

**The Republic of Korea's
Country Partnership Strategy for
the Federal Democratic Republic
of Ethiopia
2016-2020**

The Government of the Republic of Korea

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The Republic of Korea's Country Partnership Strategy for the Federal Democratic Republic of Ethiopia

I. Summary

Growth and Transformation Plan II (GTP II) (2015/16-2019/20)				
Achieve an annual GDP growth rate of 11% and become a lower middle income country by 2025				
Sustain rapid, broad-based, and equitable economic growth and development	Improve productivity and competitiveness of agriculture and manufacturing	Catalyze transformation of the private sector as a development force	Build the capacity of the construction industry and bridge gaps in critical infrastructures	
Properly manage urbanization	Accelerate human development and technological capacity building	Establish democratic and developmental good governance	Promote women and youth empowerment	Build climate resilient green economy



Objectives of the Republic of Korea's Development Cooperation for the Federal Democratic Republic of Ethiopia
<p>The Korean Government will support the Ethiopian Government to realize the GTP II, focusing on the following objectives:</p> <ul style="list-style-type: none"> ▪ Strengthening the health system and improving access to water and sanitation services ▪ Sustainable rural development ▪ Building infrastructure for industrialization focusing on the transport and energy sectors ▪ Enhancing education opportunities focusing on science, technology and innovation (STI) and technical vocational education and training (TVET)



Priority Cooperation Areas and Support Plans	Health and Sanitation
	<ul style="list-style-type: none"> ▪ Support the improvement of the coverage and quality of health services ▪ Support the prevention and control of communicable diseases ▪ Support the enhancement of access to drinking water and sanitation
	Rural Development
	<ul style="list-style-type: none"> ▪ Support rural infrastructures to increase agricultural productivity ▪ Promote community organizations of smallholder farmers
	Transport and Energy
<ul style="list-style-type: none"> ▪ Support transportation infrastructure building ▪ Support electricity generation and transmission facilities ▪ Support human resource capacity building 	
Education	
<ul style="list-style-type: none"> ▪ Support higher education focusing on science, technology and innovation (STI) ▪ Support technical vocational education and training ▪ Support education for out-of-school girls and women 	

1. **(Vision)** The Government of the Republic of Korea will make development cooperation efforts to support the Government of the Federal Democratic Republic of Ethiopia **to achieve inclusive and sustained development and to realize the Growth and Transformation Plan II 2015/16-2019/20 (GTP II).**
2. **(Objectives)** Korea's Country Partnership Strategy 2016-2020 for Ethiopia (CPS) will focus on **strengthening the health sector, improving access to and quality of drinking water and sanitation, promoting rural development, building transport and energy infrastructure and enhancing education opportunities.** Korea will also give due consideration to enhancing **environmental resilience** as a cross-cutting issue.
3. **(Priority Cooperation Areas)** The priority cooperation areas reflect Ethiopia's development needs and Korea's strengths in development cooperation based on its own development experiences. Korea aims to allocate 70% of its bilateral ODA for Ethiopia to the following priority cooperation areas during the 2nd CPS period.
 - **Health and Sanitation** including maternal and child health, family planning, reproductive health, drinking water supply, and basic sanitation
 - **Rural Development** including integrated rural development, support for smallholder farmers and basic agriculture infrastructure building
 - **Transport and Energy** including road transport, energy generation, and energy transmission
 - **Education** including expansion of education opportunities, quality improvement of technical vocational education and training, and higher education in the areas of STI (science, technology and innovation)

All sector strategies include human resource development via technical cooperation in order to ensure the sustainability of development cooperation.

