

**ANNEX 6 A CASE STUDY ON PEACE AND DEVELOPMENT IN FINLAND'S  
COUNTRY PROGRAMME IN ETHIOPIA**

# Evaluation

## A Case Study on Peace and Development in Finland's Country Programme in Ethiopia

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## ACRONYMS AND ABBREVIATIONS

ACCORD	African Centre for the Constructive Resolution of Disputes (South Africa)
AGP	Agricultural Growth Programme
AMP	Aid Management Platform
ARTF	Afghan Reconstruction Trust Fund
ATA	Agricultural Transformation Agency
AU	African Union
BG	Benishangul-Gumuz
BoFED	Bureau of Finance and Economic Development
CAAPD	Comprehensive Africa Agriculture Development Programme
CCO	Cross-cutting Objective
CDF	Community Development Fund
CHIESA	Climate Change Impacts on Ecosystems Services and Food Security in Eastern Africa
CMP	Community Managed Project
COWASH	Community-Led Accelerated WASH
CSA	Central Statistical Agency
CSO	Civil Society Organisation
CTA	Chief Technical Advisor
DAG	Development Assistance Group
DFID	Department for International Development (United Kingdom)
EFA	Education for All
EMA	Ethiopian Mapping Agency
EMIS	Education Management Information System
ENSAP	Eastern Nile Subsidiary Action Programme
ENTRO	Eastern Nile Technical Regional Office
EPRDF	Ethiopian People's Revolutionary Democratic Front
EQ	Evaluation Question
ESD	Education for Sustainable Development
ESDP	Education Sector Development Programme
ESIF-SLM	Ethiopian Strategic Investment Framework for Sustainable Land Management
EU	European Union
EUWI	European Union Water Initiative
FLC	Fund for Local Cooperation
GDP	Gross Domestic Product
GEQIP	General Education Quality Improvement Project
GoE	Government of Ethiopia
GoF	Government of Finland
GTP	Growth and Transformation Plan
IDEN	Integrated Development of Eastern Nile
IE	Inclusive Education
IGAD	Intergovernmental Authority on Development
ILAC	Institutional Learning and Change
ISSP	IGAD Security Sector Programme
JICA	Japan International Cooperation Agency
LOTFA	Law and Order Trust Fund for Afghanistan
MDG	Millennium Development Goal
M&E	Monitoring and Evaluation
MFA	Ministry for Foreign Affairs (Finland)
MFI	Microfinance Institution
MIS	Management Information System
MoE	Ministry of Education
MoFED	Ministry of Finance and Economic Development
MoH	Ministry of Health

MTR	Mid-Term Review
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OECD/DAC	OECD/Development Assistance Committee
PASDEP	Plan for Accelerated and Sustainable Development to End Poverty
PSD	Private Sector Development (DFID)
PSNP	Productive Safety Net Programme
REILA	Responsible and Innovative Land Administration in Ethiopia
RWSEP	Rural Water Supply and Environment Programme
SLMP	Sustainable Land Management Project (World Bank)
SNE	Special Needs Education
SNNPR	Southern Nations, Nationalities and Peoples' Region
SWAp	Sector-Wide Approach
TA	Technical Assistance
TBIWRDP	Tana-Beles Integrated Water Resources Development Programme
TBWME	Tana-Beles Watershed Monitoring and Evaluation
ToR	Terms of Reference
TVET	Technical and Vocational Education and Training
UAP	Universal Access Plan
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WASH	Water Supply, Sanitation and Hygiene
WB	World Bank
WFP	World Food Programme
WME	Watershed Monitoring and Evaluation
WSP	Water and Sanitation Programme

## TIIVISTELMÄ

Tämä osaevaluaatio arvioi Suomen kehitysyhteistyön tuloksia ja osuutta Etiopiassa osana laajempaa evaluaatiota Suomen globaalista tuesta rauhalle ja kehitykselle. Evaluaatio oli kaksiosainen. Aluksi Suomen poliittisista- ja ohjelmadokumenteista tehtiin dokumenttianalyysi, johon yhdistettiin haastatteluja Helsingissä. Tätä seurasi kolmen viikon kenttätyöjakso neljällä eri alueella Etiopiassa, missä järjestettiin sidosryhmien tapaamisia ja haastatteluja Suomen suurlähetystön, projektihenkilökunnan ja avunsaajien sekä virkamiesten ja muiden kehitysyhteistyökumppaneiden kanssa.

Etiopian ohjelmatyön kontekstissa hauraus keskittyy köyhyyden vähentämiseen lähestymällä heikkoa hallintokapasiteettia ja alueellista vakautta. Evaluaatiossa todettiin ohjelma-tason seurannan olevan heikkoa kattavan interventiologiikan puuttuessa. Yleinen johtopäätös kuitenkin on, että Suomen apu on oleellisesti vastannut Etiopian tarpeisiin ja prioriteetteihin. Se on ollut tehokkaasti toteutettua ja tuottanut toivotut tulokset pääpainopistealueilla tehokkaasti. Suomi on yhdessä muiden avunantajien kanssa osallistunut köyhyyden vähentämiseen, osoittaen Suomen tuen vaikutuksen. Kapasiteetin kehityksen kestävyyttä on heikentänyt valtion virastojen henkilöstön suuri vaihtuvuus. Suomen apu on johdonmukaista Suomen linjausten ja Etiopian kanssa käydyin poliittisen vuoropuhelun kanssa. Kansalaisjärjestöjen ja paikallisen yhteistyön määrärahoilla (PYM) toteutetut aktiviteetit ovat linjassa Suomen kehityspoliittisten painopisteiden ja temaattisten alueiden kanssa.

Suosituksissa kehoitetaan luomaan kattava muutosteoria (theory of change) suurlähetystötasolla kaikelle Suomen kehitysyhteistyölle Etiopiassa ja vahvistamaan haurauden vähentämiseen annettavaa tukea vähemmän kehittyneellä Benishangul-Gumuzin alueella.

*Avainsanat:* rauha, hauraus, evaluaatio, Etiopia, Suomi.



## ABSTRACT

Denna fallstudie bedömer resultaten och bidragen från Finlands utvecklingssamarbete i Etiopien, som en del av en bredare utvärdering av Finlands stöd till fred och utveckling. Utvärderingen utgörs av två delar. Först genomfördes en skrivbordsstudie av finsk politik och programdokumentation kombinerat med intervjuer i Helsingfors. Detta följdes av tre veckors fältarbete i fyra etiopiska regioner där intervjuer och fokusgrupper hölls med Finlands ambassad, projektpersonal och förmånstagare, regeringstjänstemän och andra utvecklingspartners.

Bräckligheten inom den etiopiska programmeringens kontext är inriktad på att minska fattigdom, ta itu med den svaga förvaltningsförmågan och regional stabilitet. Utvärderingen fann att övervakningen på programnivå var svag på grund av det saknades en omfattande interventionslogik. Den övergripande slutsatsen är dock att finskt stöd har varit relevant för att möta det etiopiska behovet och prioriteringar. Det har blivit effektivt implementerat och har effektivt producerat de avsedda resultaten i de prioriterade sektorerna. Finland har med andra givare bidragit till minskad fattigdom, vilket visar att det finska stödet ger effekt. Hållbarheten i kapacitetsutvecklingen försvagas av en hög personalomsättning hos myndigheter. Finlands bistånd är samstämmigt med finsk politik och politisk dialog med Etiopien. Aktiviteter involverande icke-statliga organisationer (NGO: Non-Governmental Organisation) och lokala samarbetsfonder (FLC: Fund for Local Cooperation) ligger i linje med Finlands utvecklingspolitiska prioriteter och tematiska områden.

