

**Country Partnership Strategy
for
the Federal Democratic Republic of Ethiopia
2012-2015**

Republic of Korea

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I. Introduction

1. This Country Partnership Strategy ('CPS') for Ethiopia covers the period 2012-2015 and provides mid-term partnership strategy designed by Korea. Its purpose is to carry forward the important strategic directions for Korea's official development assistance (ODA) to Ethiopia.
2. Achieving accelerated and sustained development as well as eradication of poverty is the key objective of CPS. Furthermore, CPS aims to promote friendship and enhance cooperation between Korea and Ethiopia through successful implementation of Ethiopia's Growth and Transformation Plan (GTP).
3. In preparing CPS for Ethiopia, implementation of development plan based on mutual understanding was taken into account within the context of the country's development vision. Aid effectiveness is another important factor considered in CPS that is to be enhanced through transfer of Korea's development experience and leveraging its comparative advantage.
4. As a member of the Development Assistance Committee (DAC), Organization for Economic Cooperation and Development (OECD), Korea faithfully reflected the standards and norms of international development and cooperation in its CPS for Ethiopia.
5. CPS aims to enhance aid effectiveness and combat fragmentation of assistance. At domestic level, stronger bond is to be formed between many aid organizations and at international level, cooperation between donor countries will expand.
6. CPS of 2012-2015 will clearly delineate the role of Korea's ODA to Ethiopia and how it should contribute to systematic and consistent delivery of aid. Ethiopian and Korean government will continue to undergo revision and augmentation based on discussions for customized development assistance reflecting Ethiopia's internal and external conditions.

II. Korea's ODA to Ethiopia (2005-2011)

7. From 2005 to 2011 Korea committed USD 113.19million to provide ODA to Ethiopia in terms of commitment. USD 34.79million was provided in forms of grants and USD 78.4million were offered in forms of loans adding up to USD 113.19million provided as bilateral aid.
8. Korea is increasing its aid volumes and expanding its assistance in Ethiopia. KOICA's grant increased from USD 2.29million in 2005 to USD 8.08million in 2011, and investment of USD 25.35 million was made. In 2011, EDCF also initiated its loan project committing USD 78.4million.

<Korea ODA to Ethiopia between 2005 and 2011>

(Unit: USD million)

Year	2005	2006	2007	2008	2009	2010	2011	Total
KOICA	2.29	2.21	3.22	4.00	4.08	9.55	8.08	33.43
EDCF	-	-	-	-	-	-	78.40	78.40

(Source: KOICA and EDCF statistics)

Note: The volume of KOICA in 2011 is the preliminary ODA figure.

In grants, the largest portion of monetary commitment were allocated to education and health (maternal and child health, development of potable water, etc.) sectors. Therefore, most aid projects were designed for advancement of two sectors while some projects were conducted to develop agricultural, rural, and environmental sector.

In loans, the priority sector of Ethiopia is economic infrastructure, such as energy, roads, and agricultural irrigation.

9. Both in loans and grants, Ethiopia is a priority cooperation partner for Korea, thus assistance to the country is to be expanded through long-term plan.

III. Korea's ODA Program to Ethiopia (2012-2015)

1. Overview

10. Summary of Korea's Partnership Strategy with Ethiopia

Ethiopia Growth and Transformation Plan (2011-2015)				
Vision	Eradicate poverty and promote economic development “to become a country where democratic rule, good-governance and social justice reign upon the involvement and free will of its peoples, and once extricating itself from poverty to reach the level of a middle-income economy as of 2020-2023”			
Objectives	Maintain at least an average real GDP growth rate of 11% and attain MDGs	Expand and ensure the qualities of education and health services and achieve MDGs in the social sector	Establish suitable conditions for sustainable nation building through the creation of a stable democratic and developmental state	Ensure the sustainability of growth by realizing all the above objectives within a stable macroeconomic framework



