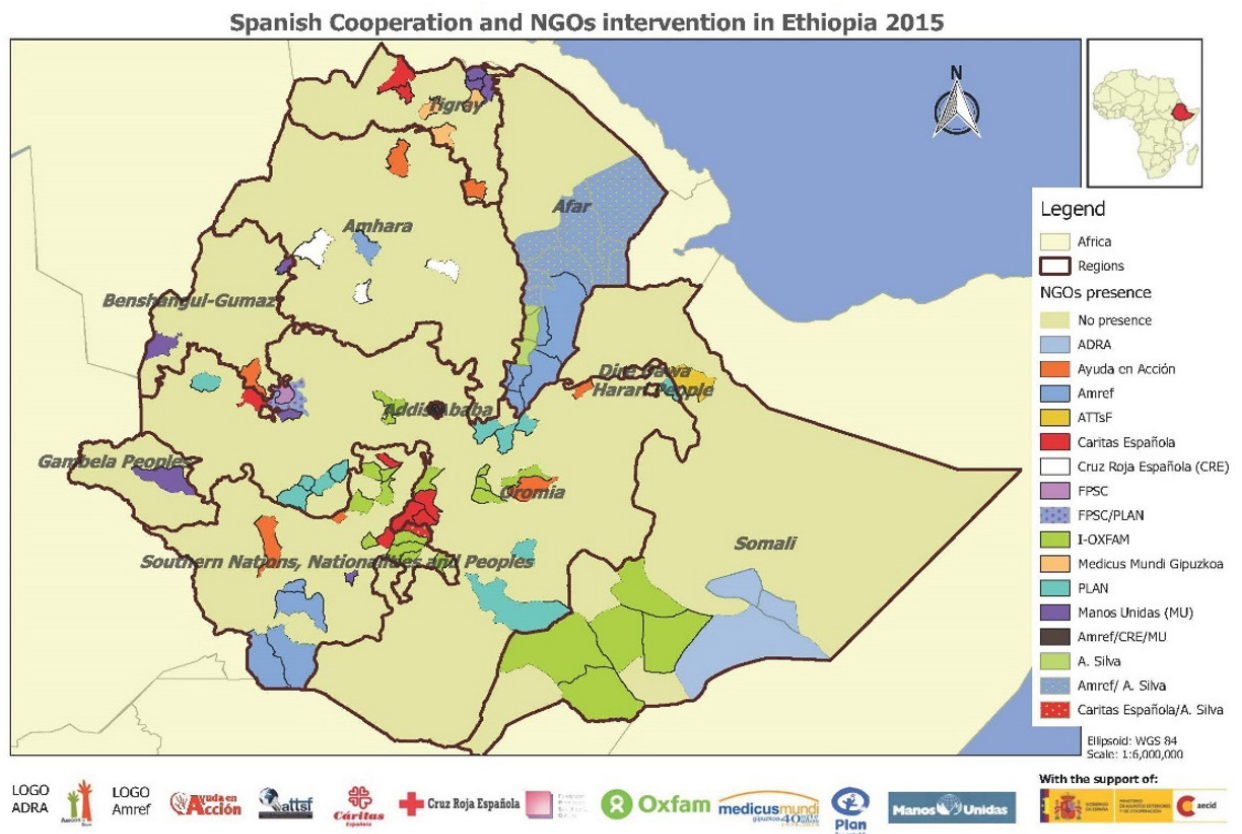


Source: compiled list of intervention 2011-2015

However, if projects financed by AECID are excluded and only those granted by other Spanish Cooperation actors are taken into account, the percentage of funds allocated to the three prioritized regions decreases to 47%. The same happens with the sectorial concentration. While 84% of funds allocated to NGOs have been assigned to rural development and only 4% to health, the picture changes if AECID is excluded from the analysis. In that case, the percentage of funds destined to rural development decreases to 51% while health increases to 22%. This evidences that AECID is the only actor who has ensured fulfilling these commitments, while other Spanish Cooperation actors have not.

Similarly, in the fieldwork it has been evidenced that Spanish NGOs have not stopped working in those areas and sectors where they were active before CPF period. Simply, they have stopped receiving AECID funding for projects out of the scope of the CPF, but they have continued searching for other resources (decentralized Spanish cooperation and other international cooperation donors) for funding. The following map developed by Spanish NGOs in Ethiopia, illustrates this evidence, since it shows who is working where. As shown, Spanish NGOs do not only work in Oromiya, Somali and Afar, but also in some areas of all remaining Ethiopian regions.

Chart 21. Map of Spanish NGOs interventions in Ethiopia



Source: compiled list of intervention 2011-2015

3.7.5 MUTUAL ACCOUNTABILITY

Donors and associates are responsible for development results.

Few of the following targets set on the CPF have been met:

- The Spanish Cooperation in Ethiopia has a full and updated web page, which serves as an information platform to NGOs, Spanish companies, expatriates, universities, etc.
- Writing of a consolidated annual report with information about main results achieved, and sharing its main findings in a meeting with Ethiopian counterparts (MoFEC, MoA, MoH, and MoWCYA) and Spanish NGOS.
- Annual participation in one joint evaluation with other donors and conducting one sectoral evaluation.
- 100% of Spanish aid to Ethiopia is counted on the Aid Management Platform (AMP) with a quarterly updating.

Currently the Spanish Cooperation has no webpage in Ethiopia. The OTC reports that it was developed and was functional only during some time in the past. The evaluation team does not know why the webpage turned inoperative. The OTC neither prepares an annual report to share with government and NGOs. The OTC only monitors individual performance of its projects. These reports are generic and include no development results framework. On the other hand, OTC delivers a bimonthly follow up report to the Sub-Saharan Africa Cooperation Department, reporting on activities done during the period. All these documents are internal and therefore they do not respond to the indicator, which referred rather to a public and shared document, focused on the analysis of development results. It seems that mutual accountability with the government is based more on the solution of specific problems in the implementation of the interventions, rather than on an exhaustive strategic dialogue. However, in the case of the basket funds (SDG Pool Fund, AGP and PBS) and NGOs programs, in fact there are mutual accountability mechanisms, determined by the dynamics of funds and grants. In these interventions, there are technical and economic annual plans and reports on performance.

The evaluation team is not aware if Spain has participated in any joint evaluation with other donors nor has performed any sectoral evaluation in Ethiopia. Evaluation exercises done so far are mainly mid-term evaluations of NGOs agreements, since the grant regulation requires it. According to the Spanish Cooperation Biennial Evaluation Plan 2013-2014, an interim evaluation of CPF was envisaged, which ultimately was not developed due to delays in the procurement procedures.

Regarding the last indicator, while Spain participates in the high-level forums and reports quarterly to the AMP on its disbursements, AMP only collects data on the funds directed to channels 1 and 2. Since over 60% of the Spanish funds in the CPF period were disbursed through channel 3,

there is a clear underestimation of the Spanish aid.

The analysis of the questionnaire reveals that Spain is perceived as a donor somewhere in the middle between limited and significant influence in the development of the aid effectiveness principles in Ethiopia. Thus, the worst assessed principle refers to the participation of civil society, followed by results-based management. In both cases, the rate is closer to the limited influence. In contrast, alignment is the best-rated principle, followed by harmonization, being closer to the opinion that Spain exercises a significant influence on both principles.

3.8 POLICY DIALOGUE

“Policy can deliver social and economic changes on a scale not possible through self-contained projects, and has the promise of catalysing more sustainable shifts in a country’s make-up and developmental progress. Because of this potential, development agencies are increasingly engaging with policy in developing countries⁹⁵.”

As the chapter on context mentions, Ethiopia is characterized by exerting a strong and independent leadership of its development policy, as defined in GTP, and a clear commitment to the effectiveness agenda. Broadly speaking, the strong ownership of the Government regarding its national policies and their translation into national operational programmes is generally recognized. Similarly, the government is seen as playing an active role in aid coordination. With regards to its relationship with bilateral and multilateral external partners, Ethiopia adopts a rigorous uphold of its own development agenda and channels development aid based on its priorities. The interlocution and dialogue with donors are formally structured around the DAG, the main coordination mechanism in which most donors are represented. In addition to the High Level Forum, there are several thematic and sectoral coordination groups at both strategic and technical level. As seen, Spain has maintained a strategic participation in various groups over the years. Despite being a comparatively small donor, its pro-activity has given it a privileged position especially in areas such as health and agriculture. These structures provide opportunities for exchanging, discussing and building ideas and relationships, which together with the various interventions contribute to assist the government’s policy making. Given the dedication of efforts and resources to the activities of harmonization, coordination and dialogue, it seems relevant to ask what has been the role of Spain in these structures? What kind of dialogue is established? Is it consistent with the strategy defined in the MAP?

This chapter does not intend to analyse whether what was planned in the CPF was met since the Spanish Cooperation did not provide any guidance or specific targets in terms of policy dialogue. In fact, AECID does not seem to have a definition of what constitutes policy dialogue nor does it explain why it is important to have it. AECID’s Guide of Aid Modalities and Instruments (2014) links policy dialogue to the principles of co-responsibility and mutual accountability, with the ultimate objective of promoting pro-poor policies. Thus, the purpose here is to assess the

⁹⁵ Donor engagement in policy dialogue: navigating the interface between knowledge and power. A think piece by Harry Jones, ODI, October 2011

contribution of Spain to the debate of ideas, negotiations and discussions in relation to the promotion of pro-poor policies in Ethiopia by looking at the series of "soft" activities performed by the OTC, such as participation in Steering Committees, sharing of experience and knowledge, providing technical advice, building credibility and relationships of trust with partners, etc. all of which are elements of policy dialogue.

For the assessment of the Spanish Cooperation performance is based on the theoretical framework proposed by Harry Jones.

In order to better assess the extent and quality of the Spanish Cooperation policy dialogue in Ethiopia (channelled through AECID's representatives in Ethiopia) the evaluation team has "unpacked" the concept using the 5 key dimensions of possible policy impact suggested by Jones:

- Framing debates and getting issues on to the political agenda: drawing attention to new issues and affecting the awareness, attitudes or perceptions of key stakeholders. For example, encouraging the adoption of new ideas and programmes by development partners and promoting the uptake of pro-poor measures by national governments.
- Encouraging discursive commitments from states and other policy actors: affecting language and rhetoric is important to, for example, promote recognition of specific groups or endorsements of international declarations.
- Changes in the process whereby policy decisions are made, such as opening new spaces for policy dialogue: influence on the promotion of donor coordination and aid effectiveness and civil society.
- Affecting policy content: while legislative change is not the sum total of policy change, it is an important element.
- Influencing behaviour change in key actors: policy change requires changes in behaviour and implementation at various levels in order to be meaningful and sustainable.

The same author proposes three typologies of influencing activities:

- Evidence and advice: policy influencing activities are led by evidence and analysis, by principles of evidence-informed policy-making and providing knowledge-based inputs.
- Public campaigns and advocacy: policy influencing target large numbers of individuals, or the political debate on an issue, through public messaging and campaigning.
- Lobbying and negotiation: The primary means of influencing policy is often direct interaction with decision-makers, allies and other key players.

As the author points out it is important to acknowledge that the policy dialogue activities do not occur in a linear fashion, they are rather “significantly messier”, dynamic and difficult to monitor and evaluate. As such, evaluating policy work is very complex. First, because establishing clear linkages between specific policy dialogue actions and effective changes in policy is problematic. Also, policy dialogue is a dynamic endeavour that requires being able to adapt to a changing policy environment and therefore may entail to redefine the strategy and the objectives of the policy work promoted. Hence, the very nature of the policy influencing work makes it difficult to measure progress against changing objectives. Other methodological problems are related to the fact that policy-influencing objectives are often not explicitly defined and shared, and information and knowledge about policy work activities are not registered or systematized.