Rekommendationer ges att på ambassadnivå utveckla en uttömmande teori om förändring för helheten av Finlands samarbete i Etiopien, och att förstärka stödet i avsikt att minska bräckligheten i den missgynnade regionen i Benishangul-Gumuz.

*Nyckelord:* fred, bräcklighet, utvärdering, Etiopien, Finland.

## ABSTRACT

This case study assessed the results and contributions of Finland's development cooperation in Ethiopia as part of a broader evaluation of Finland's global support to peace and development. The evaluation consisted of two parts: a desk study was conducted of Finnish policy and programme documentation combined with interviews in Helsinki. This was followed by three weeks of fieldwork across four regions of Ethiopia where interviews and focus group discussions were held with the Finnish Embassy, project staff and beneficiaries, government officials and other development partners.

Fragility in the context of programming in Ethiopia is focused on poverty reduction, addressing weak government capacity and regional stability. The evaluation found programme-level monitoring to be weak due to the lack of a comprehensive intervention logic. However, the overall conclusion is that Finnish assistance has been relevant in responding to Ethiopian needs and priorities. It has been efficiently implemented and effective in producing the intended results in the priority sectors. Finland has contributed to poverty reduction with other donors, indicating impact of Finnish support. Sustainability of capacity development is weakened by high staff turnover in government offices. Finnish assistance is coherent with Finnish policies and policy dialogue with Ethiopia. Non-governmental organisation (NGO) and Fund for Local Cooperation (FLC) activities are aligned with Finland's development policy priorities and thematic areas.

Recommendations are given to develop a comprehensive theory of change at the embassy level for the entirety of Finland's cooperation in Ethiopia, and to strengthen support to reducing fragility in the disadvantaged region of Benishangul-Gumuz.

*Keywords:* Ethiopia, evaluation, Finland, fragility, peace.

### Johdanto

Etiopian osaevaluoinnin tarkoituksena on arvioida Suomen maaohjelmaa ja kehitysyhteistyön portfoliota vuosi- silta 2007–12 erityisesti haurauden näkökulmasta. Sen sijaan, että yksittäisiä interventioita olisi arvioitu, paino- piste on ollut siinä, kuinka Suomen kehityspolitiikkaa on Etiopiassa toteutettu, ja miten koko maaohjelma on vaikuttanut kumppanuuksien ja poliittisen dialogin kanssa pitkäaikaisen kroonisen köyhyyden ja haurauden vä- hentämiseen.

Suomi pitää Etiopiaa tärkeänä alueellisena toimijana ja vakauden keskuksena konflikteihin taipuvaisessa ja epä- vakaassa Afrikan sarvessa. Perusteet maan evaluaatioon mukaan ottamiselle pohjaavat Taloudellisen yhteistyön ja kehityksen järjestön (OECD) haurauden kriteereihin ja ulkoasiainministeriön *Kehitys ja turvallisuus Suomen ke- hityspolitiikassa, 2009* -julkaisun (MFA 2010b) määritelmiin. Nämä haurauden kriteerit sisältävät korkean köy- hysasteen, alueelliset ja etniset eroavaisuudet, heikon hallinnon ja kapasiteetin, sukupuolten epätasa-arvon ja väestön peruspalveluiden puutteen. Näistä muodostuu se haurauden linssi, jonka ympärille tämä evaluaatio on rajattu.

Tiimi kehitti yhtenäisen, neljän laaja-alaisen arviointikysymyksen ympärille rakennetun evaluaatiokehiksen kaikille osaevaluatioille. Aluksi suoritettiin dokumenttianalyysi, joka sisälsi asiakirjakatsauksen sekä haastat- teluja Helsingissä. Tätä seurasi kolmen viikon kenttävierailu neljälle eri alueelle Etiopiassa tiedonkeruuta ja dokumenttianalyysin alustavien tulosten triangulointia varten.

### Tulokset

#### *Tuen merkitys rauhan ja kehityksen edistämässä*

Suomella ei ollut maaohjelma- strategiaa Etiopialle ennen 2013–16. Siitä huolimatta Etiopian poliittisen- ja so- sioekonomisen tilanteen analysointi on ollut perustana kehitysyhteistyön pääsektoreita ja apuinstrumentteja va- littaessa. Etiopian köyhyyden vähentämiseen keskittyvät kehitysstrategiat ovat toimineet kehitysavun tärkeim- pinä vaikuttimina. Hauraus Etiopiassa liittyy alueellisiin ja etnisiin eroihin, heikkoon hallintoon ja kapasiteettiin, sukupuolten epätasa-arvoon sekä väestön peruspalveluiden puutteeseen, mitkä kaikki ovat kysymyksiä, joita Suomen ohjelmassa käsitellään. Suomen tuki kohdistuu rauhaan epäsuorasti kehitysyhteistyön pääsektoreiden, vesi-, opetus- ja maa-, kautta.

Suomen tuki on relevanttia, ja vastaa hyvin Etiopian tarpeisiin ja prioriteetteihin. Suomi on aktiivisesti seuran- nut Etiopian kehitykseen ja turvallisuuteen liittyviä tapahtumia ja reagoinut niihin kehitysyhteistyöstrategias- saan ja valitulla modaliteetilla.

#### *Politiikan johdonmukaisuus ja resurssien allokointi*

Koska Etiopia ei ole konflikti- tai konfliktin jälkeinen maa, perustuvat pääpainopistealueet vuoden 2009 oh- jeistuksesta hyvän hallinnon ja valtion rakenteiden kapasiteetin vahvistamiseen, kansalaisiin kohdistuvan vas- tuullisuuden lisäämiseen, taloudelliseen kasvuun ja peruspalveluiden tuottamiseen. Lisäksi naisten oikeuksien ja -aseman parantaminen sekä yhteiskunnan haavoittuvimpien ryhmien sosiaalisen tasa-arvon vahvistaminen ovat Suomen prioriteettien ja temaattisten fokusten ytimessä. Suomen tärkein lähestymistapa Etiopiassa on tu- kea sen köyhyyden vähentämisstrategiaa vahvistamalla maan vakautta ja turvallisuutta. Suomen tuki on linjassa *Kehitys ja turvallisuus Suomen kehityspolitiikassa, 2009* -julkaisun ohjeistuksen kanssa.

#### *Läpileikkaavat tavoitteet*

2012 ja 2007 kehityspoliittisten ohjelmien läpileikkaavat teemat oli integroitu projektitoteutukseen eriasteisesti. Sukupuolten tasa-arvo oli hyvin integroitu Suomen kehitysyhteistyön tavoitteisiin vesi-, opetus- ja maasektorin toimissa. Vähemmän kehittyneillä alueilla on keskitytty puhtaan veden ja sanitaation toimittamiseen osallistu- malla näin eriarvoisuuden vähentämiseen. Ympäristönkestävyys on ollut tavoitteena parannetussa maaperän- ja vesien suojelussa sekä uudelleen metsittämisessä. Vammaiset ovat kohderyhmä erityis-/inklusiivisen (SNE/ IE) opetuksen ohjelmassa. Yksi alueellinen projekti on kohdistettu ilmastonmuutokseen. Muiden marginaali- ryhmien tarpeet ja HIV/AIDS:n vastainen kamppailu eivät ole olleet Suomen avun keskiössä, ja *woreda*-tason seurantajärjestelmät ovat olleet heikkoja. Todisteita siitä, että läpileikkaavat teemat/tavoitteet ovat olleet osa poliittista dialogia, on hyvin vähän.