Korea Country Partnership Strategy(CPS) to Ethiopia (2012-2015)				
Goal	Mitigation of poverty and sustainable growth of Ethiopia			
Objectives	Improve the status of maternal and child health and upgrade the health environment of residents in vulnerable regions	Seek to raise income levels and improve food security by enhancing agricultural productivity and supporting balanced regional development	Establish a foundation for economic growth by training skilled technicians	Enhance national economic competitiveness through infrastructure development with a focus on local economy
Priority Areas	Maternal and child health / drinking water and sanitation	Agricultural and rural development, agricultural technical training	Technical and vocational education and training (TVET)	Energy (Power, Renewable Energy) and Road



Action plan to improve aid effectiveness	Effectiveness	Sustainability	Alignment and Harmonization
	- Predictability - Selection and concentration - Connection to existing projects	- Reinforcing performance evaluation - Reinforcing follow-up management - Reinforcing monitoring	- Coordinating aid efforts among donor countries - Aligning with the recipient country's development strategies



Basic principles for the Country Partnership Strategy	MDGs, Paris Declaration on Aid Effectiveness, DAC aid norms, and measures to improve Korean ODA
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11. Cooperation between Ethiopia and Korea is the key to successful implementation of the CPS. The main goal of Korea-Ethiopia's development strategy is to support Ethiopia's long-term vision of reaching a middle income country by 2020-2023. In this regard, the strategy emphasizes the importance of establishing stable foundation that will bring sustainable growth of Ethiopia.
12. The CPS and its priority areas were established comprehensively considering opinion from both Korean and Ethiopian government through consultations and policy dialogue. A wide range of factors such as Ethiopian government's development strategy, Korea ODA's ongoing development projects in Ethiopia, potential projects with other donor countries, comparative advantage of Korea's ODA, development policy coordination between two countries, and challenges to development of Ethiopia was also taken in to due consideration in the process of establishing the CPS.
13. The four priority areas of the CPS are as follows:

Health – Maternal and child health service & Drinking water and sanitation

- Support family planning as well as maternal and child health
- Ensure safe drinking water and sanitation

Agriculture – Rural development & Agricultural technical training

- Increase incomes of rural household and improve food security

Education – Technical and vocational education and training

- Establish firm foundation of national growth by developing human resources

Economic infrastructure – Energy and Roads

- Increase access to power from both urban and rural areas. Specifically, use of renewable energy in rural area will be supported due to its contribution in inclusive economic growth
- Construct and rehabilitate roads in support of economic growth

2. Priority Areas

Priority Area 1 - Health

1-1. Maternal and child health service

14. The goal of this program is to improve the status of maternal and child health in Ethiopia through efforts to reduce rate of fertility.

15. Maternal and child health program will promote integrated programs encompassing family planning, prenatal care, delivery, postnatal and newborn care, infant health care, sexual health education for teenagers and adults (including local residents and medical professionals), social and cultural awareness and positive behaviors, and the construction or improvements of health centers and first-level referral hospitals, etc.

A. Capacity building

As part of family planning and projects on maternal and child health, the following support will be included in the program to build capacity.

- Support for capacity building of health workers including health center staffs and health extension workers (HEW) ensuring gender-responsiveness.
- Support for improvement in capacity of mid-level health workers including skilled health workers and midwives.
- Train and dispatch specialists to operate community-based family planning and projects on maternal and child health while also formulating appropriate policies.

B. Improvement of awareness and behavior

- Help local communities develop stronger sense of ownership on family planning services and programs for maternal and child health, by promoting active participation of women and men in family planning education as well as sex education for both teenagers and adults.
- For empowerment of female, programs to promote female contraceptive measures and improve maternal and child health services will be implemented. Also, measures such as formation of women's committee will be conducted.

C. Support for health infrastructure and services

- Protect vulnerable areas by establishing infrastructures such as local health centers and first-level referral hospitals. Additionally, medical materials and equipments will be provided as well as establishment of comprehensive delivery system for basic health services.