4. **(SDGs Implementation)** Korea's development cooperation efforts for Ethiopia will be geared toward Ethiopia's implementation of the Sustainable Development Goals (SDGs). Ethiopia will be an important partner for Korea's development cooperation initiatives to contribute to the implementation of the SDGs in developing countries.
 - **Better Life for Girls:** support for girls' health, education, and professional development
 - **Safe Life for All:** support for prevention of communicable diseases, their detection at an early stage, and a response to public health crisis
 - **Science, Technology and Innovation (STI) for Better Life:** support for science and technology education, R&D development, and innovative entrepreneurship
 - **New Rural Development Paradigm:** rural development strategy drawing on the success of the Korean Saemaeul Undong (New Village Movement)

II. Priority Cooperation Areas and Implementation Strategy

A. Health and Sanitation

1. Needs Assessment

Ethiopia has significantly reduced the under-5 mortality rate, achieving the MDGs 4 in 2013, 2 years before the target year. The rate has continued to decrease, reaching 59.2 per 1,000 in 2015. **However, more efforts are needed to further reduce the rate** as diarrhea, pneumonia, malaria, malnutrition, and measles still remain as the pervasive causes of the under-5 mortality. Also, particular efforts are required to reduce the neonatal mortality rate, which has been in stagnation for the past decade and accounts for 46.8% of the under-5 mortality.

The maternal mortality rate, 353 per 100,000 (2015), is soon to reach the MDGs 5 target rate (350 per 100,000). However, **preventable but pervasive causes of maternal mortality**, such as obstructed labor, ruptured uterus, hemorrhage, complications of abortion and sepsis, **remain as challenges to the efforts to further reduce the rate.** Moreover, the maternal and child mortality rates in rural and pastoral areas are still disproportionately high, which calls for better access to health services.

Reproductive health has seen notable progress, reaching the contraceptive prevalence rate of 34.2% in 2014. However, a consistent youth-friendly family planning program and reproductive health services are still needed to reduce adolescent fertility rate and improve girls' health conditions.

High incidences of communicable diseases, neglected tropical diseases, and tuberculosis in rural and pastoral areas also need to be addressed through greater access to health services.

The health workforce density has increased from 0.84 per 1,000 in 2008 to 1.3 per 1,000 in 2013, with Ethiopia's strong initiatives to increase training and education. However, **this number still falls short of the WHO recommendation of 2.3 per 1,000 and capacity building is needed to improve the quality of the service.** The discrepancy in the distribution of the health workforce between urban and rural areas remains as a challenge.

The proportion of the population using improved drinking water sources and improved sanitation facilities stand at 57.3% and 28.0%, respectively, in 2015. **Despite significant improvement in the area during the MDG period, expanding drinking water and sanitation coverage remain as major challenges.** In particular, the comparatively low level of access to drinking water in rural areas (48.6%, compared to 93.1% in urban areas) requires a more targeted assistance. Women and children are more affected by water and sanitation problems, as diarrhea is the main cause of the under-5 mortality and securing drinking water often falls into the responsibility of women.

Despite the notable progress in the health, water, and sanitation sectors achieved through strong government initiatives, Ethiopia still suffers from a high level of maternal and child mortality and poor access to and quality of health services, water, and sanitation. There is a need to sustain the momentum of health improvement created in the last decade through continued efforts to strengthen the health system, targeting assistance for women and children and more investments in rural areas.

2. Implementation Strategy

Korea's support strategy for Ethiopia will be based on Ethiopia's GTP II health sector development plan, Health Sector Transformation Plan (HSTP), and Phase 2 of the One WaSH National Programme (OWNP) with a particular focus on **women and children, potable water and sanitation, and health workforce**. Korea's experience in community-based health care and water and sanitation program will be shared in the process. Korea will also support Ethiopia's capacity building in workforce management and training to help Ethiopia foster competent health workers on its own.