## **Avun tuloksellisuus ja kehitystulokset**

Pariisin julistuksen allekirjoittajana Suomi seuraa poliittista tilannetta ja osallistuu Etiopian hallituksen (GoE) kanssa käytävään dialogiin erityisesti Euroopan unionin (EU) kontekstissa. Suomi on ollut harmonisaation tärkeä tukija ja osallistunut aktiivisesti avunantajien koordinaatioryhmään (DAG). Etiopia on vahvasti sitoutunut toteuttamaan köyhyyden vähentämisstrategiaansa. Suomi on linjannut kaikki kehitysyhteistyötoimet Etiopian kansallisen köyhyyden vähentämishojelman (PASDEP) ja kasvun- ja transformaationsuunnitelman (GTP) mukaisesti. Kahdenvälisissä ohjelmissa ja hankkeissa Etiopian hallinto- ja rahoitusjärjestelmiä käytetään avun kanavointiin. Hallituksen hankintajärjestelmät ovat laajasti käytettyjä. Silti joitain rinnakkaisia rakenteita on luotu erityisesti kapasiteetin vahvistamistarkoituksiin. Suomi kanavoi tukea Yhdistyneiden kansakuntien (YK) kautta erityisesti ihmisoikeuksiin, nälänhätään ja pakolaisleireihin liittyvissä ohjelmissa.

## **Päätelmät ja opit**

- Suomen kehitysavun keskittäminen vesi-, opetus- ja maasektoreille on ollut järkevää, sillä se on estänyt avun pirstaloitumisen sekä tuottanut selkeän fokuksen ja mahdollisuudet suurempaan vaikuttavuuteen.
- Kapasiteetin kehittäminen on ollut yleinen lähestymistapa Suomen kahdenvälisen- ja kansalaisjärjestö-/PYM tuen toteutuksessa, vaikkakin sen vaikuttavuutta on heikentänyt henkilöstön suuri vaihtuvuus.
- Suomen tuki on vaikuttanut kehitykselliseen vakauteen edistämällä kansalaisten osallistumisoikeuksia, luottamusta hallinnon kykyyn tuottaa peruspalveluita ja ihmisten mahdollisuuteen parantaa elämänlaatuaan ja poistaa köyhyyttä.
- Ohjelmapirosessi ja Suomen tuen tulospurustainen seuranta kahden tai kolmen vuoden välein tehtävien maakonsultaatioiden kautta ei ole riittävä mekanismi arvioimaan kokonaisuudessaan Suomen ohjelman tuloksia.
- Sukupuoli on integroitu hyvin vesi- ja maasektorin toimiin ja se on voimaannuttanut naisia paikallistasolla.
- Kaikkien kehitysyhteistyökumppaneiden sitoutuminen avun vaikuttavuuteen on parantanut koordinaatiota ja harmonisaatiota.
- Hallinnon käytäntöjen linjaus taloushallinnossa vaikuttaa negatiivisesti myöhästyttämällä maksusuorituksia alue- ja *woreda*-tasoilla ja on heikentänyt tulosten saavuttamista.
- Avunantajien ja hallinnon välinen koordinaatio on ollut tehokkainta opetussektorilla.
- Suomen käyttämä yhteisöä osallistava lähestymistapa ja sukupuolten osallistaminen ja voimaannuttaminen ovat edistäneet kestävyttä.
- Kansalaisjärjestö- ja PYM aktiviteetit on sovitettu yhteen Suomen kehityspolitiikan prioriteettien ja teemaattisten alueiden kanssa. Tosin näiden kahden toimintamuodon välillä ei ole järjestelmällistä vuorovai- kutusta kenttätasolla.

## **Suosituksukset**

- Luoda kattava suurlähetystötason muutosteoria (theory of change) Suomen kaikelle kehitysyhteistyölle Etiopiassa. Tämä helpottaisi rauhan ja vakauden seuranta ja alueellista yhteistyötä köyhyyteen liittyvien indikaattoreiden lisäksi.
- Vahvistaa haurauden vähentämiseen annettavaa tukea vähemmän kehittyneellä Benishangul-Gumuzin alueella sen sijaan, että tukea hajautetaan vähäisesti muille alueille.
- Panna alulle DAG:n alaisuudessa strategia, jolla vähennetään henkilöstön suuren vaihtuvuuden riskiä julkisella sektorilla, ja tarjota katalyyttistä tukea strategian pilotoimiseen Suomen pääsektoreilla.
- Perustaa koordinaatio- ja yhteistyö mekanismi Benishangul-Gumuzin vesi- ja maasektorin ohjelmiin synergian saavuttamiseksi ja opitun jakamiseksi.
- Valtavirtaistaa Tana-Belesin valuma-alueiden seurantajärjestelmä muihin projekteihin.
- Jatkaa oikeudenmukaisuuteen perustavan lähestymistavan puolustamista muiden avunantajien ja sidosryhmien kanssa, kiinnittää enemmän huomioita etnisiin vähemmistöihin ja HIV/AIDS:iin.
- Jatkaa tukea pääsektoreilla, mutta laajentaa kapasiteetin kehittämistä koulutuksesta johtamiseen ja kehittää seurantajärjestelmät alue- ja *woreda*-tasoilla.
- Lämpileikkaavien tavoitteiden (CCOs) jatkuvan tukemisen lisäksi tuen kohdistaminen etnisille vähemmistöille vähemmän kehittyneillä alueilla sekä suuremman huomion kiinnittäminen HIV/AIDS työhön.

### Introduktion

Syftet med den etiopiska fallstudien är att utvärdera Finlands landsprogram och portfölj med utvecklingssamarbete från 2007–2012 genom linsen ”bräcklighet”. Istället för att utvärdera enskilda interventioner har fokus legat på hur Finlands utvecklingspolitik har genomförts i Etiopien, och hur hela landsprogrammet har interagerat med partnerskap och politisk dialog för att minska långvarig kronisk fattigdom och bräcklighet.

Etiopien ses av Finland som en viktig regional aktör och ett centrum för stabilitet i det konfliktbenägna och instabila Afrikas Horn. Landets inkludering i denna utvärdering motiveras utifrån dess definition som en bräcklig stat i enlighet med organisationen för ekonomiskt samarbete och utvecklings (OECD) kriterier för bräcklighet och det finska utrikesdepartementets (UD) riktlinjer om utveckling och säkerhet i Finlands utvecklingspolitik, 2009. Bland dessa kriterier för bräcklighet ingår höga nivåer av fattigdom, regional och etnisk divergens, svagt styre och kapacitet, ojämlikhet mellan könen och brist på grundläggande tjänster för befolkningen. Dessa bildar bräcklighetslinsen som ger ramen för vår utvärdering.

Teamet utvecklade en för alla fallstudier gemensam utvärderingsram strukturerad runt fyra övergripande frågor. Efter en skrivbordsstudie som involverade granskning av dokument och intervjuer i Helsingfors, genomfördes ett tre veckors fältbesök i fyra etiopiska regioner för att samla ytterligare material och triangulera preliminära resultat från skrivbordsstudien.