Therefore, what follows is an attempt to describe the type of actions related to policy dialogue undertaken in the past years. This information is primarily based on interviews with relevant stakeholders and most of the information gathered on this subject revolves around the main priority sectors where Spain has been more active, namely health and rural development. It is also based on the perceptions expressed by the respondents of the questionnaire on the role of Spanish Cooperation actors in policy dialogue related activities. As per the team knowledge, there are no Spanish Cooperation documents referring to the policy dialogue held in Ethiopia.

Finally, before going into the analysis, it is important to adjust the expectations regarding what can be achieved through dialogue. In Ethiopia, it is commonly recognized among the donor partners that the Government is rather disinclined to have open public discussions on policy issues and rejects any overtly influence seeking attitude as interfering with its national sovereignty.

What policy dialogue has been carried out?

Spain actively participates in strategic and technical decision making structures, forums and joint missions. It is a full member of the DAG and as such takes part of the annual High Level Forum meetings and consultations regarding progress on the national development agenda or preparation of new GTPII. In addition, it participates in other coordination structures (Co-chair AGP & SDG Pool Fund; Joint Budget Aid Review process; Joint Review and Implementation Support).

The interviewees indicate that through the associated forums to AGP and SDG Pool Fund, Spain has fostered relationships based on trust with other donors and relevant ministries and has positioned itself as a significant player, both in health and in rural development. Spain is seen as a reliable, constructive and consistent partner, as stated by several national and international stakeholders consulted during the field trip to Ethiopia. This has been achieved not only through the participation in baskets funds but also by the proactive role the representatives of Spanish Cooperation have played in dialogue forums associated with these funds. On the contrary, in sectors such as Basic Social Services, Culture and Gender where either Spain has stopped funding or where the leadership of the donor is weaker, the participation of Spain in coordination

structures and policy discussion is almost non-existent.

The three highest ranks by respondents of the questionnaire regarding the role of Spanish Cooperation actors in policy dialogue related activities include their active role in development related negotiations, meetings, boards and/ or committees. Also the role in promoting donor coordination and aid effectiveness is well valued. In addition, they are also seen as resourceful partners with relevant technical contributions to debates and negotiations.

These forums have helped to promote initiatives that improve coordination of the sector. For example, the interview with the RED&FS highlighted Spain's initiative to develop a common framework for interventions in the sector, an idea that is currently under development.

Overall, these coordination structures revolve mostly around "fine tuning" operational issues more than around policies' orientation.. Still, the importance of being part of joint government and donors dialogue and coordination structures such should not be underestimated. Discussions around programmatic issues can bring the opportunity to address more fundamental issues. However, in opinion of the evaluators, it seems that in the Spanish Cooperation these actions are perceived as part of the activities included in programme management rather than activities on their own for which adequate resources (human, financial, time, use of instruments) need to be allocated. Too often this rather "invisible" but essential work is left to the individuals initiative with insufficient recognition within AECID.

As far as the evaluation team is aware, the participation in discussion and debates in these structures have not been supported in parallel by a strategy aiming at building evidence and strengthen argument to feed into the discussions. For example, cooperation instruments such as the PCI could be used as contributions to strategically advice government based on evidence produced by the researches funded. Linking funding to academic knowledge production and scientific research of universities to the development agenda and discussion could improve the evidence based inputs that Spain brings to the working groups discussions.

Similarly, as mentioned in chapter 3.5.1, there is no clear strategy and forum to bring the innovative and best practices (experiences) from NGOs working on rural development projects to higher-level policy dialogue forums. Because of their geographical reach and presence in more remote areas and their outreach work, they can provide valuable information and experiences that could be moved up and incorporated into to the dialogue with policymakers. Therefore, although the CPF does not explicitly states that the research or the rich experience of the NGOs can be used for policy dialogue, there are options to be explored that could lead to concrete development results.

Taking Jones model as a reference, the assessment shows that the policy dialogue activities undertaken by Spain are mostly linked to its direct interlocution with the government and other key stakeholders namely, lobbying and negotiation activities. It also highlights that there is further room for consolidation of the dialogue if more efforts are put on internally institutionalizing these activities and seek complementarity among available instruments in order to make dialogue more substantial.

3.9 OVERALL ASSESSMENT OF THE CPF STRATEGY

3.9.1 ADEQUACY OF THE CPF TO THE ETHIOPIAN CONTEXT: FRAGILE STATE AND RESILIENCE APPROACH IN BOTH DEVELOPMENT INTERVENTIONS AND HUMANITARIAN ACTION

3.9.1.1 FRAGILE STATE

The ToRs of the evaluation explicitly include a question on how the CPF integrates the particular needs of a fragile state. In October 2007, the OECD defined a set of *Principles for Good International Engagement in Fragile States and Situations* with the aim of "help(ing) national reformers build legitimate, effective and resilient state institutions, able to engage productively with their community to promote sustainable development". None of the former members of the OTC that participated during the CPF design believe that these principles were taken into account.

The first fact to be highlighted is that, when asked, the majority of the evaluation respondents (including bilateral donors and international organizations) react by saying that they do not see Ethiopia as a Fragile State. They refer to Ethiopia as a strong and consolidated State, whose Government has a clear vision of development, controlled borders, being the most stable country in an unstable region characterized by weak and/or failed states.

However, on second thoughts, many informants suggest that there are certain economic, political, social and environmental aspects with potential risks that make Ethiopia especially vulnerable. In this sense one might speak of fragility. Without being necessarily proven facts, they are issues that should be carefully watched. As explained before, these potential elements of fragility include a high rate of population growth; a young population in search of opportunities, high levels of chronic vulnerability and food insecurity, including frequent humanitarian crises, and instability in the neighbouring countries. In addition, the fact that on the one hand the legitimacy of the Government is based on ensuring sufficient economic growth to maintain peace and social cohesion and on the other the danger that democratic deficit and tight power control persist, threatens stability. However, the CPF does not contain any specific aspect to consider these issues. Thus, there was no analysis of potential risks and potential elements to consider.

However, although the information gathered in the evaluation evidences that fragility issues were not considered at the time the CPF was designed, in fact there are some elements included in the principles for good engagement in fragile states. Fundamentally, the aim to support state-building and national structures and capacities are very present in the CPF, as well as the alignment with the national priorities and the coordination mechanisms among international donors. Also, one of the criteria used in the selection of priority regions was that they were remote and disadvantaged areas with chronic food insecurity. Much of rural development interventions seem to have followed this principle. Spanish Cooperation has not addressed the remaining aspects that can be considered as potential elements of fragility in Ethiopia. The evaluation team has

collected no evidence regarding inclusion of democracy promotion or consideration of the high population growth in any intervention.

In its most recent report on fragility⁹⁶, the OECD suggests that in the post-2015 era it is necessary to take into consideration the diversity of risks and vulnerabilities, which lead to fragility. The report identifies five dimensions for the analysis: 1) violence (peaceful societies); 2) access to justice for all; 3) effective, accountable and inclusive institutions; 4) economic foundations; 5) capacity to adapt to social, economic and environmental shocks and disasters. In view of the next CPF, it would be advisable to include a risk analysis and possible scenarios, taking these dimensions as a reference and assuring mechanisms to enable swift adaptation to changing contexts.

3.9.1.2 RESILIENCE

As seen, Ethiopia is characterized by a combination of high levels of chronic poverty and recurrent crisis. Natural and/or man-made disasters, such as droughts, floods, epidemic outbreaks, interethnic tensions and flow of refugees from neighbouring countries are frequent. Recurring cycles of drought gradually erode the resilience of already vulnerable communities, especially among small farmers and pastoralists, very dependent on small-scale rain-fed agriculture and pastures with low production and productivity, as a means of subsistence.

This pattern of recurrent crisis and chronic vulnerabilities requires not only responding to shocks, but also addressing the root causes of structural vulnerabilities while strengthening the resilience of local communities to overcome future shocks. Thus, breaking the cycle of emergencies demands to create and strengthen the links between humanitarian and development actions.

At the time of the design of the CPF, the concept and the literature on resilience building was not as common and widespread as it is today. In fact, the methodology 2010 for the formulation of the CPF did not make any reference to it. This lack of clarity on the nature of crises and the different but complementary roles that development and humanitarian bodies can play in this scenario explains that although this pattern was (and is still today) widely acknowledged by the actors of the Spanish Cooperation interviewed for this evaluation, it was not adequately reflected in the CPF, as seen previously.

Taking as a reference the elements of analysis included in Annex 8 of the ToRs, the evaluation teams consider it difficult to make a categorical assessment on how well the CPF has adapted to this context of recurrent crisis and chronic vulnerabilities.

On one hand, the strategy as planned in the CPF includes some factors that are consistent with resilience building. First, as it has been highlighted throughout the document, the Government exercises a strong leadership and ownership and overall all the development interventions in the country build on existing structures and mechanisms. Also, the strategy is fully aligned with national policies, which constitute the umbrella under which the different interventions are undertaken. Although the degree of coherence between the policy, legal and intervention

⁹⁶ States of Fragility 2015. Meeting post-2015 ambitions. (OECD 2015).

frameworks has not been analysed, none of the interviewees has mentioned any particular issue on this matter.

On the other hand, there is no evidence that the CPF has enabled the Spanish Cooperation actors to undertake common analysis of the underlying causes that undermine development possibilities, with regards to individuals, families and communities. Similarly, joint risk analysis have not been undertaken. AECID supports the national DRM structures for risk profiling in the country but do not seem to use these profiles for the design of new interventions. As further explained later in this document, mainstreaming of gender and environmental issues has been very poor. Of particular relevance to the resilience building agenda is to consider climate change and how it affects the recurrence and depth of the crises. As per the information collected, this has not been the subject of a reflection that is integrated in the work.

However, at the same time, NGOs interventions are often located in hot spots, high vulnerable communities, and work on assets and capacities building, which can be considered as key elements of resilience building. Similarly, although crucial aspects such as access to water and sanitation are not explicitly included in the CPF, this component has been worked under the rural development and fight against hunger sector.

Finally, since its design, the CPF has not been able to promote further coordination, understanding and complementarity between the humanitarian assistance and development bodies of the Spanish Cooperation, particularly in AECID. Five years after its formulation, the evaluation finds concerning that the differences of viewpoints remain and no efforts have been made to advance towards a common position that better accommodates the specificities of the Ethiopian context.

3.9.2 ADEQUACY OF THE MODALITIES AND INSTRUMENTS USED TO ACHIEVE RESULTS

Although the Spanish Cooperation proposes to adopt a results based management approach, in practice the CPF management is very influenced by each individual intervention and the instrument used to channel resources. As seen, the CPF has been implemented through a significant array of aid modalities, instruments and procedures. As such, the case of Ethiopia makes no exception to the idea of "results based planning combined with instruments based management" often associated with Spanish Cooperation. The evaluation finds that in the absence of an articulated and strategic vision of how Spanish Cooperation intends to contribute to Ethiopia's development, it is difficult to define what instruments are best to serve what purposes. In the evaluators' opinion, too often the decision on what are the best instruments and modalities to achieve the stated outcomes depends not so much on policy or technically-driven criteria (e.g. issues such as what is the best way to reach vulnerable communities? how does Spanish Cooperation best provide quality assurance in pool funds? What type of intervention can produce evidence to support policy building?) but more on whether there are resources available to fund each type of instrument.