1-2. Drinking water and sanitation

16. Some of the priority for "drinking water and sanitation program" is 1) renovating or constructing water and sanitation facilities, 2) providing equipments, 3) building capacity of facility administrators, and 4) providing education for local residents on health and sanitation. The objective of the project is to improve people's access to safe drinking water as well as improving the overall environmental sanitation, and further contribute to enhancement of national health, medical environment, and gender equality.

A. Construction or alteration of water and sanitation facilities

- Establish infrastructure, such as tube wells, pipe conduits, combined water-supply reservoirs, small-scale dams, village water tanks, and drinking fountains, as well as maintaining the facilities in rural area and other vulnerable places through repairing.

B. Provision of material and equipment

- Provide materials and equipment related to safe drinking water and sanitation facilities, focusing on farming villages and local health centers.

C. Capacity building

- To build capacity, 1) support specialists on health and medical services, drinking water, and sanitation facilities through gender-sensitive training, 2) dispatch specialists, 3) operation and good management of facilities, and 4) expansion of education on health and sanitation for local residents is essential.
- Primarily, women are the people who manage safety of drinking water and sanitation. Therefore, programs targeting women will be created and implemented. For example, village women's organizations could be established for proper operation of wells, management of drinking water, and education on health and sanitation via literacy education.

D. Improvement of water quality control system

- Develop measures to prevent contamination of drinking water, establish a water quality control system, and help ensure financial stability of drinking water systems by rationalizing water utility charges.

Priority Area 2 - Agricultural and Rural Development

17. CPS supports Ethiopia's efforts to stabilize its food security and increase farm incomes through growth in agricultural production/productivity and balanced rural development, as well as establishment of stable food security foundation.
18. This program is to be implemented on two different levels, regional and national.
 - At regional level programs on rural development and agriculture will be undertaken to achieve core objectives such as increasing food production/productivity and farm incomes. Amhara, Oromia, SNNPR, Tigray and eighty woredas will be the four priority regions in implementing the program. And their facility will be considered as well which can be defined as their accessibility to transportation as well as the appropriate number of beneficiaries of the program. Long term implementation of the program and its sustainability will be considered as well with minimum period required to achieve tangible results that account to five years of

income. Priority will be given to rural households where women or disabled person is in charge of the family with low farm incomes, and regions with high proportion of such households.

- Secondly national level programs will provide comprehensive aid under the goal of establishing long-term food security. As means to establish its goals, education on agricultural technology will be given for further transfer and development of technology and contribute to capacity building in agricultural sector.

A. Capacity building

- Support capacity building by 1) dispatching specialist in technical education for agriculture and husbandry, 2) inviting trainees to Korea for transfer of agricultural technologies through education and training for practical use, 3) enhancing capacity of project management and expanding awareness on local society development through local leadership training.

B. Construction and rehabilitation of agricultural and farming infrastructure

- Establish infrastructure for agriculture, livestock-farming, and irrigation systems. Also construct training centers to utilize technology for maximum performance in agriculture.

C. Provision of material and equipment

- Provide machinery, vehicles and other equipments necessary in training centers of agricultural technology.

D. Support the residents' associations and their activities

- Provide assistance to local community people's groups to prioritize participation of women, encourage voluntary participation of local residents, and conduct programs centered on local communities.

E. Improve residential, educational, health- and hygiene-related facilities

- Provide supplementary assistance to improve 1) residential facilities by supplementing housing, constructing local roads and public facilities, 2) health and medical facilities by supply of drinking water and improvement of toilets, and 3) educational facilities by establishing schools and providing necessary equipments.

Priority Area 3 - Technical and Vocational Education and Training

19. To accomplish poverty eradication, the main development agenda of the Ethiopian government, this program plans to support cultivation of skilled workers for economic growth. Under the

purpose of providing comprehensive assistance to TVET program, Ethiopian government will train both students and trainers, construct and rehabilitate TVET infrastructure, as well as supplying educational materials and equipments.