### Resultaten

#### *Betydelsen av stödet till de som driver på för fred och utveckling*

Finland hade inte ett strategiskt landsprogram innan 2013–2016. Dock har analysen av Etiopiens politiska och socioekonomiska situation legat till grund för valet av prioriterade sektorer och stödinstrument för utvecklingssamarbete. Etiopiens utvecklingsstrategier som fokuserar på fattigdomsbekämpning, har gett den huvudsakliga hävstångseffekten för utvecklingsbistånd. Bräcklighet i Etiopien relaterar till regional och etnisk divergens, svagt styre och kapacitet, ojämlikhet mellan könen och brist på grundläggande tjänster för befolkningen, vilka alla är problem som Finlands program inriktar sig på. Finlands stöd tar sig indirekt an fredsfrågan genom utvecklingssamarbete i de prioriterade sektorerna vatten, utbildning och mark.

Finskt stöd är relevant för att möta det etiopiska behovet och prioriteringar. Finland har aktivt följt händelserna relaterade till utveckling och säkerhet i Etiopien och reagerat på dem i sin samarbetsstrategi och i det valda förhållningssättet.

#### *Samstämmighet i policy och resursallokering*

Eftersom Etiopien inte är ett land i konflikt eller som återhämtar sig efter konflikt, baserar sig de prioriterade områdena från 2009 års riktlinjer på goda styrelseformer och kapaciteten för statliga strukturer, ökad ansvarsskyldighet gentemot medborgarna, ekonomisk tillväxt och tillhandahållandet av grundläggande tjänster. Utöver detta ingår i kärnan för finska prioriteringar och tematiska fokus att förbättra kvinnors rättigheter och ställning och att stärka social jämlikhet för de mest utsatta grupperna i samhället. Finlands huvudsakliga inriktning i Etiopien är att stödja implementeringen av dess strategi för fattigdomsbekämpning och stärka landets stabilitet och säkerhet. Finskt stöd överensstämmer med 2009 års riktlinjer för utveckling och säkerhet i Finlands utvecklingspolitik.

#### *Övergripande mål*

De övergripande målen för 2012 och 2007 års politiska program för utveckling är i varierande grad integrerade i projektinterventionerna. Genus är väl integrerat i Finlands målsättningar inom utvecklingssamarbetet för interventionerna i sektorerna vatten, utbildning och mark. Man har inriktat sig på mindre gynnade områden ifråga om rent vatten och sanitet, och man bidrar därmed till att minska ojämlikheter. Miljömässig hållbarhet har varit målsättningen med förbättrad markvård, vattenhushållning och återbeskogning. Personer med funktionshinder är en målgrupp för utbildningsprogrammet som är inkluderande och tar hänsyn till särskilda behov. Ett regionalt projekt inriktar sig på klimatförändringar. Andra marginaliserade gruppers behov, och att bekämpa HIV/AIDS, har inte funnits i kärnan för Finlands bistånd och övervakningssystemen på woreda-nivå har varit svaga. Det finns mycket lite belägg för att de övergripande temana/målen har ingått i den politiska dialogen.

### ***Biståndets effektivitet och utvecklingsresultat***

Som signatär till Parisförklaringen övervakar Finland den politiska situationen och deltar i dialogen med de etiopiska myndigheterna (GoE: Government of Ethiopia), särskilt inom ramarna för den Europeiska unionen (EU). Finland har varit en viktig anhängare av harmonisering och har aktivt deltagit i gruppen för samordning av givare (DAG). Etiopien är starkt engagerat i att genomföra sin strategi för fattigdomsbekämpning. Finland har anpassat alla sina interventioner i utvecklingssamarbetet enligt planen för accelererad och ihållande utveckling för att göra slut på fattigdom (PASDEP: Plan for Accelerated and Sustained Development to End Poverty) och planen för tillväxt och omvandling (GTP: Growth and Transformation Plan). I bilaterala program och projekt används den etiopiska förvaltningen och finansiella system för att kanalisera bistånd. Myndigheternas upphandlingssystem används allmänt. Vissa parallella strukturer har ändå inrättats speciellt för kapacitetsuppbyggnad. Finland kanaliserar sitt bistånd genom Förenta nationerna (FN), särskilt i program med anknytning till mänskliga rättigheter och hjälp mot svält och till flyktingläger.

### **Slutsatser och lärdomar**

- Det har varit lämpligt att koncentrera Finlands utvecklingssamarbete till sektorerna för vatten, utbildning och mark så till vida att det har undvikit fragmentering av biståndet och gett ett tydligt fokus och möjligheter för större effekter.
- Kapacitetsutveckling har varit den övergripande strategin i implementeringen av det finska biståndet genom bilateral assistans och NGO/FLC-stöd, även om effektiviteten har försvagats av en hög personalsättning.
- Finskt stöd har bidragit till utvecklingsmässig stabilitet genom att främja medborgarnas rätt till deltagande, förtroendet för att myndigheterna skall tillhandahålla grundläggande tjänster och möjligheten för människor att förbättra sin levnadsstandard och utplåna fattigdomen.
- Programmering och resultatbaserad övervakning av finskt bistånd genom samråd för landet vartannat till vart tredje år är inte en adekvat mekanism för att bedöma resultaten av Finlands program i sin helhet.
- Genus är väl integrerat i insatserna inom sektorerna för vatten och mark vilket har gett ökade möjligheter för kvinnor på lokal nivå.
- Engagemanget från alla utvecklingspartner gällande biståndseffektivitet har förbättrat samordning och harmonisering.
- Anpassning av myndigheters förfaranden i ekonomisk förvaltning har en negativ inverkan genom fördröjda utbetalningar på regional nivå och woreda-nivå och har försvagat de resultat man uppnår.
- Samordning mellan givarna och myndigheterna har varit mest effektivt inom utbildningssektorn.
- Finlands strategi med samhällsdeltagande och förbättring av genusmedverkan och ökade möjligheter har främjat hållbarheten
- NGO- och FLC-aktiviteter är i linje med Finlands utvecklingspolitiska prioriteter och tematiska områden. Det finns dock ingen systematisk samverkan mellan de två förhållningssätten på fältnivå.

### **Rekommendationer**

- Utveckla på ambassadnivå en uttömmande teori om förändring för helheten av Finlands samarbete i Etiopien. Detta skulle också hjälpa övervakningen av fred och stabilitet och det regionala samarbetet utöver fattigdomsrelaterade indikatorer.
- Stärk stödet för att minska bräckligheten i den missgynnade regionen Benishangul-Gumuz istället för att sprida stödet tunt till andra regioner.
- Initiera, under DAG, en strategi för att minska riskerna med hög personalsättning inom den offentliga sektorn och ge katalytiskt stöd för försöksverksamhet med strategin i Finlands prioriterade sektorer.
- Etablera mekanismer för samordning och samarbete i projekt inom sektorerna vatten och mark i Benishangul-Gumuz för att uppnå synergier och dela lärdomar.
- Integrera övervakningssystemet för Tana-Beles vattendelning i andra projekt.
- Fortsätt opinionsbildningen med den jämlikhetsbaserade strategin bland andra givare och intressenter, ge ökad uppmärksamhet till etniska minoriteter och HIV/AIDS.
- Fortsätt att ge stöd i de prioriterade sektorerna men bredda kapacitetsutvecklingen till förvaltning och utveckling av övervakningssystem på regionala nivåer och woredanivå.
- Fortsätt stöd till CCO:er men också med inriktning på etniska minoriteter i de missgynnade regionerna och mer uppmärksamhet på att mildra de negativa effekterna av HIV/AIDS.



## SUMMARY

### Introduction

The objective of the Ethiopia case study is to evaluate Finland's country programme and development cooperation portfolio from 2007–12 through the lens of “fragility”. Rather than evaluating individual interventions, the focus has been on how Finnish development policies have been implemented in Ethiopia, and how the entire country programme has interacted with partnerships and political dialogue to reduce long-term chronic poverty and fragility.