Thus, the decision on aid modalities and instruments is not based on a strategic mid-term plan

of the CPF as a comprehensive results framework (5 years plan) but on considerations like availability of funds and processes and procedures related to aid instruments and modalities used to transfer financial resources. For most interventions financed by AECID, the instrument and administrative procedures linked to them are decided at headquarters level with limited participation from OTC in this decision. Therefore, there is a clear dysfunction between planning and managing for results at country level, and the actual distribution of resources carried out at headquarters level on the basis of instruments. A good example of this is the €200,000 grant to the Ministry of Agriculture in 2014 to recruit two consultancies for the formulation of the AGP II. The Ministry of Agriculture had requested in-kind aid in the form of two experts in mechanization and marketing; but instead, at headquarter level the AECID decided to channel the funds through a foreign policy grant due to budget calendar considerations. Although this may have a justification from the AECID perspective, at country and programme level it has been counterproductive. The lengthy formalization of the grant combined with the restrictions of the Public Administration of Ethiopia to recruit experts on the international market at competitive prices have been obstacles to effectively access the expertise required. As a result, more than a year after the grant was made effective, experts have not yet been recruited and, worse, they were no longer required, since the AGP II has been formulated (without the two consultancies) and has just started its implementation. Now, the Ministry of Agriculture together with the OTC wish to undertake the necessary modifications in order to be able to transfer these funds to the pool fund of the AGP II.

However, despite structural constraints, AECID's instruments (main funder) allow different degrees of decision-making at country level and enable some degree of coherence with planned results. AECID's Guide of Aid Modalities and Instruments (2014) explains strengths, weaknesses, opportunities and risks for each aid instrument and offers guidance on how to best select them according to different contexts.

Moreover, it is the view of the evaluators that differences regarding the extent to which an instrument is adequately aligned with results is linked not only to the administrative processes but also to internal coordination within AECID. As seen, in addition to the Africa and Asia Cooperation Directorate there are other departments (NGOs, Cultural Affairs, Multilateral cooperation) within AECID that decide on budget and manage resources that can eventually be implemented in Ethiopia. Therefore, there isn't one single budget based on which operational decisions on programmes and instruments allocations are agreed upon with an overall picture of the country in mind. Broadly speaking each department has a budget and a set of instruments to "play" with. So, aside from the OTC, it is often the case that the different departments where decisions are made at headquarters lack a complete vision of the country and tend to work in "silos". In this context, the level of dialogue and coordination between departments and between them and the OTC is key to ensure that funding decisions (which involve deciding on amount of resources, main partners, modalities, instruments, timing) are consistent with the planned strategy and commitments made.

The evaluation team finds that dialogue between OTC and the Africa and Asia Cooperation Directorate is usually fluid with a good level of mutually agreed decisions regarding funding. Their main funding instrument, foreign policy grants, are awarded directly and generally based

on proposals coming from the OTC, which makes them more likely to be aligned with each sector strategy. This potential has been positively used for example in contributions to pool funds. The decision to participate in pool funds even with (comparatively) modest volumes of resources has been a smart and strategic decision. It has enabled Spain to have a sit at the table, that is, to participate on an equal footing with other donors in the dialogue and decision-making structures. Spain has successfully seized this opportunity. However, a coordinated decision is not the only condition for success.

Foreign policy grants have encouraged to a larger extent harmonization, complementarity, and mutual accountability and policy dialogue when they are integrated into government initiatives where strong government ownership and drive exists, and where Spanish Cooperation has a long-term consolidated position. Grants allocated to the Ministry of Agriculture in support of the RED&FS (in addition to the AGP) are a good example of this. Conversely, when they are not part of a well-articulated strategy by the Government and where there is a lack of a solid and shared position with other donors, projects tend to remain as a one-time support with little coordination and policy dialogue. This is the case for example of projects awarded to BoFED of Amhara, MoCT or MoWCYA.

For instruments granted through general calls for proposals subject to the principles of publicity and competition and with limited context specificity (NGOs projects and agreements, PCI, open calls), the extent to which the CPF strategy is considered in order to make funding decisions varies between departments and is often limited to including sector and geographic priorities. The nature of the instruments and procedures makes them less adaptable to specific circumstances and needs. The OTC does contribute in assessing proposals but in practice it has limited scope to build complementarity and synergy with on-going programmes. Thus, joint definition between responsible departments of what are the strategic goals to be achieved could go a long way.

For instance, it is essential that OTC and the NGOs Department in AECID (and ideally also with other funders such as Autonomous Regions) agree on what are the strategic priorities where NGOs can add value and should be promoted (how do NGOs programmes complement work with Government institutions? do NGOs offer opportunities to address issues that are not covered otherwise?). This has somehow been done within AECID although the level of definition remains quite generic and as mentioned earlier in this document, it has varied depending on the prevailing understanding on how the relationship between AECID/OTC and NGO should be.

Nonetheless, regarding the added value of this instrument, NGOs programs and projects can be seen as providing an insightful perspective from the field and allowing a more thorough knowledge of local issues which can be extremely useful for the OTC and other Spanish Cooperation decision makers to feed the conversation at the political level with Government and other stakeholders. This is particularly relevant for the rural development sector (and also for gender and humanitarian action interventions) where Spain has concentrated its NGOs work. However, the evaluation finds that there have been little efforts to fully benefit from this potential. There is room for further dialogue and complementarity among the different modalities and instruments used in the same sector.

Similarly, stand-alone programs and projects (including CAP, business CAP) as well as the PCI allow for piloting, researching and building evidence regarding new initiatives. However, for these to be effective learning and potentially scalable experiences, there needs to be a clear definition of what is expected both in terms of content and processes, linkage with the overall strategy, and a close follow up mechanism and means must be in place. Similarly, introducing innovative ways of working such as public-private partnerships (as the one in Humanitarian action described earlier) requires changes not only in instruments and procedures but also in mind-set and approaches.

Technical assistance has played a minor role despite its potential in the Ethiopian context. This instrument is underutilized in Ethiopia, despite its potential to promote aid effectiveness as a complement to larger interventions. In fact, OTC has expressed its desire to be able to further use this form of aid, which sometimes may be much more suitable than provision of financial resources.

Finally, during the CPF period the only voluntary contributions to multilateral organizations, specifically earmarked to Ethiopia, come from the Office of Humanitarian Action of AECID. Leaving aside humanitarian action, the degree of involvement of the OTC in the use of multilateral cooperation instruments such as the Spain-NEPAD Fund and the Millennium Development Goals Achievement Fund (MDG-F), has been marginal. These two funds were established prior to the CPF and there is no evidence that these programs were strategically considered when defining and implementing the overall strategy of the Spanish Cooperation. Yet, cooperation through multilateral organisations can offer the opportunity to address complex specialized technical issues where Spain lacks a comparative advantage and/or strengthen policy dialogue in sensitive areas such as human rights and governance that bilateral donors may find difficult to address.

3.9.3 CROSSCUTTING ISSUES

Throughout the evaluation process, attention has been paid to analysing to what extent the CPF logic and its interventions are sensitive to crosscutting approaches of gender, environmental sustainability, cultural diversity and rights-based approach (Spanish cooperation horizontal). In order to guide the crosscutting approach analysis, the evaluation team has taken as reference researches of Ligeró, Espinosa, Mormeneo and Bustelo (2014). As proposed by these authors, the issue at stake is to determine whether the strategy and the interventions are sensitive, blind or sufficient to trigger "transformations in the systems of equality" (Ligeró et Al, 2014).



Common Interest Group of Women in Oromiya

First, it is necessary to point out that the CPF document only considers gender and environment as horizontal priorities (p.11 CPF). There is no explicit reference to cultural diversity and rights-based approach, although these were horizontal priorities in the Master Plan 2009-2012, in place at the time of the CPF design. The complete absence of these approaches in the CPF methodology 2010 can explain to a certain point the poor reference to these approaches in the Ethiopian CPF. However, the fact that crosscutting approaches were not included in the methodology is not a satisfactory explanation, particularly given the cultural diversity of the country. Overall, the document fails to integrate and mainstream these aspects throughout the analysis of the context and the working approach that it proposes.

The chapter on rural development and fight against hunger is the only one that includes specific references regarding gender and environment:

“Horizontal priority-gender: all interventions shall favour the economic empowerment of women with mandatory priority to women, as regards to access of job, improvement of incomes and support of cooperatives. As in the AGP, results must be broken down by gender, making an effort to favour women as far as possible”.

“Horizontal priority-environment: account shall be taken for respect to the environment in all interventions, particularly considering the challenges arising from climate change, making efforts to conduct activities of climate change adaptation and mitigation in all interventions”.

Hence, references to crosscutting issues in the CPF are very vague and limited to generic remarks like “attention will be paid to mainstreaming the gender approach” or “gender approaches will be observed” or “increase of the agricultural production will be done in a sustainable and respectful way with the environment”. Yet, it does not explicitly describe what is understood by these expressions, nor what measures will be taken to perform accordingly. In the opinion of the evaluation team, the objectives related to horizontal priorities have to be explicit, articulated with strategic objectives and based on an analysis and deep understanding of the context. It is not enough to say “from a gender perspective”, “taking into account gender”, etc. gender targets should be explicit beyond describing differences by gender-disaggregated data.

Leaving aside the formal inclusion of these issues in the document, the evaluation has tried to assess whether in practice, even in a non-explicit way, the Spanish Cooperation has been sensitive to how the underlying cultural, gender and environmental considerations influence issues such as access to productive assets, control of resources, extension services, etc.

On one hand, if the focus is on specific interventions, the assessment finds several examples where, at least from the onset, there have been attempts to promote the participation of women in the development process. Many of the rural development interventions, especially those implemented by NGOs, work specifically with women and organise activities exclusively addressed to women. This is the case of a large part of the NGOs Agreements, especially those implemented in Oromiya region.

Both the mid-term review of these programs and the field visits of this evaluation recognise that the promotion of credit cooperatives (SACCOs) addressed mainly to women, contribute to their empowerment. But beyond this fact, none of the mid-term evaluations of these programs perform a deeper analysis on crosscutting approaches. In addition, during the fieldwork the evaluation team has reported some initiatives in which Spain has encouraged the inclusion of gender perspective in national programs. Several interviewees from the OTC have emphasized that the AGP guide for gender mainstreaming was promoted by Spanish Cooperation. Although, the team has not had the opportunity to analyse its scope.

However, the fact that projects include actions for women does not mean that gender is mainstreamed. In fact, the field visits evidenced how in some aspects project preserve the status quo on the perception of the role of women. For instance, the concept of household head, important to become a member of agricultural cooperatives, is almost exclusively reserved to men and women become members only when they are widows or divorced. In fact, according to the CASCAPE project associated to AGP, “in Ethiopia the term ‘farmer’ is used synonymously with the word for ‘man’. Women have long been perceived as marginal players. Many extension agents, bureau heads and peasant associations refused to acknowledge the importance of women’s role in agricultural production. A farmer in Ethiopian context is seen as someone who can independently engage in ploughing and sowing. Very few women sow and plough on their own; it is seen as inappropriate for a woman (“physically too demanding”)⁹⁷. Similarly, on the basis of collected information, none of the visited programs seem to have integrated environmental considerations, despite the fact that carrying out large and medium scale infrastructure would have required a better understanding of its direct and indirect potential impacts.

From this broader perspective, the evaluation team finds that the Spanish Cooperation has not made sufficient efforts to identify and consider what are the different socio cultural specificities, factors of exclusion or enjoyment of rights, or the social, cultural, political and legal dimensions that perpetuate relations and systems of discrimination and inequality between men and women. For example, given the weight of the work in rural development, a better understanding of the dynamics at play is needed to enable long lasting changes.

Officially, women have access to land, especially when Female Headed Households (FHH) are concerned, yet it has been reported that in practice, women face challenges in accessing and controlling land. Women are often unaware of their rights. The traditional views that prevent women from ploughing also affect women’s ability to claim land and therefore to access land. Oromiya state’s land holding proclamation for example, is linked to social status, which constrains the rights of divorced women and widows (CASCAPE project). None of interviews with OTC staff has shown that these types of considerations are being taking into account. Rather, since it often takes the view of the Government, it adopts a partial view of the inequality almost exclusively from the economic empowerment angle, overlooking a wider perspective. Similarly, there are no indications that the environmental challenges derived from the path of the country's

⁹⁷ <http://www.cascape.info/index.php/component/content/article/12-topics/37-gender-mainstreaming>

economic and demographic growth are being considered. In the Ethiopian context, where the vast majority of the population depends directly on natural resources, environmental sustainability needs necessarily to find integrated solutions that overcome the dichotomy "economic growth" vs "environment".