Korea's CPS will support:

a. Maternal and child health and reproductive health programs

- Korea will take an integrated approach toward **maternal and child health care**, combining it with family planning and reproductive health programs. Contraception, prenatal care, and delivery environment will be improved together through the establishment of adequate facilities at health centers and maternity wards, increase in the number of trained midwives and nurses, and improved community awareness.
- A special focus will be given to **girls** as they are more affected by poor health and sanitation conditions, and girls hold an important implication for the health of the next generation as future mothers. Ethiopia will be an important partner of the **Better Life for Girls initiative**, Korea's SDGs initiative for girls' health, education and professional development. Reproductive health programs at schools, girl-friendly school hygiene environment, and gender awareness programs at the local level will be implemented.

b. Prevention, management, and control of communicable diseases

- Korea will support Ethiopia's capacity building for **prevention, identification (testing and diagnosis) of communicable diseases**, and response to outbreaks. The **national vaccination system** will be supported as an efficient cost-value strategy to control communicable diseases. The **Safe Life for All initiative**, Korea's SDGs initiative for combatting communicable diseases, will be carried out in Ethiopia to this end, focusing on immunization, national laboratory systems, and workforce development.

c. Access to and quality of drinking water, sanitation and hygiene conditions

- In line with Ethiopia's One WaSH National Programme, Korea will support the establishment of **low-cost, high-efficiency water supply facilities**, promote **awareness programs** on hygiene, ensure water supply in health care facilities, and take a community-led total sanitation (CLTS) approach.
- In order to enhance effectiveness, sanitation programs will be implemented together with health and education programs in an integrated approach.

B. Rural Development

1. Needs Assessment

Ethiopia is highly dependent on agriculture which accounts for around 42% of its GDP, and 81% of its population live in farming areas. The majority of the Ethiopian population live in rural areas as smallholder farmers, so rural development is directly linked with poverty reduction. Poverty reduction over the last decade was largely due to agricultural development and effective rural safety net strengthened by pro-poor public spending.

However, due to the prevailing practice of rain-fed agriculture and the low level of irrigation (only 14% of the total territory), smallholder farmers depend on seasonal rain. While Ethiopia has abundant rainfall (848 billion m³ of annual precipitation) and has surface water flowing from 12 rivers, the potential for water resource development for agriculture has not yet been fully explored. The effects of **climate change** such as floods and droughts add to the **vulnerability of rural population and food insecurity in rural areas.**

Rural areas also suffer from a lack of basic social and economic infrastructure including health and education facility, access to drinking water, and transportation. Discrepancy in access to basic services between rural and urban areas is on the decrease but still high. As a result, smallholder farmers form the largest group of the poor in Ethiopia.

Women are especially affected by the challenges in rural areas as 64.7% of the agricultural population consist of women. While they provide the majority of labor in agriculture, their work often go unnoticed or are scaled up because of limited access to credit and distribution channels and social discrimination. Poverty among rural women is related with maternal and child mortality as well.

2. Implementation Strategy

Korea's support strategy for Ethiopia will be based on Ethiopia's GTP II agriculture and rural transformation plan. The GTP II emphasizes the importance of agriculture and rural transformation as a main driver of rapid and inclusive growth and pursues agriculture-oriented industrialization. Smallholder crop and pastoral agriculture and

engagement of the youth and women in agriculture development are emphasized in the plan, among others.

Korea's support will take an integrated approach, encompassing **basic rural infrastructure development, community organization, and training**. It will target **smallholder farmers and women in rural areas** as an important nexus between rural development and poverty reduction.

Korea's own experience in rural development will be reflected in its development cooperation programs. In particular, the Saemaeul Undong (New Village Movement), a rural development program in the spirit of diligence, self-help, and cooperation that has significantly reduced poverty and consolidated a basis for industrial development, will be applied in relevant rural development programs in the context of Ethiopia.

Korea's CPS will support:

a. Basic rural infrastructure development

- **Basic rural infrastructure including irrigation facilities** will be supported in order to enhance agricultural productivity and water management capacity especially for small-scale agriculture. The infrastructure will encourage farmers to invest more in agriculture including fertilizers or seeds as better returns are expected. That, in turn, would lead to further income generation and self-reliance.
- The support for infrastructure will consider the strengthening **sustainable water management and reducing vulnerability** from climate change. Stable access to water will enable farmers to enhance food security and diversity of livelihood.

b. Community organization among smallholder farmers

- **Community organization** will be promoted among smallholder farmers in order to encourage ownership and management capacity for basic rural infrastructure. A management committee will be established at the local level and will serve as a mechanism through which consultation and training can be provided. Korea will also help improve community governance through consultation and training of leaders.
- **Based on community organization, community cooperation projects** will be supported with a view to promoting cooperation and voluntary participation among community members.