Ethiopia is recognised by Finland as an important regional player and a centre of stability in the conflict prone and volatile Horn of Africa. Its justification for inclusion in this evaluation stems from its definition as a “fragile state” in accordance with the Organisation for Economic Cooperation and Development (OECD)'s fragility criteria (OECD 2013) and the Ministry for Foreign Affairs of Finland (MFA) *Guidelines on Development and Security in Finland's Development Policy, 2009* (MFA 2010b). These criteria for fragility include high levels of poverty, regional and ethnic disparities, weak governance and capacity, gender inequality, and lack of basic services for the population. These form the fragility lens around which our evaluation is framed.

The team developed an evaluation framework common to all of the case studies structured around four overarching evaluation questions. After a desk study was carried out involving document review and interviews in Helsinki, a three-week field visit was conducted across four regions in Ethiopia to gather additional evidence and triangulate preliminary findings from the desk study.

### Findings

#### ***Relevance of support to the drivers of peace and development***

Finland did not have a country programme strategy for Ethiopia before 2013–16. Nevertheless, analysing Ethiopia's political and socioeconomic situation has been the basis for selecting priority sectors and aid instruments for development cooperation. Ethiopia's development strategies, focusing on poverty reduction, have provided the main leverage for development assistance. Fragility in Ethiopia relates to regional and ethnic disparities, weak governance and capacity, gender inequality and lack of basic services for the population, all of which are issues addressed by Finland's programme. Finland's support addresses peace indirectly through development cooperation in the priority sectors of water, education and land.

Finnish support is relevant and responds well to Ethiopia's needs and priorities. Finland has actively followed the events related to development and security in Ethiopia and reacted to them in its cooperation strategy and in the chosen modality.

#### ***Policy coherence and resource allocation***

Since Ethiopia is not a conflict or post-conflict country, the priority areas from the 2009 guidelines stem from enhancing good governance and capacity of state structures, increasing accountability towards citizens, economic growth, and provision of basic services. In addition, improving the rights and status of women and strengthening social equality of the most vulnerable groups in society are at the core of Finnish priorities and thematic focuses. Finland's main approach in Ethiopia is to support the implementation of its poverty reduction strategy, reinforcing stability and security in the country. Finnish support complies with the *Guidelines on Development and Security in Finland's Development Policy, 2009* (MFA 2010b).

#### ***Cross-cutting objectives***

The 2012 and 2007 Development Policy Programme cross-cutting objectives were integrated into the project interventions to variable degrees. Gender is well integrated in Finland's development cooperation objectives in water, education, and land sector interventions. Disadvantaged areas have been targeted in the provision of clean water and sanitation, thereby contributing to decreasing inequalities. Environmental sustainability has been the objective in improved soil and water conservation and reforestation. People with disabilities are a target group in the Special Needs Education/Inclusive Education (SNE/IE) programme. Climate change is targeted in one regional project. The needs of other marginalised groups, and combating HIV/AIDS, have not been at the core of Finnish assistance and there have been weak monitoring systems at *woreda* level. There is very little evidence that the cross-cutting themes/objectives have been part of policy dialogue.

### ***Aid effectiveness and development results***

As a signatory to the Paris Declaration, Finland monitors the political situation and participates in dialogue with the Government of Ethiopia (GoE), specifically within the European Union (EU) context. Finland has been a major supporter of harmonisation and has actively participated in the donor coordination group (DAG). Ethiopia is strongly committed to implementing its poverty reduction strategy. Finland has aligned all its development cooperation interventions under the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) and the Growth and Transformation Plan (GTP). In bilateral programmes and projects, Ethiopian management and financial systems are used to channel aid. Government procurement systems are widely used. Still, some parallel structures have been put in place specifically for capacity building purposes. Finland channels support through the United Nations (UN), particularly in programmes relating to human rights and famine relief and for refugee camps.

### **Conclusions and lessons**

- Concentrating Finnish development cooperation in water, education, and land sectors has been appropriate in that it has avoided aid fragmentation and provided a clear focus and opportunities for greater impact.
- Capacity development has been the overarching approach in implementing Finnish support through bilateral assistance and NGO/FLC support, even though its effectiveness has been weakened by high staff turnover.
- Finnish support has contributed to developmental stability through promoting participatory rights of citizens, trust in the government for providing basic services, and the possibility for people to enhance their standard of living and eradicate poverty.
- Programming and results-based monitoring of Finnish support through country consultations every two to three years is not a sufficient mechanism for assessing the results of Finland's programme as a whole.
- Gender is well integrated in water and land sector interventions and has empowered women at the local level.
- Commitment to aid effectiveness of all development partners has improved coordination and harmonisation.
- Alignment of government procedures in financial management has a negative impact in delaying the disbursements to regional and woreda levels, and has weakened achievement of results.
- Coordination between donors and the government has been most effective in the education sector.
- Finland's community participation approach and enhancement of gender participation and empowerment have promoted sustainability.
- NGO and FLC activities are aligned with Finland's development policy priorities and thematic areas. However, there is no systematic interaction between the two modalities at the field level.

### **Recommendations**

- Develop a comprehensive theory of change at the embassy level for the entirety of Finland's cooperation in Ethiopia. This would also help monitoring of peace and stability and regional cooperation in addition to poverty-related indicators.
- Strengthen support to reducing fragility in the disadvantaged region of Benishangul-Gumuz instead of spreading support thinly to other regions.
- Initiate, under the DAG, a strategy to mitigate the risks of high staff turnover in the public sector and provide catalytic support in piloting the strategy in Finland's priority sectors.
- Establish coordination and cooperation mechanisms in water and land sector projects in Benishangul-Gumuz to achieve synergies and share lessons learned.
- Mainstream Tana-Beles watershed monitoring system to other projects.
- Continue advocacy on the equity-based approach among other donors and stakeholders, paying more attention to ethnic minorities and HIV/AIDS.
- Continue support in the priority sectors but broaden capacity development from training to management and development of monitoring systems at regional and woreda levels.
- Continued support to cross-cutting objectives (CCOs) but addressing also ethnic minorities in the disadvantaged regions and paying more attention to mitigating the negative effects of HIV/AIDS.