3.9.4 CORRESPONDENCE BETWEEN STRATEGY, RESOURCES AND CAPACITIES

In general, there is a weak correlation between the strategy proposed by the CPF, the human, economic and material resources, and the available capacities. However, the problem is also due to structural problems that are beyond the scope of the OTC.

To begin with, as mentioned earlier, the CPF aims to encompass the whole of the Spanish cooperation actors, although not all of them have the same implication. In practice, the Spanish Cooperation relies mainly on the SGCID (strategic body) and the AECID (operating body), both at headquarters and in the field. In the field, while the OTCs are instances organically and functionally linked to the AECID, they have to assume responsibilities beyond the Agency⁹⁸. This is aggravated by the rigidity and inadequacy of the different contractual arrangements of the OTC. Due to cuts in human resources, Program Managers (fixed labour staff) often assume sectorial portfolios, despite having more general profiles. On the other hand, project managers (temporary labour staff) of a more technical nature have shorter contracts (three years) than the program managers (who normally change country every 4 or 5 years). This tends to undermine the stability in the team. The working contracts of OTC Coordinators offer less employment security and lack of a career path. On the other hand, the OTC has little capacity to count on local staff to technically reinforce teams, as local employees are often limited to administrative jobs. These contractual rigidities together with the excessive bureaucratic burden of the administrative management divert technical competencies to less specialized tasks.

Ethiopia is not an exception to these weaknesses. With regard to the staff, only one of the persons who participated in the CPF design is currently working in the OTC. In addition, during the CPF period there has been staff rotation in all positions, including coordinators, and projects and program managers, with the aggravating circumstance of periods where relevant positions have been vacant. As an example, since November 2015 the coordinator position has been vacant (meanwhile the deputy coordinator is assuming these responsibilities) and since January 2016 there is no Program Manager in rural development. The gaps in staff force the remaining staff to undertake additional tasks and responsibilities, which they can hardly carry out. Finally, it is worth mentioning that in 2013, when Spain decided to reduce its partner countries from 50 to 23, Ethiopia was one of the potential closing programs. During several months, the office was at the brink of closure, which generated a high degree of uncertainty and instability for the staff. The gaps in personnel also caused major loss of institutional memory and information. The OTCs in general and the one in Ethiopia in particular, have no pre-established mechanisms for

⁹⁸ Mid-term review of the IV Master Plan of the Spanish Cooperation.

proper handover that would allow some overlap between the outgoing and incoming staff. Nor is there an organized filing system at the OTC, which allows the new employees to be acquainted with the institutional path of duties and responsibilities.

In Ethiopia, the difficulty of attracting qualified professionals with technical and sectorial expertise was also identified. According to some interviewees, employment conditions offered by the Spanish Cooperation are not competitive in relation to the costs of living in Ethiopia. This limitation, together with the language barrier and other issues related to the conditions of life and work flexibility, affects the OTC staff and the recruitment of experts and consultants.

Finally, it is important to re-emphasize the low capacity of the OTC (this is also a structural problem) in decision-making regarding the use of the different aid instruments to achieve the planned strategy in the CPF.

3.9.5 ADDED VALUE OF SPANISH COOPERATION AND COMPARATIVE ADVANTAGE OVER OTHER DONORS

As mentioned earlier in this document, the design process of the CPF included an analysis of the comparative advantages of the Spanish Cooperation. Overall, the evaluation team finds that the analysis of the comparative advantage in the CPF of Ethiopia was quite superficial. The analysis was undertaken for the sectors where the Spanish Cooperation was already working, without considering other possible sectors. The document lacks a thorough assessment of what specific added values and opportunities can Spanish Cooperation actors offer compared to other potential actors and donors in those areas of work. Overall, the description is general, uncritical and unspecific.

In health, the comparative advantage originally identified was related to the significance of Spain as a promoter of the aid effectiveness agenda within the donor coordination group, the underfunding of the sector and the experience of public health system in Spain. Throughout the implementation of the CPF, AECID has been coherent with this assessment. It has maintained its funding to the SDG Pool Fund and its position as a key player in the sector, with a strong and active presence in dialogue platforms. However this has not been the case for other funders of Spanish Cooperation who have continued to channel funds through NGOs.

In rural development the comparative advantage was based on the lack of financing in productive agriculture, its relevance to the country, and the perceived expertise of Spain in areas such as the transfer of knowledge and technology in the promotion of fruit trees and horticulture. The support to the AGP and the active role in the coordination structures of the rural development sector are consistent with this diagnosis. However, transfer of knowledge and promotion of fruit trees and horticulture has been quite limited in terms of resources and efforts allocated. As seen, the bulk of the resources have been channelled through NGOs in activities related to capacity building, training and experience sharing and small scale infrastructures. In this regard, the integrated approach adopted by NGOs in Oromiya that combine capacity building actions (trainings, demonstrations, etc.) with infrastructures and construction (storage facilities, irrigation

schemes) has been very positively highlighted by local authorities throughout the evaluation. In this sector, the quality of the support provided by Spain can benefit from the knowledge and lessons arising from the local experience by NGOs in the country. The strong relation with national institutions such as the Ministry of Agriculture and REDFSS is an excellent platform to take specific issues of concern to the policy dialogue.

The comparative advantage emphasized on gender (privileged position of AECID in relation to the Ministry of Women, Children and Youth and the gender group of the DAG) has not been sustained over time. In the sector of culture the comparative advantage focuses on the previous experiences in other countries of Latin America, knowledge that does not seem to have been used in Ethiopia.

In view of the results achieved, the focus on the criteria of past experience (programmes funded) may have underestimated other considerations such as the existence of capacities within the Spanish Cooperation (technical, financial and administrative) the Government of Ethiopia and other donors.

Throughout the evaluation process and the conversations with the Government and donors, it has become very apparent that the value of Spain may not rest so much on the volume of its financial contribution but rather on the consistency and sustainability of the support and the relationships of trust it has built over the years. Spain is overall well valued and has managed to maintain a privileged place as a key donor despite the modest amounts it provides compared to other big players. It is overall seen as a flexible and pragmatic partner with a genuine will to support the partner country without imposing its bilateral agenda. Spain is valued as a like-minded partner that shares the vision of public service delivery, especially in the health sector. The diversity of instruments available to Spanish Cooperation can be seen as a comparative advantage that has been underutilized during the CPF implementation. Instruments can strategically be utilized to find optimal combinations between long-term broad based actions such as institutional strengthening and support to sector policies (SDG Pool Fund, AGP) and more specific actions that can meet specific demands of institutions or changing circumstances. In addition, compared to other donors and international institutions, Spain's regulation is less restrictive in relation to contracting with public entities. In a changing context as the Ethiopian one, this versatility is an added value.

4. CONCLUSIONS

This section presents the conclusions drawn from the findings of the evaluation. Each conclusion is accompanied by the evaluation team's assessment regarding the level of confidence of the conclusion, according to the following classification: a) strong: when the information available, the sample analysed and the triangulation of techniques have allowed a thorough analysis to reach the conclusion; b) reasonable: when the level of analysis is acceptable and satisfactory and c) weak: when the analysis has been conditioned by limitations in a less than acceptable level.

SPANISH COOPERATION GENERAL OVERVIEW IN ETHIOPIA

The period of implementation of the CPFOF Ethiopia, 2011-2015, is characterized by a dramatic reduction of more than two-thirds of the funds, compared with the previous years. In this period, the multi-lateral cooperation practically disappears. However, this trend is not unique to Ethiopia. It has to be seen within the context of the economic crisis in Spain. The reduction is proportional to the general decrease of the Spanish ODA since 2011.

Despite this important reduction of funds, the department of NGOS of AECID (main sponsor among several stakeholders of the Spanish Cooperation), has slightly increased the funds destined to Ethiopia in the CPF period, while all the other departments of AECID and virtually all other relevant funders (other central administrations, autonomous regions, etc.) have reduced their budgets. This trend is also general and not specific to Ethiopia.

As the CPF of Ethiopia envisaged the sectoral concentration of NGOS in its design, to channel the available funds, mostly through team, almost half of ODA has been aimed at the sector of rural development and fight against hunger. When in the previous period, this sector only accounted for 10% of the total. Health is stable in both periods with nearly a quarter of the funds, while other priority sectors and interventions are gradually disappearing. In addition, humanitarian action suffers a notable decrease in the CPF period compared with the previous one. This reduction is also very conditioned by important cut backs suffered in the humanitarian action office of the AECID.

CONCLUSION I

The context of international cooperation in Ethiopia and the methodological approach of the CPF design have contributed to progress in the principles of the aid effectiveness agenda (despite reaching only a few of the goals set in the CPF), to strengthen institutional policy dialogue (thanks to proactive attitude of individuals) and to better structure the working lines. However, it has not contributed to improving the already weak participation of Ethiopian society in development policy. Neither has it served as a guide for strategic management, coordination of actors and monitoring of intervention, nor internally nor in its relationship with the Ethiopian government. The absence of own development goals is one of the determining factors of the weaknesses.

Conclusion I.1: THE CPF IS WELL ADAPTED AND ALIGNED TO THE ETHIOPIAN CONTEXT AND DEVELOPMENT POLICIES BUT IT IS AMBITIOUS GIVEN THE STRUCTURAL LIMITATIONS OF THE SPANISH COOPERATION.

**Confidence:
Strong**

The CPF design coincides with the Growth and Transformation Plan 2010-2015 (GTP), which seeks an economic transformation of the country together with substantial changes in socioeconomic conditions. Sectorial policies and goals are defined following the priorities of the GTP and implemented through government-led programmes. The Ethiopian Government exerts strong leadership over its development policies. The relationship between the Government of Ethiopia and donors is determined by the high level of ownership in the country and its commitment to the principles of the Paris Declaration. The aid architecture is structured around joint government and donor coordination platforms and working groups well organized and functional within which policy dialogue is framed.

Despite being relatively new to the country when the CPF was designed, between 2007 and 2010 the Spanish Cooperation had provided substantial volume of ODA funds (€160 million) and through active participation in both existing funding and coordination donor groups, it had acquired a relevant role among the donor's community. Overall, these circumstances enable Spain to be fully aligned with the principles of aid effectiveness and development policies in the country. The CPF document contains a number of objectives and indicators regarding the expected advances on the effectiveness of Spanish Cooperation aid.

However, looking back the CPF is ambitious both in terms of the economic resources (at the time it was designed, Spain was undergoing an economic crisis and for the past three years suffered severe budgetary constraints) and in terms of aid effectiveness targets given the lack of Spain's flexibility when it comes to the decision-making regarding instruments and financing arrangements.

Conclusion 1.2: THE CPF HAS ENTAILED A POSITIVE EFFORT IN PLANNING AND COMMITTING TO AID EFFECTIVENESS ENHANCEMENT, BUT GOALS SET BY THE SPANISH COOPERATION IN THIS REGARD HAVE NOT BEEN MET, PERHAPS BECAUSE THEY WERE TOO AMBITIOUS.

**Confidence:
Strong**

In Ethiopia, the Government and donor community generally work according to the principles of aid effectiveness. There are well functioning structures of donor coordination and harmonization under the auspices of the DAG. Also, several programs are developed under program-based approach, to which Spain has committed itself, in some cases actively. This, together with the fact that the 2010 CPF methodology was also very focused on fulfilling these principles, has provided an overall positive positioning of the Spanish Cooperation regarding the Aid Effectiveness Agenda. However, the specific targets on aid effectiveness established by Spanish Cooperation in the CPF results framework, have been not been fulfilled with some exceptions. In fact, fieldwork evidences that beyond its design; most of the established indicators have not been taken as a reference or guided the work of Spanish actors, nor has information been collected to assess their performance. The most outstanding examples are i) aid predictability: Spain is far from fulfilling its budgetary commitments, since only around 55% of estimated funds for the period 2011-2015 have been disbursed; ii) prioritizing program based instruments: the use of these instruments has regressed compared to the previous period. This decline is largely influenced by the economic crisis and political decisions taken within the AECID, which has chosen to promote cooperation through Spanish NGO to the detriment of other delivery channels; and iii) participation of civil society: in Ethiopia this is often merely a formality rather than an effective dialogue and Spain has not actively promoted any change in this regard.