A. Construction and rehabilitation of TVET centers

- Construct and rehabilitate TVET centers in regions where such centers are scarce after selecting TVET center sites through consultation between Korean and Ethiopian government.
- After mutual agreement is made through consultations with the Ethiopian government, construct and rehabilitate TVET centers in regions where such centers are scarce.

B. Provision of education materials and equipment for practical training

- Provide materials, equipments, and other necessities to TVET institutions that need material assistance for education and practical training.

C. Capacity building for trainers

- In order to improve the quality of TVET education, equal opportunities should be provided to both genders to become trainers. Trainers should also build their capacity through training opportunities to upgrade their teaching abilities and given advice on their curriculum.

Priority Area 4 - Economic Infrastructure

4-1. Energy infrastructure development

20. Under the GTP's seven strategic pillars, the Ethiopian government emphasized the importance of economic infrastructure such as energy, road and water supply for economic growth, employment creation, and industrial sector development. Infrastructure development is critical for Ethiopia to sustain its high growth, increase its competitiveness and further reduce poverty levels. Thus, the Ethiopian government plans to make very large investments in expanding its economic infrastructure services for long-term sustained growth and development. Korea ODA tries to assist the country in mobilizing financial resources for economic infrastructure mainly through providing concessional loans.
21. In order to meet the country's growing demands in energy as a result of rapid economic growth in recent years, the Ethiopian Government has made efforts in developing renewable energy sources and expanding energy infrastructure. Presently, only 41% of the population has access to grid electricity. Considering huge investment demand in energy sector, Korea will continue to seek the possibilities of co-financing with multilateral and bilateral development partners in assisting mega power projects such as East African Power Pool.

A. Construction of energy infrastructure

- In line with the Ethiopian Government's GTP, Korea's ODA will focus on the development of energy infrastructure, mainly power sector by assisting the expansion of energy supply network and generation capacity, as well as enhancing the use of renewable energy in rural areas.

B. Technical assistance

- In addition to infrastructure construction, Korea's ODA will provide capacity building programs in the power and renewable energy sector to enhance aid effectiveness and sustainability. For instance, capacity building programs in the power sector will focus on the training of practical and automatic operation of power networks while promoting the participation of women in the power sector and engineering field.

4-2. Road infrastructure development

22. Ethiopia is a land locked country with many unpaved road and poor infrastructure for transportation. Considering road as a dominant transport in the country, development of road infrastructure is essential to economic growth and poverty reduction in Ethiopia. The Ethiopian government has invested in upgrading, rehabilitating and constructing new roads as well as maintaining existing roads under Road Sector Development Program (RSDP) launched in 1997. As part of GTP, the 4th RSDP from 2010 to 2015 plans to rehabilitate 728km trunk roads, upgrade 5,023km trunk and link roads, construct 4,331km new link roads and perform a routine maintenance.
23. The estimated cost of RSDP IV, USD7.4 billion is to be financed by the Government of Ethiopia and its development partners, mainly World Bank, EU, and AfDB. The remaining financing gap still needs to be filled by other development partners. Like the energy sector, co-financing opportunities in road sector will be fully utilized in order to finance mega projects such as regional road corridor projects.

A. Expansion of transportation infrastructure

- The expansion of transportation infrastructure in trunk and access roads throughout the country is vital to agricultural trade and regional development. Priority regions and roads will be discussed and mutually agreed with the Ethiopian Government considering Ethiopia's development needs and the effectiveness of project in terms of contribution to export promotion, agriculture development and economic growth.

B. Technical assistance

- Technology transfer in construction and maintenance of road is essential to sustainability of the program. Therefore, Korea's ODA will provide necessary and customized capacity building programs to transportation sector.