C. Transport and Energy

1. Needs Assessment

Road transport is a predominant means of transportation which accounts for the 95% of movement in personnel and freight mobilized for economic and industrial activities. National and regional road networks have significantly increased over the last 5 years from 48,800km in 2010 to 63,604km in 2015, in addition to the 46,810km of all-weather *woreda* roads constructed during the period.

The construction of new roads and improvement of road conditions are critical to sustain the high economic growth of Ethiopia. Therefore, **the national-level transport network is one of the priorities of the Ethiopian government.** The public expenditure in road networks (22.4%) is second largest following expenditures for education (25.2%) and, according to the GTP II, Ethiopia is planning to double the road coverage to 220,000km over the next 5 years. **Capacity building of the engineering and construction sectors are also a priority for Ethiopia.**

In addition, as a land-locked country, **the railways linking the Ethiopian territory to ports of neighboring countries are under development** in order to improve transport, logistics, and trade.

Ethiopia ranks 104th in logistics performance. **There is a need to develop logistics with an approach that integrates roads and other transportation networks.** The importance of the integrated transport and logistics service is highlighted in the GTP II.

Located on the upper Nile River, Ethiopia has abundant water resources with a potential for generating hydroelectric power. 95.6% (2013) of Ethiopian electricity is produced by hydroelectric power, while the Grand Ethiopian Renaissance Dam (GERD) under construction on the Blue Nile River is potentially the largest hydroelectric power plant in Africa.

However, the population that has access to electricity is still limited. A high level of urban-rural disparity in the access to electricity is observed as the transmission and distribution network in rural areas are only partially established. **Also, the power loss during transmission and distribution reached 19% in 2013 due to run-down facilities and difficulties in maintenance.** The high level of loss consequently reduced the efficiency in the power supply chain.

Through the implementation of the GTP II, the Ethiopian government is planning to increase its electricity supply rate to 90%. In order to achieve this, the government is carrying out a nation-wide electricity network expansion project.

2. Implementation Strategy

Korea's support strategy will be based on Ethiopia's Road Sector Development Program (RSDP), Universal Rural Road Access Program (URRA), and the GTP II energy infrastructure plan. Also, Korea's experience in national transportation network development, which has been closely linked with national land development plan, will be reflected in the development cooperation where relevant. In addition, Korea's advanced technology in the energy sector (3% of electric power transmission and distribution loss) will be applied to the cooperation programs. Korea's technology in the sectors of hydropower, biomass, photovoltaic energy, small hydropower, and renewable energy will also be applied.

Korea's CPS will support:

a. Transportation infrastructure building

- The focus will be put on road maintenance and network extension in order to increase access to road networks in rural areas. The potential projects will be reviewed based on the Road Sector Development Program (RSDP) and the Universal Rural Road Access Program (URRA).

b. Electricity generation and transmission facilities

- Korea will support the expansion of transmission and distribution facilities as well as the introduction of a modern electric power system in order to improve energy efficiency, which in turn will improve the access to electricity.

c. Human resource development

- Capacity building in the areas of transportation system management and electricity power system management will be supported for sustainable system operations.

D. Education

1. Needs Assessment

The importance of equitable education opportunities and of the quality and relevance of education is underlined in the GTP II. The Education Sector Development Plan V 2016-2020 (ESDP V) focuses on the quality, equity and relevance of general education, technical and vocational education and training (TVET), and higher education.

The need for general education is shown in the fact that illiterate population accounts for 53.5% of the 36 million people between ages 15 to 55. Vulnerable groups face more challenges in accessing general education. 65.5% of the illiterate population are women, and in rural areas the figure is estimated to reach 70%. Girls account for 56% of primary education dropouts.

2. Implementation Strategy

Korea's support strategy will be based on the needs and targets of the GTP II and ESDP V and its experience in developing human resources through education and technical training for industrialization and economic development.