The only aid effectiveness goals met during the period are i) NGOs' geographical concentration, but only partially, as concentration is only a reality in the case of interventions funded by AECID, and ii) progress on harmonization in the field of rural development.

Conclusion 1.3: CPF DESIGN PROCESS WAS BASED ON EXISTING METHODOLOGY BUT LESS PARTICIPATORY THAN DESIRABLE. IT FAILED TO DEFINE ITS OWN GOALS WITHIN THE RESPECT OF ALIGNMENT WITH COUNTRY POLICIES.

**Confidence:
Strong**

The design process took place between December 2010 and July 2011, according to the phases and steps established in the CPF methodology 2010. Several Spanish actors (NGOs, universities, public institutions) and Ethiopian stakeholders (public institutions, cooperatives,) participated in designing the CPF although the absence of the decentralized cooperation actors in the design is noteworthy. Not only they did not participate in the design but according to the information gathered, the Spanish decentralized cooperation actors do not use the CPF as a reference for their work. In this sense, the CPF mainly reflects AECID's strategy.

The CPF provides a structure and a formal framework to the work that had been underway since the establishment of the Spanish Cooperation in Ethiopia. It is in that sense a strategy of continuity. On one hand, it prioritizes continuing to work in key sectors relevant for the transformation process steered by the Government, capitalizing on what has been done so far through funding, coordination and positioning in the sector. On the other hand, it includes two sectors of intervention, gender and culture, based on past investments and the need to maintain visibility rather than on a forward-looking strategic position.

The CPF reflects a strong commitment with the aid effectiveness agenda as well as the willingness and efforts to align with national policies and strategies by prioritizing sectors and funding mechanisms promoted by the Ethiopian Government. However, this commitment should not prevent the Spanish Cooperation from having its own critical analysis of these policies and establishing criteria based on which it defines planning goals and objectives. There is no contradiction between alignment and defining what are the goals and targets that Spain sets for itself within the overall framework of national policies.

The CPF does not articulate a results chain that sets what is to be achieved through the Spanish Cooperation strategy in each sector and what are the logical and expected cause-effects links among the different elements of the chain. While it fails to define the results chain, it does specify programmes and aid modalities through which resources will be channelled.

This lack of a strategic approach hinders the overall understanding of what is to be pursued and what is the best optimal use of all the resources available to the Spanish Cooperation, be it in the form of expertise, knowledge, advice or of increased complementarity between the various funders, entities, instruments and interventions.

Conclusion 1.4: BEYOND AN OVERALL DEFINITION OF INTERVENTION PRIORITIES, THE CPF IS NOT A STRATEGIC MANAGEMENT TOOL.

**Confidence:
Strong**

The CPF was instrumental in clarifying the strategy both internally and towards external partners. It serves as a guide for the relations with the Government of Ethiopia and Spanish Cooperation actors. As it represents official commitments with the partner country, the CPF helps to keep in line with the work, avoiding arbitrariness in decision making on support for initiatives outside this framework. However, the absence of a results framework with specific goals at the sectoral level makes results based management and monitoring very difficult. In practice, what drives management and monitoring are not objectives and expected development results as defined by the CPF but rather the processes and procedures related to instruments and aid modalities used to channel the support. This has prevented taking advantage of potential complementarities between instruments; actors and interventions in different sectors.

The CPF is not monitored as a whole; no comprehensive monitoring reports have been produced, nor has a joint Government-Spain monitoring and follow up being established based on the strategy. Monitoring is based on individual interventions often with line ministries or relevant direct partner; resulting in a fragmented, silo type of work.

Conclusion I.5: SPAIN HAS ACTIVELY AND STRATEGICALLY PARTICIPATED IN COORDINATION AND POLICY DIALOGUE FORUMS. A GREATER DEFINITION AND SYSTEMATIZATION OF THIS DIALOGUE WOULD BETTER ENABLE TO MAINTAIN AND CONSOLIDATE ITS POSITION IN ETHIOPIA.

**Confidence:
Strong**

Through AGP and the SDG Pool Fund associated coordination structures, the Spanish Cooperation has reinforced relationships of trust with other donors and relevant ministries and has positioned itself as a significant actor, both in health and rural development sectors. It has played an active role in strategic and technical decision making structures, forums and joint missions (Co-chair AGP & MDG Pool Fund, Joint Budget Aid Review process; Joint Review and Implementation Support). Implementing ministries and other development actors in Ethiopia publicly recognize Spain's commitment in Health and Agricultural Growth working groups. The commitment to maintain its engagement, even in the face of difficult financial restrictions during the crisis, has been commendable throughout the past years.

The value of the Spanish Cooperation may not rest so much on the volume of its financial contribution but rather on the consistency and sustainability of the support and the relationship of trust it has built over the years. Spain is overall well valued and has managed to maintain a privileged place as a key donor despite the modest amounts it provides compared to other big players. Notwithstanding, as the positive impacts are often associated with specific individuals attitudes and engagement within the Spanish Cooperation, efforts should be made in the future to ensure that these "political capital" gains are not lost.

All these achievements have been made despite the absence of a strategy and definition of policy dialogue. Further clarity about what policy dialogue is, and about what is expected from it given the context and the objectives to be achieved would be desirable. Doing so would help to better identify and systematize the progress made as well as to improve the use of available instruments to feed into it.

CONCLUSION 2

Of the three priority sectors (health, rural development and basic social services) and two interventions sectors (gender and culture) in the CPF, the Spanish Cooperation has actively contributed to the sectors of rural development-improvement of agricultural (and livestock) productivity and increase of vulnerable population income –and health-strengthening public health system–. In all other sectors no remarkable contributions has been appreciated during CPF period, while culture some previously funded one-off initiatives (craft centre of Harar) have also achieved results.

Conclusion 2.1: FULLY ALIGNED WITH NATIONAL POLICIES AND STRUCTURES ON RURAL DEVELOPMENT AND FIGHT AGAINST HUNGER. SPAIN HAS FOCUSED ON CAPACITY BUILDING OF PUBLIC PLAYERS AND FARMERS, AS WELL AS PROVISION OF EQUIPMENT AND BUILDING OR REHABILITATING RURAL INFRASTRUCTURE, IN ORDER TO SUPPORT HIGH VALUE AGRICULTURAL DEVELOPMENT PRODUCTION AND ADDRESS RURAL POVERTY BY REDUCING VULNERABILITIES AND IMPROVING INCOME. HOWEVER, THE LARGEST PORTION OF THE PORTFOLIO REMAINS INVISIBLE TO THE GOVERNMENT AND POLICY DISCUSSIONS.

**Confidence:
Reasonable**

Spain's contribution to rural development is aligned with Government policy and strategy aiming at increasing production and productivity on one hand and lifting small farmers out of poverty on the other. In doing so, the Spanish Cooperation takes a two-fold approach: 1) it supports high value production agricultural development through the AGP and takes an active role in coordination and policy dialogue. 2) It addresses rural poverty by reducing vulnerabilities and improving income through NGO interventions.

Although there seems to be a perception both in OTC and government, that these are different strategies, the evaluation shows that overall both type of programs undertake the same type of activities and results. In both AGP and NGO interventions, the bulk of the efforts have been dedicated to capacity building of public players and farmers, as well as provision of equipment and building or rehabilitating rural infrastructure. Undoubtedly these infrastructures are improving access to water and agricultural inputs. However, the construction of medium and large rural infrastructures has faced considerable challenges both from a technical and financial perspective. Overall, the sustainability and maintenance remains challenging. In addition, interventions have focused on production rather than marketing and commercialisation. There is room for further complementarity and synergies between AGP and NGO implemented interventions.

Spain has actively participated and has played a proactive role in the RED&FS and other working groups of the sector. Its commitment to maintain its engagement even in the face of difficult financial restrictions during the crisis has been highly appreciated. However, from the financial perspective, the largest proportion of funds has been implemented by NGO. Since this aid channel modality is not considered in the policy discussions and coordination, the largest portfolio of the Spanish Cooperation remains invisible to the government. This demands more efforts to improve recognition, coordination and complementarity among different types of interventions, especially given the constraining context and conditions under which NGO work in Ethiopia. Failing to do so may overrule efforts made to harmonize with the government.

Finally, no evidence has been found regarding the contribution of the projects funded through business CAP to development results in this sector.

Conclusion 2.2: THE CPF HAS FORMALIZED AND STRENGTHENED THE CONSISTENT COMMITMENT TO SUPPORT THE PUBLIC HEALTH SYSTEM THROUGH EXISTING GOVERNMENTAL MECHANISMS. MAIN OUTPUTS DELIVERED BY SPAIN ARE PROCUREMENT OF MEDICAL EQUIPMENT AND PRODUCTS, CONSTRUCTION OF HEALTH INFRASTRUCTURE TO IMPROVE ACCESS TO HEALTH CARE, AND HEALTH TRAINING TO DEVELOP SKILLS.

**Confidence:
Reasonable**

The CPF has formalized and strengthened the commitment to support the health sector public institutions, which has been translated in good performance in terms of efficiency results of the second largest sector by volume of funds.

Spanish Cooperation has largely supported the SDG Pool Fund, the Government led mechanism for the sector. Through it, the largest volume of funds has been allocated to the procurement of medical equipment and supplies and health products, which accounts for 80% of SDG Pool Fund. In other interventions in the sector, where theoretically Spanish Cooperation has a greater decision-making, the effort has focused on the construction of health infrastructure to improve access to health care, and health training to develop skills. However, CPF indicators to measure the work of Spanish Cooperation are defined at a higher level. Therefore, it is not possible to establish a direct link between the new knowledge acquired by beneficiaries of assistance, availability of new health infrastructure or medical equipment, and reducing maternal mortality or child.

On the other hand, it is necessary to acknowledge the prestige of the Spanish Cooperation as an active donor in the health sector. The necessary mechanism that has facilitated this positioning has been the co-financing of SDG Pool Fund, a key instrument in contributing to the efficacy results. The other key aspect has been the proactivity of Spain in various coordination structures.

Conclusion 2.3: BASIC SOCIAL SERVICES, THROUGH SUPPORT TO PBS, IS THE CPF SECTOR WITH THE BIGGEST DIVERGENCE BETWEEN PLANNING (GREATER SHARE OF FUNDS) AND PERFORMANCE (WITH NO FUNDS SINCE 2012). DUE TO THE NATURE AND DIMENSION OF THE PROGRAM, THE SMALL SIZE OF SPAIN AS DONOR AND ITS INACTIVITY DURING MOST OF THE CPF PERIOD, SPAIN'S CONTRIBUTION TO THE PBS DEVELOPMENT RESULTS IS NOT MEASURABLE.

**Confidence:
Strong**

What happened with PBS represents a practical example of conclusion number 10: instruments affect CPF *accomplishment*. Although the CPF planned to allocate more than half of its funds to PBS, only 10% of the total funds were disbursed at the very beginning stage of the CPF (the total Spanish contribution to PBS II taking into account funds disbursed prior to the CPF period represents 0,02% of the total donors contribution). This is explained by the fact that the PBS has been mostly funded through AECID financial cooperation instruments (FONPRODE). Since the Spanish economic crisis, FONPRODE has no longer non-refundable aid instruments. PBS II, in which Spain participated, ended in early 2013 and since then the Spanish Cooperation is no longer involved in the negotiating table and dialogue. According to the information gathered, the OTC considers this as an exit sector.