## Summary of key findings, conclusions and recommendations

Findings	Conclusions	Recommendations
<p>Finland did not have a country programme strategy before 2013–16. Nevertheless, analysing Ethiopia’s political and socioeconomic situation has been the basis for selecting priority sectors and aid instruments for development cooperation.</p> <p>Ethiopia’s development strategies focusing on poverty reduction have provided the main leverage for development assistance.</p> <p>Fragility in Ethiopia relates to regional and ethnic disparities, weak governance and capacity, gender inequality, and lack of basic services for the population. Finland’s programme addresses these issues and can be classified as relevant.</p> <p>Finland’s support addresses peace indirectly through development cooperation in the priority sectors of water, education, and land.</p> <p>Finnish support is relevant and responds well to Ethiopia’s needs and priorities. Finland has actively followed the events related to development and security in Ethiopia and reacted to them in its cooperation strategy and in the chosen modality.</p>	<p>Concentrating Finnish development cooperation in water, education, and land sectors has been appropriate. This approach has avoided aid fragmentation and provided a clear focus and opportunities for greater impact.</p> <p>Finnish support has contributed to developmental stability through promoting participatory rights of citizens, trust in the government for providing basic services, and the possibility for people to enhance their standard of living and eradicate poverty.</p>	<p>1 Develop a comprehensive theory of change at the embassy level for the entirety of Finland’s cooperation in Ethiopia, including trade, private sector development, working with the AU on prevention of crisis, and regional issues. This would also help monitoring of peace and stability and regional cooperation in addition to poverty-related indicators.</p> <p>2 Strengthen Ethiopia’s role in regional peace promotion through continued support to IGAD capacity building.</p>
<p>Since Ethiopia is not a conflict or post-conflict country, the priority areas from the 2009 guidelines stem from enhancing good governance and capacity of state structures, increasing accountability towards citizens, economic growth, and provision of basic services. In addition, improving the rights and status of women and strengthening social equality of the most vulnerable groups in society are at the core of Finnish priorities and thematic focuses.</p>	<p>Programming and results-based monitoring of Finnish support through country consultations every two to three years is not a sufficient mechanism for assessing the results of Finland’s programme as a whole. Hence, it has been difficult to assess the totality of Finland’s contribution to Ethiopia’s overall poverty reduction strategy.</p>	<p>3 Strengthen support to reducing fragility in the disadvantaged region of Benishangul-Gumuz instead of spreading support thinly to other regions.</p> <p>4 Initiate, under the DAG, a strategy to mitigate the risks of high staff turnover in the public sector and provide catalytic support in piloting the strategy in Finland’s priority sectors.</p>

<p>Finland's main approach in Ethiopia is to support the implementation of its poverty reduction strategy, reinforcing stability and security in the country.</p> <p>Finnish support complies with the 2009 Guidelines on Development and Security in Finland's Development Policy.</p>		<p>5 Establish coordination and cooperation mechanisms in water and land sector projects in Benishangul-Gumuz to achieve synergies and share lessons learned.</p> <p>6 Mainstream Tana-Beles watershed monitoring system to other projects.</p>
<p>The 2012 and 2007 Development Policy Programme cross-cutting objectives were integrated into the project interventions to variable degrees.</p> <p><b>Gender</b> objectives are well integrated in Finland's development cooperation in water, education, and land sector interventions. Disadvantaged areas have been targeted in provision of clean water and sanitation, hence decreasing inequalities.</p> <p>Environmental sustainability has been the objective in improved soil and water conservation and reforestation. Climate change is targeted in one regional project.</p> <p>Disabled people are target groups in the SNE/IE programme. The needs of other marginalised groups, and combating HIV/AIDS, have not been at the core of Finnish assistance and there have been weak monitoring systems at <i>woreda</i> level.</p> <p>There is very little evidence that the cross-cutting themes/objectives have been part of policy dialogue.</p>	<p>Project planning has taken account of gender, environmental protection, and disability.</p> <p>Gender is integrated well in water and land sector interventions and has empowered women at the local level.</p> <p>Disabled people and students with special needs are target groups of the SNE/IE programme.</p>	<p>7 Continue advocacy on equity-based approach among other donors and stakeholders, perhaps paying more attention to ethnic minorities and HIV/AIDS.</p>
<p>As a signatory to the Paris Declaration, Finland monitors the political situation and participates in dialogue with the GoE, specifically within the EU context. Finland has been an important supporter of harmonisation and has actively participated in the donor coordination group (DAG).</p>	<p>Commitment to aid effectiveness of all development partners has improved coordination and harmonisation.</p> <p>Alignment of government procedures in financial management also has a negative impact of delaying the disbursements to re-</p>	<p>8 Continue with Finland's catalytic and advocacy role in equity-based approaches and in SNE/IE.</p>

<p>Ethiopia is strongly committed to implementing its poverty reduction strategy. Finland has aligned all its development cooperation interventions under the PASDEP and GTP.</p> <p>In bilateral programmes and projects, Ethiopian management and financial systems are used to channel aid. Government procurement systems are widely used. Still, some parallel structures have been put in place specifically for capacity building purposes.</p> <p>Finland channels support through the UN, particularly in programmes relating to human rights and famine relief and for refugee camps.</p>	<p>gional and <i>woreda</i> levels, and has weakened achievement of the results.</p> <p>Coordination between donors and the government has been most effective in the education sector. The technical working group of education under DAG has worked efficiently, co-chaired by the government and donors (on a rotating basis).</p>	
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# 1 INTRODUCTION

This report is one of four case studies that contribute to a strategic, thematic “Evaluation of Peace and Development in Finland’s Development Cooperation”. In compliance with the Terms of Reference (ToR) it is:

a comprehensive overall independent view on the achievements, contributions and weaknesses of Finnish development cooperation in supporting peace and development in fragile states. [It will] provide lessons learnt from the past... and give recommendations on how to enhance the implementation of policy priorities in supporting peace and development through development cooperation.

Rather than being a conventional country programme evaluation, it focuses on the peace, security and development nexus. Fragility is interpreted here in a broad sense to encompass not only those states currently or recently in conflict, but also those that have an important role to play in regional stability and peacebuilding. The chosen case studies cover a spectrum from relatively stability (Ethiopia) to those still in the middle of conflict (Afghanistan). The evaluation is geared towards the usability of findings both at headquarters and country levels; it is a learning process that captures how strategy is translated into action at the country level. It should also help support the implementation of the 2014 *Fragile States Guidelines* published by the Ministry for Foreign Affairs of Finland (MFA 2014).

The majority of Finnish development cooperation includes a wide range of interventions supporting conflict prevention and mitigation indirectly, with development cooperation being implemented in parallel with diplomacy, crisis management, and humanitarian assistance. Hence, an important element of the evaluation is a contextual analysis of events over time, how Finnish development cooperation interplays with wider international development cooperation, and how strategy has evolved in relation to national priorities and policies. Humanitarian aid and civilian crisis management operations are not included in the scope of the evaluation, but we explore the interface between development cooperation and other Official Development Assistance (ODA)-financed activities at the country level. Likewise, individual projects will not be evaluated as such, but may be used to illustrate wider strategic learning.

The analysis and evaluation addresses both the “why?” questions flagged in the intervention logic(s) – the rationale for, and consequences of, decisions made by Finland over time – and the “how” questions – the manner in which policy has translated into action. Although our focus is on development cooperation, the continuity between this and the totality of Finland’s approach will be explored, as well as the leverage that development cooperation affords to political dialogue in the countries under review.

## 2 APPROACH

### 2.1 Scope and purpose

This evaluation provides a study of Finland’s country programme in Ethiopia from 2007 to 2012, spanning the two development policy programmes of 2007 and 2012 (MFA 2007a; 2012a), through the lens of “fragility” (Sections 3.1 and 4.4). Rather than meticulously evaluating individual interventions across the three sectors of water, education, and land administration, the focus has been on how Finnish development policies have been implemented in Ethiopia, and how the entire country programme has interacted with partnerships and political dialogue to reduce long-term chronic poverty and fragility. The purpose of the case study is to raise issues, identify lessons and make recommendations so as to contribute to a synthesis report on Finland’s contributions to peace and development in fragile states.

More specifically, the objective of the evaluation is to provide answers to four key evaluation questions (EQ) set out in the ToR (Annex 1):

- EQ1 Has Finnish development cooperation provided relevant support to the drivers of peace and development in fragile states including poverty reduction? Have the choice and mix of sectors and instruments contributed to these targets?
- EQ2 What have been the mechanisms to integrate the Finnish development policy priorities also stipulated in the *2009 Guidelines Development and Security, in Finland's Development Policy*, in the country-level interventions? Are development interventions on the ground complying with the priorities and thematic focuses of the development policies and the 2009 Guidelines?
- EQ3 How have the cross-cutting objectives been integrated in Finland's development interventions in fragile states? How has their integration/non-integration affected identified and achieved results? What are the lessons learned and best practises in implementing the CCOs?
- EQ4 How have the aid effectiveness commitments been integrated in the Finnish development interventions? How has their application supported development results and the overall objective of peace and development? What have been the lessons learned and best practises?