Korea's CPS will support:

a. Technical vocational education and training (TVET)

- Korea will support the construction of learning facilities to provide a student-friendly environment for TVET students and provide opportunities for human exchange for training. Korea will support education in the areas of science, technology and innovation.

b. Education for out-of-school girls and women

- Korea will provide education and technical capacity building for girls and women, giving special attention to dropout students and illiterates.

III. Country Partnership Strategy (CPS) Evaluation Framework

<u>Growth and Transformation Plan II (2015/16-2019/20)</u>				
Achieve an annual GDP growth rate of 11% and a lower middle income country status by 2025				
CPS Strategic Goals				
Priority Areas	Goals	Expected Challenges	Achievements	Evaluation Index
Health and Sanitation	<ul style="list-style-type: none"> ▪ Improvement of the coverage and quality of health services ▪ Expansion and improvement of maternal and child health services, family planning, and reproductive health programs ▪ Prevention, management and control of communicable diseases ▪ Enhancement of access to and quality of drinking water, sanitation and hygiene conditions 	<ul style="list-style-type: none"> · Low level of community awareness · Low level of social infrastructure · Low level of community unity 	<ul style="list-style-type: none"> - Provide essential health services through primary health care units - Strengthen capacities of policies and health workforce in primary care hospitals - Expand drinking water supply facilities and induce community-driven behavioral change in regard to hygiene 	<p style="text-align: center;">CPS Conformity (whether projects have been appropriately identified and developed in accordance with the CPS goals)</p> <p style="text-align: center;">Project Implementation Status (whether projects have been implemented in alignment with CPS)</p>
Rural Development	<ul style="list-style-type: none"> ▪ Basic rural infrastructure ▪ Community organization among smallholder farmers 	<ul style="list-style-type: none"> · Low level of social infrastructure · Low level of community unity 	<ul style="list-style-type: none"> - Expand small-scale infrastructure and facilities, and enhance community organizations for sustainable maintenance - Enhance management capacity of community organizations 	
Transport and Energy	<ul style="list-style-type: none"> ▪ Roads and transportation infrastructure and logistics capacity building ▪ Electricity generation and transmission facilities ▪ Human resource development 	<ul style="list-style-type: none"> · Poor infrastructure · Lack of Regulation · Low level of technical capacities 	<ul style="list-style-type: none"> - Expand transportation infrastructure focusing on highway construction - Modernize transmission and distribution facilities - Strengthen human capacity 	
Education	<ul style="list-style-type: none"> ▪ Access to education for out-of-school girls and women ▪ Technical vocational Education Training ▪ Higher education for science and technology 	<ul style="list-style-type: none"> · Low awareness on education for women · Poor infrastructure 	<ul style="list-style-type: none"> - Expand education opportunities for out-of-school girls - Strengthen capacities of human resources for STI and TVET 	

IV. Mid-Term Allocation Plan

Korea aims to allocate 70% of its bilateral ODA to the **priority areas**, while some flexibility will be applied in order to accommodate urgent humanitarian needs and socio-economic changes in Ethiopia.

Also, resource allocation will be adjusted based on program implementation, policy dialogue, interim monitoring, delay in projects, or other possible changes in circumstances.

The budget allocation could also be adjusted during budget discussions and project planning stages, and is subject to parliamentary decision.

V. Partnership Plans

1. Partnership between donors

Ethiopia is a model case for the OECD DAC's recommendation for ODA harmonization. The Development Assistance Groups (DAGs) play a key role in donor coordination. Korea became a member in early 2016, and will continue to participate in its Technical Working Groups (TWGs) and Sectoral Working Groups (SWGs) and to contribute to donor harmonization.

2. Partnership with the private sector

Korea will promote partnerships with research institutions, universities, NGOs and NPOs to strengthen network and local capacities, share lessons learned and develop projects according to local needs.

3. Internal coordination at field level

The Korean ODA council presided by the Korean Embassy in Ethiopia will serve as a platform to coordinate among different agencies in the field and to explore possible cooperation areas.