Conclusion 2.4: DURING CPF, WORK IN GENDER HAS BEEN LIMITED TO FOLLOW UP ACTIONS DEFINED IN THE PREVIOUS YEARS, BEING DE FACTO AN EXIT SECTOR.

**Confidence:
Reasonable**

The CPF states that the objective of the Spanish Cooperation is one hand to support in the institutional strengthening of responsible bodies for gender equality and in the implementation of equality policies and on the other, to contribute to the women economic empowerment. It is challenging to assess the overall gender strategy because there is not one as such, at least not in an articulated manner either by the Government or by the Spanish Cooperation. In the absence of a clearly defined sector policy and despite institutional weaknesses, the CPF does not include a proper diagnosis of the sector and is limited to align with Government's approach based primarily on economic rights of women neglecting other key areas in relation to structural causes of inequality.

During the CPF period, the Spanish Cooperation has restricted its role basically to tracking on-going interventions with limited proactive role in the sector. The biggest budget share has been allocated to continuing the intervention aiming at strengthening MoWCYA's structure but no sustainable results are appreciated. In general, the work includes a set of incoherent initiatives, which may include actions in similar areas but without common objectives as a whole.

The degree of progress on aid effectiveness in this sector is low and the dialogue based on the implementation of the program has ended once the intervention terminated. This makes it more difficult to assess progress, learn from the experiences and identify and create synergies between the various projects and programs.

Conclusion 2.5: THERE IS NO JOINT INTERVENTION STRATEGY IN CULTURE. INTERVENTIONS WERE DEFINED AND FINANCED PRIOR TO CPF DESIGN; THEY HAVE DIFFERENT NATURE AND PRESENT UNEVEN LEVEL OF PERFORMANCE. IN GENERAL, IT IS CONSIDERED AN EXIT SECTOR.

**Confidence:
Reasonable**

Spanish Cooperation support to the sector has not followed a clear and comprehensive strategy and has been partial, limited to finalizing pre-CPF financed interventions. During the CPF period, the sector has received limited funding only for the provision of scholarships, assistance ships and supporting inter-university cooperation and scientific projects (PCI).

Programmes on handicraft centres were funded prior to the CPF and were in line with priorities established by the MoCT. Interventions' results vary substantially. The centre in Harar has been completed and is functional while the one in Addis Ababa has not been constructed due to unsettled claims over the land. The FABLAB programme with the University is currently running but its sustainability is questionable and in any case it is an isolated initiative without any link to any longer term strategy. The PCI, which provides an opportunity to complement other interventions, has not been used at its full potential in that sense.

Spanish Cooperation and MoCT relationship has been project based and lacks a comprehensive sector wide approach and related policy dialogue, explained by the institutional weakness and low leadership capacity of the Ministry.

CONCLUSION 3

Each CPF sector has prioritized a given instrument and a specific channel of delivery. Thus, rural development has been implemented primarily through projects and programs (agreements) implemented by NGOs and to a lesser extend through the multi-donor basked fund for agricultural growth. Health and basic social services support has been channelled through multi-donor basket funds and humanitarian action by international organizations. Spain leadership in health and agriculture, acquired thanks to OTC's staff proactivity and the strategic decision to participate in the SDG and AGP pool funds (even with modest funds), is publicly recognized by implementing ministries and other donors in Etiophia. NGOS work through programs and project has enabled access to remote areas and especially vulnerable populations.

Conclusion 3.1: MOST OF THE CPF FUNDS HAVE BEEN ALLOCATED THROUGH PROJECTS AND PROGRAMS MODALITIES, WHICH TEND TO INCREASE AID FRAGMENTATION. HOWEVER, THE MAJORITY (EXCEPT CAP AND PCI) ARE ALIGNED WITH NATIONAL DEVELOPMENT POLICIES.

**Confidence:
Strong**

During the CPF period, over half of Spain's ODA has been disbursed through programs and projects, mostly implemented by Spanish NGOs in the rural development sector and in a lesser extent by public Ethiopian entities (in health, rural development and gender). The high number of agreements and projects via NGOs translate into the use of parallel structures and an increase of aid fragmentation in any given sector. This seems to be in contradiction with the expressed intention to improve aid effectiveness. However, the Ethiopian Government recognizes that NGOs' work is fully aligned with national development policies and strategies, strengthens public institutions at local level and has greater ability to reach remote areas (evidenced by comparing AGP Pool Fund with NGO agreements).

When they are integrated into Government initiatives where strong government ownership and drive exists, and where Spanish Cooperation has a long-term consolidated position, bilateral projects have encouraged to a larger extent harmonization, complementarity, mutual accountability and policy dialogue. Grants allocated to the Ministry of Agriculture (in addition to the AGP) are a good example of this. Conversely, when they are not part of a well-articulated strategy by the Government and where there is a lack of a solid and shared position with other donors, projects tend to remain as a one-time support with little coordination and policy dialogue. This is the case for example of projects awarded to Amhara BoFED, MoCT or MoWCYA. All other projects funded via the different calls for proposals -CAP, business CAP, PCI - have little relevance in terms of budget and even more importantly, are projects for which the OTC has very limited (CAP) or null (PCI) decision making capacity or influence. Further, there has been little to no coordination and complementarity with AECID sector strategies and sometimes development results are unclear (Business CAP).

Conclusion 3.2: SUPPORT THROUGH BASKET OR POOL FUNDS HAS ENABLED THE SPANISH COOPERATION TO BE A KEY DONOR IN HEALTH AND RURAL DEVELOPMENT SECTORS (UNLIKE IN BASIC SOCIAL SERVICES) DESPITE ITS MODEST RESOURCES.

**Confidence:
Strong**

Basket or pool funds are the second most used instrument during the CPF period. In the three priority areas of the CPF, resources have been allocated to the existing basket funds: in health (SDG-Pool Fund); in rural development (AGP) and basic social services (PBS). Besides priority sectors, Spain has also done a small contribution to the DAG Pool Fund.

Spain's decision to participate in both the SDG Pool Fund and the AGP has been smart and strategic, even though its weight is very small in terms of funding (around 0.4% in the SDG and 2.5% in AGP). It has enabled Spain to have a seat at the table, that is, to participate on an equal footing with other donors in the dialogue and decision-making structures. Opportunity that Spain has successfully seized thanks in part to the proactive profile of the OTC staff

Conversely, in the case of the PBS, the role of Spain is not comparable with the other two priority sectors. Spain did not participate in the development of the initiative, which was already on going when AECID opened its office in Ethiopia and joined the fund. The participation was less active. In fact, when the PBS III was launched Spain ceased to participate and lost its position in the dialogue and negotiation structures.

Conclusion 3.3: TECHNICAL COOPERATION INSTRUMENT AND MULTILATERAL AID MODALITY ARE ALMOST INEXISTENT DURING THE CPF PERIOD. SPANISH COOPERATION HAS MISSED THE OPPORTUNITY TO USE THEIR FULL POTENTIAL.

**Confidence:
Strong**

Technical cooperation and voluntary contributions to multilateral organization in Ethiopia have had little weight in terms of volume of funds during the CPF period.

Regarding technical cooperation most of the funds have been allocated to scholarships and assistance ships, along with one intervention connected to the APIA Program. In any case, this instrument is underutilized in Ethiopia, despite its potential to promote aid effectiveness as a complement to larger interventions. In fact, the OTC has expressed its desire to be able to further use this form of aid, which sometimes may be much more suitable than the provision of financial resources. However, on occasions AECID headquarters prioritizes provision of resources at the expense of in-kind technical assistance because of planned disbursements schedule.

During the CPF period the only voluntary contributions to multilateral organizations, specifically earmarked to Ethiopia, come from the Office of Humanitarian Action of the AECID. However, in Ethiopia several interventions have been financed through two global trust funds: Spain-NEPAD Fund and the MDG-F. In both cases, contributions were made before the CPF period. Both funds are marginally mentioned in the CPF and are specifically linked to the gender sector, but the role of AECID headquarters and in field (OTC) in these interventions was minor. There is no evidence regarding any contribution of these programs neither to the overall strategy of the Spanish Cooperation nor to a specific intervention. It does not seem that Spain has taken any advantage of these experiences to improve policy dialogue, to establish relationships with new partners or to enhance information regarding CPF priority sectors.

Conclusion 3.4: CPF MANAGEMENT AND FUNDING IS DETERMINED BY INSTRUMENTS. DECISION MAKING ON DISTRIBUTION OF FUNDS AND INSTRUMENTS IS NOT BASED ON COUNTRIES PERSPECTIVE.

**Confidence:
Strong**

There is little decision-making capacity that is based on a comprehensive view of the country regarding which instrument to use in order to achieve the planned strategy. There is no country budget as such which can be allocated according to planned priorities and through which most appropriate instruments to achieve the expected results can be selected. In most interventions financed by AECID, the instrument and administrative procedures linked to it are determined at General Directorate's level, which allocate the funds among their different departments. Thus, the decision on funding and budget allocations is fragmented and the overall picture is missed, undermining the possibility to choose the most adequate instruments to better serve what is planned, rather than opposite. Therefore, there is a clear disconnection between results based planning at country level and the actual distribution of resources based on instruments and headquarters decision making and rather external to country's vision.

Thus, the OTC has very limited capacity to remain consistent with the commitments made in terms of efficiency, to maintain a strong dialogue and manage funds based on the country strategy. Most of Spanish aid has been channelled through calls for proposals subject to the principles of publicity and competition, with precise rules, limited context specificity and where OTC has a mere function of evaluation of proposals and establishment of general lines with little room for decision making.

Furthermore, this way of proceeding makes the work in a particular sector or line of action dependent on the existence of the instrument or on the availability of funds for that instrument. In its formulation the CPF gave each sector a priority instrument and aid modality. For example, in the sector of basic social services it forecasted a significant support to the PBS provided through budget from the FONPRODE, in rural development contribution to the multi donor fund AGP and in health the SDG-Pool fund are prioritized. However, during CPF implementation, budget restrictions made it impossible to use FONPRODE and as a result the whole work planned on basic social services has been eliminated during the past years. Similarly rural development has been mainly implemented through NGO projects and programs (agreements) and to a lesser extent through baskets funds.

Conclusion 3.5: ALTHOUGH NOT ALL THE NECESSARY RESOURCES AND MEANS TO IMPLEMENT CPF STRATEGY IN ITS FULL DIMENSION HAVE BEEN IN PLACE, THE INDIVIDUAL EFFORTS FROM OTC TO MEET TARGETS HAVE BEEN REMARKABLE

**Confidence:
Strong**

Overall, management and monitoring of interventions are strongly defined by the type of funding instrument. Although the importance and the need to ensure compliance with regulations and good use of public funds is undisputed, too often programme management is restricted to administrative and bureaucratic follow up of instruments, which absorbs resources and

staff's efforts. This ends up hindering the strategic vision and monitoring of progress towards development results.

In addition to this structural limitation, the CPF implementation has coincided with dire financial restrictions that had the OTC almost closed. In this context, performance in areas related to coordination and policy dialogue has relied heavily on personal voluntarism and hard work of individuals within the OTC. More should be done so as to recognize this type of tasks as part of the institution's work. Despite not having had all the needed resources, individual efforts have been remarkable to try not only to comply with what is expected (project/instrument based follow up) but also with what is necessary given the context.

CPF strategy involves a type of work and skills beyond the administrative or technical tasks associated with project management. Coordination, pursuit of aid effectiveness and dialogue require flexible and fit-for-purpose capacities (personnel, instruments, systems), resources and knowledge. Besides programme management and technical expertise, knowledge on public policy making, empathy, communication proficiency, negotiation abilities for instance are valuable skills to be sought.

CONCLUSION 4

In line with the lack of guidance regarding crosscutting approaches in the methodology, the CPF is blind to crosscutting issues.