Other Areas - Technical Assistance

Training programs

24. Annual training programs will be provided to about 80 people in main areas of cooperation including health, agricultural and rural development, economic infrastructure and TVET. In order to improve the quality of training, multi-year training programs will be introduced, along with the expansion of long-term degree courses and training budget per person will be increased.
25. In addition, participants of training programs will set individual goals and contents of the program. In order to build capacity of institutions in Ethiopia, comprehensive and long-term training strategy will be of great importance. Increased exchanges between personnel among agencies and joint projects with overseas organization will also contribute in building capacity.
26. The quality of the training institutions will be reviewed and pool system containing data on experts of program will be established to improve Korea's training institutions. Led by KOICA, a network of training institutions will be set up to develop comprehensive training programs in cooperation with relevant Korean authorities.

Dispatch of experts and volunteers

27. Korean experts will help Ethiopia improve the quality of life for its people and contribute to ensuring sustainability of completed projects. With focus on the main areas of cooperation, experts from Korean research institutes will be sent to Ethiopia to strengthen cooperation with relevant authorities and to participate in sectoral meetings.
28. Decisions over how many experts are to be provided will be made after considering level of demand in Ethiopia. KOICA's efforts to extend the dispatch period to over six months are expected to bring greater efficiency in sharing knowledge and expertise between the two countries.
29. Volunteers will be mobilized to support implementation of the programs in the main areas of cooperation or to ensure the sustainability of completed projects. Additionally, the number of volunteers for areas of surging local demand will be increased. In order to support priority areas and major projects, volunteers will be dispatched to the health and education sectors.

Development of research and policy advisory services

30. Assistance in the form of consultancy services, such as development research and policy advisory services will be gradually increased by 2015. To ensure that the results of development research are put into practical use and that the research projects do not overlap, Korea's ODA agencies will share information on development research with agencies in Ethiopia. More projects will be implemented based on feasibility study provided through grant aid and increased joint research with other donor countries.
31. Experts will be dispatched to explore potential projects map out development research programs that could have a practical impact in Ethiopia. Institutions in Ethiopia will jointly take part in

these research activities for capacity building purposes.

Cross-cutting issues

32. Korea's ODA program will try to reflect cross-cutting issues such as gender equality and environment issues throughout the entire program cycle starting from the formulation of the project at early stage to the final evaluation.

A. Gender equality

33. Gender issues need to be incorporated at early stage of formulating priority programs under priority sectors. For instance, collecting statistics by gender, securing the participation of at least 50% of women in each program, and forming women's self-governance organizations are considered to be included. In particular, women's participation in projects related to maternal and child health care program as well as drinking water and sanitation will bring gender mainstreaming in Ethiopia.

B. Environment

34. Environmental issues need to be examined carefully and considered at all stage of Korea's ODA programs in order to mitigate any adverse environmental impact. In this regard, strategic environmental assessment (SEA) and environmental impact assessment (EIA) will be analyzed at very early stage of project development. In addition, programs under the area of drinking water, agricultural development and rural development will try to set goals related to sustainable growth and environment in terms of improving ability to manage effects of climate change.

IV. Program Implementation

Budget allocation and measures to improve aid effectiveness

35. At least 70% of Korea's ODA will be allocated for priority areas of bilateral development cooperation, while some flexibility will be allowed to respond to urgent humanitarian demands and socio-economic changes in Ethiopia. Through policy dialogue between the two countries and midterm review in 2013(tentative), the proportion of budget allocation to priority areas can be discussed and re-arranged.
36. Synergies can be created when project linkages between concessional loans and grants are strengthened, as well as linkages between feasibility studies, projects and technical assistance. Starting from initial stage of policy dialogue and project selection, possibilities will be explored for such linkages with the Government of Ethiopia.
37. To strengthen post evaluation monitoring, the outcome of projects will be jointly reviewed between Korea and Ethiopia. This will result in effective and comprehensive follow-up measures which will ensure Ethiopian government's capacity to fully utilize assistance provided.