The report begins by discussing the methodology employed by the case study team and the limitations of the approach. Section 3 presents an analysis of the country and regional context, paying particular attention to interpretations of fragility, as well as issues of economic growth, democracy, human rights, and gender. It also discusses relevant national development policies and presents an overview of development assistance to Ethiopia within the temporal scope of the evaluation. Section 4 outlines the evolution of Finnish support to Ethiopia between 2007 and 2012, covering the key international and Finnish development policies, a detailed overview of Finnish sector support, and an analysis of Finnish financial disbursements for the evaluation period. Section 5 presents the key findings around the four evaluation questions, covering issues of relevance, efficiency, effectiveness, impact, sustainability, coherence, and coordination. In the final two sections, conclusions are drawn on the extent to which Finnish development cooperation has supported peace and development in Ethiopia, followed by recommendations to improve the implementation of policy priorities and the new fragile states guidance.

## 2.2 Methodology and limitations

The Ethiopia case study evaluation comprised of three phases: an inception phase; a desk study phase, which involved an analysis of Finnish policy and programme documentation (policy documents, embassy reports/country consultations, country and thematic evaluations, project documents, progress reports, mid-term reviews and evaluations), combined with interviews with Ministry for Foreign Affairs' staff in Helsinki; and a three-week field mission in February 2014 across four regions in Ethiopia consisting of semi-structured interviews and focus group discussions with the Finnish Embassy, project staff and beneficiaries, GoE officials and key informants from other development agencies.

### Evaluation approach

The case study team used a common evaluation framework, developed in the inception phase, for conducting analysis and gathering evidence. The framework set out between four and six sub-questions under each of the four overarching evaluation questions, together with indicators of success. The desk report presented an initial analysis against each sub-question and indicator, which enabled the team to develop a series of hypotheses to be tested and triangulated through field-level interviews and additional analysis.

The evaluation approach is centred on *intervention logic analysis* (EuropAid 2006),<sup>1</sup> which was used to understand the theory behind Finland's approach in Ethiopia and assess the results of Finnish engagement. To achieve this, we first reconstructed an intervention logic based on existing policy and planning documents as well as interviews. This set out Finland's *planned* strategy for engagement in Ethiopia together with an elaboration of the critical assumptions that might have impeded achievement of outcomes. This was presented as part of the desk report. The intervention logic was then tested during the field phase to assess the extent to which it was (a) realistically assessed in terms of the underlying assumptions; (b) measurable, in terms of the kind of data analysis that was in place; and (c) realised in terms of what actually occurred within the lifetime of the

<sup>1</sup> According to EuropeAid's evaluation methodology guidance, an intervention logic sets out "the expected effects of an intervention as well as the assumptions that explain how the activities will lead to the effects in the context of the intervention".

programmes. The intervention logic is included in Annex 5 of this report; the accompanying analysis can be found in Section 5.5.

Alongside the intervention logic analysis, our approach to assessing Finland's contribution to results in Ethiopia was guided by an adaptation of *contribution analysis*,<sup>2</sup> which was used to provide an account of not only why the observed results occurred (or not), but also other internal and external factors that influenced outcomes. It was used to confirm the intervention logic, providing evidence and a line of reasoning from which to draw plausible conclusions regarding the extent to which the programme has made an important contribution to the documented results. An analysis of Finnish contribution to results is set out in the findings and conclusions sections of this report.

### **Evaluation methodology**

In addition to the above analytical methods, three methodological tools were developed to contribute to our understanding of the “storyline” of Finnish engagement in Ethiopia: *contextual analysis*, *events timeline analysis* and *portfolio analysis*. A *contextual analysis* was conducted during the desk phase with the purpose of understanding the context in which Finnish interventions were implemented during the evaluation period, and to analyse the extent to which the country programme in Ethiopia was sensitive to country events, and was adjusted in response to changes in the contextual environment. Moreover, it was used to understand the context of peace and fragility in Ethiopia and help focus the team's lines of enquiry for this evaluation. The subsequent fieldwork used interviews with Finnish Embassy staff and other key stakeholders to add current trends and dynamics to the analysis. The contextual analysis is presented in Section 4.4 of this report.

An *events timeline analysis* was conducted alongside the contextual analysis during the desk study phase. This entailed setting out a selective listing of three concurrent elements in recent history – major political/military events, events common to all donors, and a selection of project interventions or initiatives undertaken by Finland. The purpose in juxtaposing these three elements was to map the response of MFA to contextual and inter-donor events. The events timeline analysis is presented in Annex 4 of this report.

In addition, a portfolio analysis was conducted during the desk study phase. MFA disbursement data was collated and analysed with the purpose of constructing a picture of Finland's commitments and disbursements over the course of the evaluation period in Ethiopia, and understanding how these compare and fit with wider collective donor commitments. This analysis is presented in Section 3.2 and 4.3.

The field team leader was responsible for drawing reliable and valid conclusions based on triangulated evidence. The reliability of our analysis and findings was enhanced by the preparation of interview questions drawing on the evaluation framework sub-questions, as well as the systematic writing-up and sharing of interview notes and subsequent cross-checking across the team, thus providing a systematic and harmonised data collection process. Moreover, we held a focus group meeting at the Finnish embassy with all responsible officers in order to validate our findings at the end of the mission. A similar validation meeting was held with the Finnish WASH advisor at the Ministry of Water Resources. The documented results of the embassy meeting were also sent by e-mail to four previous Ambassadors to allow for checking and the addition of further information. One ambassador responded and verified the outcomes of the meeting.

### **Methodological limitations**

One of the main limitations to the methodology has been the absence of a country strategy document or overall programme plan for Finnish engagement in Ethiopia during the evaluation period, and thus the lack of articulation of the key assumptions and critical pathways of change on which programming is based. This has complicated the task of analysing the development and management of Finnish strategy, the responsiveness of Finnish strategy to contextual changes, and the underlying intervention logic for Finnish engagement in Ethiopia. Furthermore, the evaluation has been hampered by a lack of documentation and data, particularly with respect to outcome and results. The available documentation is heavily weighted towards project inception and design with less reporting on outcomes. This has made the task of generating solid evidence for impact of Finnish support on poverty reduction very difficult. The case study team has sought to mitigate these

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<sup>2</sup> Contribution Analysis is an approach developed by John Mayne (2008) that seeks to provide “reasonable evidence about the contribution being made by the programme” through verifying the intervention logic or theory of change on which a programme is based and exploring other factors that influence outcomes.



limitations through conducting extensive interviews across four regions in Ethiopia to gather additional data and perceptions of Finnish contribution to results. Owing to time limitation of the field mission and extensiveness of the bilateral programme, not enough time was spent on non-governmental organisation (NGO) support. We relied on receiving the results of the then ongoing evaluation of complementarity in Finnish development policy and cooperation that assessed the activities of the Finnish NGOs in Ethiopia among other countries. We received the evaluation report during the field mission only to find out that it did not include Ethiopia as a case study. As a result we decided to try to interview some Finnish NGOs in Helsinki after the field mission. However, we were only able to secure an interview with one of the big NGOs.