Conclusion 4.1: THE CPF DOCUMENT DOES NOT INCLUDE CROSSCUTTING ISSUES. HOWEVER, IN SOME INTERVENTIONS THERE ARE SPECIFIC ACTIVITIES TARGETING WOMEN.

**Confidence:
Reasonable**

The CPF document does not include crosscutting issues and only considers mainstreaming gender and environment. No explicit reference to cultural diversity and rights-based approach is made in the document, although, along with the above, these were horizontal priorities in the III Master Plan 2009-2012.

The evaluation finds that references to crosscutting aspects are very vague and imprecise, limited to generic mentions.

Similarly, the CPF lacks of a better understanding of the environmental challenges derived from the path of the country's economic and demographic growth. In the Ethiopian context, where the vast majority of the population depends directly on natural resources, environmental sustainability needs necessarily to find integrated solutions that overcome the dichotomy "economic growth" vs "environment". From this standpoint, the CPF intervention logic does not include elements that (at least in theory) could influence crosscutting issues.

It is also important to note that many rural development interventions, especially those implemented by NGO, work with women and have activities targeting exclusively women. The mid-term evaluations conducted by the programmes (agreements) and the field visits made by the evaluation team, show that the promotion of credit cooperatives (SACCOs) primarily targeting women, contribute to their empowerment. However, the fact that projects include actions for women does not mean that a gender perspective is mainstreamed.

CONCLUSION 5

Besides specific sectors of interention, the CPF strategy includes some elements that make it moderately adapted to Ethiopia's fragilities and chronic vulnerabilities. However, these aspects are not explicitly and sufficiently covered. In addition, factors such as the quality and flexibility of Spanish Cooperation should be valued as strength to build on.

Conclusion 5.1: THE CPF DOES NOT INTEGRATE ASPECTS RELATED TO THE CONSIDERATION OF ETHIOPIA AS A FRAGILE STATE. HOWEVER, THE LINES OF WORK IT PROPOSES DO FALL WITHIN SOME OF THE OECD PRINCIPLES ON FRAGILE STATES.

**Confidence:
Strong**

When the CPF was formulated, the consideration of Fragile State Principles was not taken as a reference for strategic planning. In fact, many respondents do not see Ethiopia as a fragile state although they suggest that there are certain economic, political, social and environmental issues with potential risks that make Ethiopia especially vulnerable, and in that sense it is possible to consider fragility.

The CPF methodology does not contain any specific aspect to consider in this typology of countries. Thus, there was no analysis of potential risks and potential elements to consider.

However, there are other aspects that fall within the frame of what is prescribed by the “Principles for international engagement in fragile states and in situations of fragility” from the OECD. Fundamentally, the objective of supporting state-building, national structures and capabilities is very present in the CPF, as is alignment with national priorities and coordination mechanisms among existing international actors.

Conclusion 5.2: THE INCLUSION OF HUMANITARIAN ACTION IN THE CPF WAS CONTROVERSIAL AND ITS BUDGET HAS SUFFERED THE STRONGEST DECLINE DURING THE CPF PERIOD, BOTH IN ABSOLUTE AND RELATIVE TERMS. HUMANITARIAN ACTION HAS MAINLY INVOLVED EMERGENCY RESPONSE TO THE 2011 CRISIS.

**Confidence:
Strong**

The inclusion of humanitarian action in the CPF was a matter of debate in AECID. The OAH considered that humanitarian action should not be negotiated or planned with partner countries in order to ensure the respect of the principles of humanity, impartiality, neutrality and independence. On the other hand, the OTC considered necessary to include prevention due to the predictable and recurring humanitarian crises in Ethiopia. Finally, the CPF included a generic paragraph on humanitarian action, with no mention to prevention.

Spanish humanitarian action to Ethiopia has experience the largest decline in budgetary terms in comparison to ODA allocated to development sectors. From 2011 to 2015, over €9.5 million were disbursed to humanitarian actions in Ethiopia through funds coming from AECID and to a lesser extent from the Autonomous Regions of Madrid and Catalonia and other funders. Most of the funds disbursed from 2011 to 2015 responded to the 2011 humanitarian crisis. In this context, the flexibility and availability of Spain's humanitarian action and its good relationship with other international humanitarian donors and with the Government stood out as strength in the specific humanitarian action evaluation conducted.

Conclusion 5.3: PREVENTION AND RESILIENCE BUILDING ASPECTS ARE NOT SUFFICIENTLY COVERED IN THE CPF GIVEN ETHIOPIAN PRONENESS TO CRISES.

**Confidence:
Strong**

While the Ethiopian context of chronic vulnerability combined with recurrent crisis justifies a clearer understanding of the links between development and emergency and of the cycle of disaster prevention and management, the CPF only addresses emergency response. This reflects differences in approach within AECID when formulating the CPF and the need by the OAH to ensure respect for humanitarian principles in all humanitarian contexts. However, this should not be an obstacle to include in the document a section on disaster risk prevention and management regardless of which body takes responsibility for it.

The evaluation teams consider it difficult to make a categorical assessment on how well the CPF has adapted to this context of recurrent crisis and chronic vulnerabilities. On one hand, the strategy as planned in the CPF includes some factors that are consistent with resilience building. First, as it has been highlighted throughout the document, the Government exercises a strong leadership and ownership and overall all the development interventions in the country build on existing structures and mechanisms. Also, the strategy is fully aligned with national policies, which constitute the umbrella under which the different interventions are undertaken. At the same time, NGOs interventions are often located in hot spots, high vulnerable communities, and work on assets and capacities building, which can be considered as key elements of resilience building. Similarly, although crucial aspects such as access to water and sanitation are not explicitly

included in the CPF, this component has been worked under rural development and fight against hunger sector. On the other hand, there is no evidence that the CPF has enabled the Spanish Cooperation actors to undertake common analysis of the underlying causes that undermine development possibilities, with regards to individuals, families and communities. Similarly, joint risk analyses have not been undertaken. AECID supports the national DRM structures for risk profiling in the country but do not seem to use these profiles for the design of new interventions.

Conclusion 5.4: ALTHOUGH THE ORIGINAL ASSESSMENT ON COMPARATIVE ADVANTAGES IS LIMITED, SPANISH COOPERATION HAS BEEN CONSISTENT WITH IT IN THE SECTORS OF HEALTH AND RURAL DEVELOPMENT. THE IMPORTANCE OF FACTORS SUCH AS THE QUALITY AND FLEXIBILITY OF THE SPANISH COOPERATION SHOULD NOT BE UNDERESTIMATED AS AN ADDED VALUE.

**Confidence:
Strong**

The evaluation team finds that overall the analysis of the comparative advantages conducted in the CPF of Ethiopia is shallow and does not provide a thorough assessment of what specific added values and opportunities can Spanish Cooperation actors offer compared to other potential actors and donors in Ethiopia. The focus on the criteria of past experience (programmes funded) may have underestimated other considerations such as the existence of capacities within the Spanish Cooperation (technical, financial and administrative), the Government of Ethiopia and other donors.

Nonetheless, throughout the implementation of the CPF, AECID has been coherent with its assessment regarding health and rural development sector. It has maintained its funding to health through the SDG Pool Fund and to rural development through AGP and NGOs intervention. Also, Spanish Cooperation, and especially AECID, has kept a position of key actor with a strong and active presence in dialogue platforms. However, in the case of rural development transfer of knowledge and promotion of fruit trees and horticulture has been quite limited in terms of resources and efforts allocated. In this sector, the quality of the support provided by Spain can benefit from the knowledge and lessons arising from NGOs' local experience in the country. The strong relation with national institutions such as the Ministry of Agriculture and REDFSS is an excellent platform to take specific issues of concern to the policy dialogue.

Finally, it is important to highlight that the added value of Spain may not rest so much on the volume of its financial contribution but rather on the consistency and sustainability of the support and the relationships of trust it has built over the years. Also, issues such as the diversity of instruments available to Spanish Cooperation and their potential for strategic complementarity or the lack of specific restrictions on the type of institutions it can support should be seen as possible added values.

5. LESSONS LEARNED

Effective alignment with national policies' goals and indicators of partner countries needs to be accompanied with a framework of specific targets that allows to critically engage, track progress and use available means at their full potentia.

Shortfalls in the planning methodology influence the design of the strategy and eventually its management and results. The 2010 CPF methodology states that both mid to long term results and immediate results to which it aims to contribute (as well as its indicators and sources of verification) should come exclusively from national policies or sectorial strategies, or, in their absence, from goals set in donors coordination groups. It does not require formulating specific targets, nor does it promote the design of a roadmap to reach them. However, alignment and harmonisation with country policies is not incompatible with articulating a strategic vision that clarifies how the contribution to these country policies will be made.

The absence of this articulated framework with specific targets undermines the strategic monitoring at the sectorial level by Spanish Cooperation, and thus hinders the possibility of maximizing the full potential of its actions in terms of coordination and complementarity of interventions.

Given the current Spanish Cooperation structure there is divergence between what the CPF intends to achieve and what it can actually do. In order to narrow the gap between the country level planning and the decision- making level, careful consideration at the political level is required.

The considerable efforts engaged in designing the CPF, the potential and expectations it raises both within recipient country and for Spanish Cooperation actors are overruled during the implementation phase by structural barriers: the excessive dependency on instruments of the Spanish ODA, the fact that decisions within AECID are usually not based on a whole picture of the country or the CPF, fragmentation of actors and decision makers, the human resource policy that does not take into account certain needed capabilities in the selection of OTC personnel, etc. undermine the actual ability to be consistent with the ambition and commitments made.

Working with country partners with strong national and sectorial drive like Ethiopia requires Spain to engage in actions beyond self-contained projects.

The contribution of funds should not be the only factor to be considered when assessing the added value in a specific context. Aspects such as the quality of the relationships with partners, trust, proactivity, leadership and commitment over time are key. However, the strategic importance of all the activities that fall under “policy dialogue” needs to be fully integrated at the institutional level in the Spanish Cooperation so as to avoid that it depends on voluntariness of individuals. The Spanish Cooperation would highly benefit from a clearer definition of its policy dialogue framework and capacities to facilitate adaptable and flexible engagement with recipient countries.

Alignment with the policies of a sector without a strong ownership and drive from the recipient country involves a weak policy dialogue in the sector and increases the chances of not achieving development results and negatively affect sustainability.

The evaluation shows the importance of ownership. In sectors where the Government has strong political commitment and leadership over policies, the implementation of programmes, channelling of funds and coordination and dialogue structures converge efficiently towards results. On the contrary, alignment with sectors (such as culture and gender in this case) with poor government strategic vision and drive, leads to weak performance and increases the chances of not achieving development results and affects the sustainability of the intervention.

6. RECOMMENDATIONS

Recommendation 1: STRENGTHEN CPF DESIGN AND PLANNING SO THAT IT REFLECTS A COMPREHENSIVE OVERVIEW OF THE COUNTRY IN ORDER TO ALLOW AN OPTIMAL USE OF KNOWLEDGE, COORDINATION AND COMPLEMENTARITY BETWEEN DIFFERENT FUNDERS, ENTITIES, INSTRUMENTS AND ACTIONS OF SPAIN.

**Addressed to:
OTC/ AECID
headquarters/
SGCID**

- In addition to including national development objectives, the new CPF should also comprise a more thorough and critical analysis of policies and challenges of the country, in order to identify and articulate Spanish Cooperation's own vision on how to best contribute to national policies and plans. This should include establishing specific goals for Spanish Cooperation within each sector of intervention. These goals can either be process related (e.g. programme based approach should include targets regarding the performance of the process and implementation mechanisms)⁹⁹ and/or results goals, all of them accompanied by indicators and targets. Each strategy of intervention at sector level should be articulated through an intervention logic¹⁰⁰ (results framework, theory of change...) to enable a global understanding of what Spain intends to achieve in order to contribute to national objectives. This will facilitate monitoring and identifying coordination and potential for complementarity between different interventions and instruments in each sector.
- Given the structural problems of Spanish Cooperation to fulfil some of the aid effectiveness goals (predictability, alignment...), the CPF should realistically adapt its objectives to the Spanish Cooperation reality by taking into consideration the limited flexibility regarding the choice of instruments and aid modalities or the limitations to perform multi-annual disbursements (in the case that recommendation number. 4 cannot be fulfilled).
- Spanish Cooperation should conduct an analysis of relevant key crosscutting issues that should be integrated in sector strategies and individual interventions: differentiated socio-cultural specificities, factors of exclusion that perpetuate relations and systems of discrimination and inequality between men and women, environmental challenges, etc.