Development Partners Cooperation

38. The main areas of cooperation with development partners in Ethiopia will be in line with the national development strategies of Ethiopia and the priority areas of the CPS.
39. For aid coordination, Korea will consider participation in the Development Assistance Group (DAG) and the Technical Working Groups (TWGs), particularly in the priority areas of the CPS - Health, Agriculture, TVET, and Infrastructure in Ethiopia. Additionally, Korea intends to increase the number of local staffs in field office in order to strengthen aid harmonization with other donors as well as the Ethiopian government. When necessary, sector experts for CPS priority areas will be dispatched to assist the field office in order to improve the ODA project management and enhance technical dialogue with other donors.

Monitoring and Evaluation

40. Comprehensive monitoring system to manage ODA activities in Ethiopia will be established by designing risk matrix for each main area to enable effective response in case of domestic/foreign emergencies. When necessary, strategies will be revised accordingly. Korea will consult with Ethiopia and participate in Consultative Group Meetings to detect any possible risks.

(ODA Integrated Monitoring System & Risk Management) Integrated monitoring system of ODA was established by the Korean government to manage Korea's overall ODA activities and it will be used to monitor Korea's ODA projects in Ethiopia. The monitoring system utilizes risk matrix to analyze internal and external risks related to management of projects. The strategies and management plan will be revised accordingly to risk factors identified through the monitoring system. Korea will also have consultation with Ethiopia in preventing and detecting any possible risks involved in the implementation and management of projects through policy dialogue, field office dialogue with relevant ministries and project executing agencies, and Consultative Group Meetings.

(Evaluation & CPS Review) Korea's evaluation on ODA will be carried out in three categories – performance evaluation including mid-term assessment and project completion evaluation, Ex-post evaluation, and thematic evaluation. A pilot joint mid-term review with the Ethiopian government is proposed to be conducted in 2013(tentative, subject to change) to increase the participation of Ethiopia in evaluation process and to share the evaluation results with Ethiopia. Mid-term review will allow both the Korean and Ethiopian government to assess the effectiveness of Korea's ODA programs under CPS. This will provide opportunity to revise strategies of CPS and use it as policy guideline when establishing next CPS. Final CPS review will be carried out in 2015, six months before the expiration of the CPS by joint of Korea's relevant authorities in consultation with Ethiopia. The results of and the lessons learned from the CPS(2012-2015) will be reflected in the next CPS.

Annex

Korea's ODA Projects in Ethiopia (1995-2011)

Project	Location	Implementation Period	Donor Agency
Sekota Water Supply Rehabilitation and Maintenance	Amhara Region	1995-1996	KOICA
Construction of the Facility for Hebrat Firre Primary School (in support of war veterans)	Addis Ababa	2004-2005	KOICA
the Development of Ground Water Project in Borena Zone of Oromiya Region	Oromia Region	2006	KOICA
Drinking Water Development (Second phase)	Tigray Region	2007-2008	KOICA
The Construction of the Primary School in the Oromiya Regional State	Oromia Region	2008-2010	KOICA
Family and Maternal Health	Oromia Region	2008-2010	KOICA
Construction of A Model Primary School in Akaki Kaliti	Addis Ababa	2010-2011	KOICA
The Integrated Rural Development Project in Arsi Zone for building the Model Village	Oromia Region	2010-2012	KOICA
Project for Providing Electricity and Water by Solar Energy	Oromia Region	2010-2011	KOICA
Project for Constructing Secondary School in Adwa	Tigray Region	2011-2013	KOICA
The Project for TB prevention & control in Addis Ababa	Addis Ababa	2011-2013	KOICA
Project for establishment of the detailed action plan strategy to implement Ethiopian national economic development plan strategy(Growth and Transformation Plan)	Administrative Regions and Zones of Ethiopia	2011-2012	KOICA
Project for maternal and child health care(MCH) and family planning(FP) capacity building in Tigray province	Tigray Region	2011-2013	KOICA
Sulluta-Gebrea Guracha Power Transmission Project	Oromia Region Addis Ababa	2011-2015	EDCF

(Source: KOICA and EDCF statistics)