⁹⁹ La Ayuda Programática: Guía Técnica para la puesta en marcha de los nuevos instrumentos de cooperación, MAEC 2008.

¹⁰⁰ The kind of reconstruction conducted by the evaluation team for each of the sectors of interventions is a relatively simple and intuitive four levels chain of results. It would be advisable that high-level national objectives are left at impact level or even outside the logic since in fact the link between the highest level of development results achieved by Spanish Cooperation is still quite below national objectives. In doing so, the results chains (containing process and results goals) would actually be more precise

- The new CPF could benefit from a joint risk analysis, containing possible scenarios with reference to the five dimensions introduced by the OECD in its recent report on fragility¹⁰¹, and envisaging mechanisms that allow flexible adaptation to changing contexts.
- Involving decentralized cooperation should start from the design phase of the CPF. Given the multitude of Spanish sources of ODA funding, a pragmatic approach to decide what actors need to be involved in CPF planning and implementation is highly recommended. Since Autonomous Regions and other decentralised actors often have no fieldwork staff, ways to encourage their regular participation by means of remote communication (video conference, etc.) should be sought throughout the implementation of the CPF. Another way to involve them could be through the knowledge and experience of NGOs who usually know who works where. As such, in the design process of the CPF, the OTC can encourage them to think about other Spanish actors potentially interested in participating in the CPF, either with monetary contributions or in kind (e.g. sharing the know-how of municipal companies).
- It is essential that OTC and the NGOs Department in AECID (and ideally also with other funders such as Autonomous Regions) agree on what are the strategic priorities where NGOs can add value and should be promoted (how do NGOs programmes complement work with Government institutions? do NGOs offer opportunities to address issues that are not covered otherwise?).

Recommendation 2: USE THE CPF AS A MANAGEMENT TOOL INSTRUMENT, AND IMPLEMENT A MONITORING SYSTEM BASED ON THE STRATEGY AND NOT ONLY ON INDIVIDUAL INTERVENTIONS.

**Addressed to:
OTC/ AECID headquarters/
MoFEC/Spanish Cooperation
actors**

- Taking into account that recommendation 1 has to be fulfilled to carry out this recommendation, the next CPF should include regular and realistic monitoring mechanisms that include the main Spanish Cooperation actors (Autonomous Regions, NGO, etc) under the auspices of AECID, the main funder. The monitoring system should allow measuring aggregated progress against jointly defined development, management and aid effectiveness results. It should also help to identify challenges to be overcome and opportunities to explore. All with a sectoral strategy approach (fed by individual interventions). In addition to monitoring projects directly funded by AECID, regular meetings with Spanish actors should be held in order to build and consolidate common understanding around CPF strategy, improve the dialogue and seek further complementarity and synergies between different approaches and interventions. The work of the Spanish Cooperation will be enriched through better feedback mechanisms among its different actors, systematization of information and data, experience sharing and promoting coordination.

¹⁰¹ States of Fragility 2015. Meeting post-2015 ambitions. (OECD 2015).

- Strengthening the joint monitoring with the Government of Ethiopia based on the strategy of the CPF. To that end, annual CPF monitoring sessions and reports should be conducted to account for progress, as well as regular meetings with both MoFEC and sectoral ministries.
- Efforts to improve recognition of interventions channelled through channel 3 (with the largest proportion of Spanish Cooperation funds, 60%) with Ethiopians authorities and (external) coordination structures should be made. It should also ensure the safety and protection of NGOs staff and ease their working conditions, especially when working in conflict areas.

Recommendation 3: IN LINE WITH AECID'S LAST OPERATIONAL PROGRAMMING, CONCENTRATE THE NEXT CPF IN THE SECTORS OF RURAL DEVELOPMENT AND HEALTH, INCLUDING A LINE OF ACTION IN RESILIENCE.

**Addressed to:
OTC/ AECID
headquarters /SGCID/
NGOs**

- Continue the commitment to support public health system, through the SDG Pool Fund, as well as other strategic interventions (e.g. supporting the Health Insurance Agency or providing training to medical specialists). It is recommended to consider the resources available to the sector, and whether it is possible to cover more than one initiative. For the selected initiatives, technical monitoring and continuity of the support to ensure sustainability should be sought (avoiding situations like the Health Insurance Agency project).
- Continue to support rural development sector through two pathways: AGP and projects and agreements with NGOs. In this regard, the new CPF should set specific goals meant to recognize, enhance coordination and make the work of NGOs visible to the Government of Ethiopia.
- Projects and agreements implemented by NGOs without expertise in the field should not include construction of medium and large-scale infrastructures, which in most cases have absorbed much of their resources and energies, without visible results so far. In contrast, they should cover the entire value chain, focusing their efforts not only in production but also in marketing and commercialization (access and transportation, contact with wholesalers, market research and studies of the value chain).
- Public-private initiatives in rural development should be conducted in partnership with social institutions, to ensure project links with development results. Furthermore, it is advisable to assess "pilot" initiatives of the new aid instrument "Innovative Action" to track their performance.
- Gender, Culture and basic social services sectors should be excluded from the new CPF. They have not been part of the daily work of Spanish Cooperation, nor have they received significant funding. In addition, the ministries in charge of gender and culture sectors have weak ownership and leadership of development and there is no comparative advantage of the Spanish Cooperation (experience with technical expertise, contribution to the creation of

capacity in the country, synergies and partnerships established within the Spanish Cooperation and other donors, positive results reflected in evaluations, relevance, cross-cutting priorities) in the country in those sectors. It is recommended to maximize financial and human resources efforts in the priority sectors.

- Nonetheless, gender and cultural diversity should be mainstreamed in the interventions of CPF, along with environmental considerations and human rights based approach, following relevant guides produced by the Spanish Cooperation¹⁰².
- Humanitarian action should remain in the same terms as the previous CPF, in accordance with the Humanitarian Principles.
- Given the context of recurrent crises in Ethiopia, the next CPF should address resilience building in a comprehensive manner; regardless of the aid instrument or department within AECID to finance it. Further coordination, understanding and complementarity between the humanitarian assistance and development bodies of the Spanish Cooperation, particularly in AECID, should be promoted in order to advance towards a common position that better accommodates the specificities of the Ethiopian context. Both development interventions and humanitarian actions can be designed and implemented with resilience building in mind. Spanish cooperation actors can benefit from analysis of the underlying causes that undermine development possibilities of individuals, families and communities as well as of joint risk analyses. The risk profiles in the country supported by AECID could be used for the design of new interventions. Humanitarian action capacities and knowledge at OTC level should be reinforced, particularly in terms of access, humanitarian space and principles.

Recommendation 4: PROMOTING STRUCTURAL CHANGES IN SGCID AND AECID ALLOW GREATER DECISION-MAKING AUTONOMY AT COUNTRY LEVEL. IN ADDITION, DECISIONS AT HEADQUARTERS LEVEL SHOULD TAKE MORE INTO ACCOUNT CPF IMPLEMENTATION NEEDS.

**Addressed to:
AECID/ SGCID/CCAA**

- Adapt funding decisions to results-oriented planning to ensure that operational decisions on programmes and instruments allocations are agreed upon with an overall picture of the country in mind. The CPF should be seen as a mid-term plan with a comprehensive results framework. This might also involve greater decision-making at country level (OTC).
- Means and resources made available for CPF implementation should reflect evolving trends and needs of international aid. Results based management and the CPF strategy involve a type of work and skills that go beyond administrative or technical tasks usually associated

¹⁰²The Directorate of Cultural and Scientific Relations has informed that Guide on mainstreaming cultural diversity is in the process of being published.

with project/activity based management. Coordination, aid effectiveness and dialogue require flexible and fit-for-purpose capacities (personnel, instruments, systems), resources and knowledge. Besides programme management and technical expertise, knowledge on public policy making, empathy, communication and language proficiency, negotiation abilities for instance are valuable skills to be sought.

- Taking the pragmatic approach recommended earlier, in case AECID is in practice the only funding actor willing to participate in the planning and implementation of the CPF, the appropriateness of having two planning instruments: CPF and Operational Programming of AECID, should be reconsidered. In countries where Spanish decentralized cooperation is more active, the existence of the two tools is justified, but when it is not the case it might entail a duplication of use of efforts and resources.

Recommendation 5: CONTINUE THE PRODUCTIVEWORK DONE SO FAR IN POLICY DIALOGUE AND STRENGTHEN DEFINITION AND POSSIBLE LINES OF DEVELOPMENT.

**Addressed to:
SGCID / AECID
headquarters/OTC**

- Spanish Cooperation could benefit from a conscientious reflection about what is policy dialogue in the framework of overall Spanish Cooperation aid and what are potential general objectives and expectations. It should seek to build a common understanding among its main actors, or at least among AECID staff, particularly at OTC level. At country level, policy dialogue needs to be linked with strategic lines of work and build on strengths and gains already achieved by the Spanish Cooperation in the country.
- Thus, the new CPF could identify and systematize the progress made so far in this regard, and use the available aid instruments to strengthen policy dialogue. Foster institutional Policy Dialogue in general (without being dependent on individual initiatives), and maintain proactivity in coordination groups (RED&FS, SDG Pool Fund) where Spain is present, to extend the established trust relationships and Spain's role in sectoral working groups.

Recommendation 6: FOR THE NEXT CPF CYCLE IN ETHIOPIA, AN ASSESSMENT OF OPPORTUNITIES AND ADEQUACY OF THE INSTRUMENTS TO THE ETHIOPIAN CONTEXT BASED ON AECID'S GUIDE IS RECOMMENDABLE.

**Addressed to:
OTC/ AECID
headquarters/
SGCID**

- Based on the identification analysis conducted and the resulting articulated strategic plan (Recommendation 1), the Spanish Cooperation should assess the adequacy of instruments for each line of work prioritized, their synergies and potential complementarities. AECID's Guide of Aid Modalities and Instruments (2014) offers good guidance to do so by explaining strengths and weaknesses, opportunities and risks for each aid instrument and how to best select them according to different contexts (middle income countries, fragility, humanitarian etc.).

- Although the recommended identification and planning process has not been done yet, in response to an explicit demand from several Spanish Cooperation actors, some suggestions on potential use of aid instruments are presented hereunder.

Because foreign policy grants are awarded directly, generally based on proposals coming from the OTC, and more likely to be aligned with each sector, they could be the base around which to articulate the support foreseen in each sector strategy of intervention and the entry point for policy dialogue.

Because of their geographical reach and presence in more remote areas and their outreach work, NGO can provide valuable information and experiences (knowledge and best practices) that could be brought forward and incorporated into to the dialogue with policymakers. Cooperation instruments such as the PCI or Technical Assistance could be used as strategic contributions to reinforce the advice to government based on evidence produced by researches or experienced professional.

In a pilot experience (such as public-private partnerships in the field of Humanitarian Action), it is essential to gather and systematize information to enable learning and replicability of the model in similar contexts.

Stand-alone programs and projects (including CAP, business CAP) as well as the PCI allow for piloting, researching and building evidence regarding new initiatives. However, for these to be effective learning and potentially scalable experiences, there needs to be a clear definition of what is expected both in terms of content and processes, linkage with the overall strategy, and a close follow up mechanism and means must be in place.

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