## 3 COUNTRY CONTEXT

### 3.1 Country background

According to the OECD, Ethiopia is defined as a “fragile state” based on only one indicator – low-income level, indicating poverty (OECD 2013). However, the country is among the ten fastest-growing economies in the world (even though the growth rate is partially explained by its low starting point), and it aims to be among middle-income countries by 2025. Ethiopia differs from the other evaluation case studies in that it is not in the midst of conflict and has maintained a long period of peace and stability since border conflicts with Eritrea in the early 1990s. Its internationally recognised position as an important stabilising force in the Horn of Africa does, however, lend itself well to an evaluation focusing on peace and development.

Ethiopia, like many developing countries globally, demonstrates a number of indicators of internal fragility, which can be summarised as follows:

- High levels of poverty – uneven distribution of wealth among the population;
- Regional disparities expressed through occasional ethnic conflicts in the least developed, remote areas, typically over access to sparse natural resources;
- Weak capacity of governance structures at all levels, exacerbated by high staff turnover of government officials;
- Democracy and human rights remain an issue – donors have expressed concerns about freedom of the press, oppression of the opposition and civil society organisation (CSO) law restrictions.

#### Economy

Despite rapid economic growth in recent years (gross domestic product (GDP) has grown 10,6% on average over the past decade) (MFA 2013), Ethiopia remains one of the poorest countries in the world and is heavily dependent on foreign aid. Development partners are expected to maintain their support, and aid flows comprise approximately one-third of the national budget (US\$4 billion in 2010). The biggest donors are the World Bank, the United States Agency for International Development (USAID) and the United Kingdom (UK)’s Department for International Development (DFID). Over the past few years, Ethiopia has received aid from non-traditional bilateral donors such as China, India and Gulf States. The government spent more than 60% of its annual budget on poverty-related sectors and increased tax collection during 2012. The latest information from the Ministry of Finance and Economic Development (MoFED) on the 2013 budget indicates a decrease in aid dependency, with an approximately 16,5% share from external sources.

The population is overwhelmingly rural and agricultural (80%), and even in good years several million people rely on food aid. Periodically, drought affects greater parts of the country and increases the number of food aid dependents drastically. For instance, around 7,5 million people in food-insecure *woredas* are benefiting from the Productive Safety Net Programme (PSNP). This programme has been ongoing since 2005 and is entirely financed by the major donors under the leadership of the World Bank.

#### Democracy

Ethiopia is a federal Parliamentary republic, with a Prime Minister as Head of Government. Executive power is exercised by the government while legislative power is vested in the Parliament. There are nine ethnically based administrative regions and two self-governing administrations: the capital city, Addis Ababa, and Dire

Dawa. Parliamentary elections are held every five years, the latest being in 2010, in which several political parties took part. The Ethiopian People's Revolutionary Democratic Front (EPRDF) won the elections by a landslide, taking 499 seats, while the allied parties took a further 35. Opposition parties took just two seats. Additionally, EPRDF won all but one of 1 904 council seats in regional elections. The Ethiopian Human Rights Commission reported that the elections were conducted in a uniform, transparent and professional manner (Ethiopian Human Rights Commission 2011). Nevertheless, the USA and the European Union (EU) both criticised the elections as falling short of international standards.

Political dialogue in a conducive atmosphere continues between donors and the Ethiopian government. Despite concerns about democratic ownership and governance as well as lack of a functioning opposition, Ethiopia's strategic importance in the global fight against terror, in addition to its good record of achieving development results, means that donors will continue to provide support. Moreover, Ethiopia is considered as the centre of stability in the fragile Horn of Africa region, which triggers donor interest to provide support to the country.

### **Human rights and gender**

Since the promulgation in 2009 of the Charities and Societal Proclamation (CSO Law) that regulates NGOs, and the Anti-Terrorism Proclamation, freedom of expression, assemblies and associations have been increasingly restricted (Human Rights Watch 2013). Ethiopia's most important human rights groups have been compelled to dramatically scale down their operations or remove human rights activities from their mandates, largely due to restrictions on receiving funding from international sources (10%). Most of these organisations have changed their mandate from human rights/advocacy activities to service delivery in order to avoid confrontations with the government and to access funding from foreign sources.

There has been some progress in gender equality – for example, the Ministry of Women's Affairs was established in 2005. It has issued a National Action Plan for Gender, but it is somewhat unclear how efficiently it has been implemented. There are a relatively high number of women MPs, but the number of women in key policymaking and managerial roles remains low. Even though there is almost gender parity in primary enrolment, girls drop out of school more often and their completion rates are low; hence their transition rates to secondary and higher education are low. Achieving gender equality in society still has a long way to go.

## **3.2 Development assistance to Ethiopia**

External resources are financing approximately a third of Ethiopia's national budget and although the goal is to reduce aid dependency over time, further scaling up of development cooperation is required to meet the millennium development goals (MDGs). A recent trend is the move towards direct budget support, which constituted around a third of total aid in 2004/05. Another characteristic feature is the large share of humanitarian and food aid, which tends to constitute between 30 and 50% of total aid. It is also worth noting that Ethiopia's ODA per capita is still significantly lower than the sub-Saharan African average.

The Aid and Debt Policy and Strategy, formulated by MoFED in December 2004, outlines the government's official aid policy. The bilateral and multilateral cooperation departments in MoFED are responsible for overall management and coordination of aid, including interface with the donor community. To enhance its aid management, the GoE, in cooperation with its development partners, has adopted a new tool called the Aid Management Platform (AMP).

The AMP is a joint initiative of the Development Assistance Committee of the OECD (OECD/DAC), the Development Gateway, the United Nations Development Programme (UNDP), and the World Bank, which is being piloted in Ethiopia. In line with the importance of aid in Ethiopia's budget and the move towards direct budget support, a new analytical instrument called the Joint Budget and Aid Review was launched in 2004. It seeks to evaluate spending on poverty reduction in the budget, looking holistically at government domestic resources and aid with a view to strengthening national capacities and ensuring better consistency between the budget and priorities in the poverty reduction strategy (OECD/DAC). However, as described in Section 3.1, the latest information from MoFED on the 2013 budget suggests a decrease in aid dependency, with an approximate 16,5% share from external sources (MoFED interview).



Net ODA to Ethiopia was approximately US\$2,6 billion in 2007, rising to US\$3,8 billion in 2009 but decreasing to US\$3,3 billion in 2012. The largest cooperating partners from 2007 to 2012 were the USA (a total of US\$4,2 billion over the period), the UK (US\$2,3 billion), Canada (US\$713 million) and Germany (US\$589 million) (Tables 1 and 2). Finland has been a comparatively smaller donor, averaging US\$21,65 million over the six-year period, and peaking at just over US\$31 million for 2012. The majority of bilateral ODA by sector went to social infrastructure and services in 2012, followed by humanitarian aid (Figure 1).

**Table 1** Distribution of net ODA to Ethiopia 2007–12 in US\$ million.

	2007	2008	2009	2010	2011	2012
DAC countries	1 245,55	1 845,08	1 818,15	1 929,41	1 976,07	1 839,18
Multilateral organisations	1 282,50	1 453,35	1 982,71	1 562,20	1 547,74	1 405,62
Non-DAC countries	30,37	30,27	17,97	33,60	15,59	16,53
Private donors	–	–	21,98	28,24	51,69	36,30
<b>All donors</b>	<b>2 558,42</b>	<b>3 328,70</b>	<b>3 818,83</b>	<b>3 525,21</b>	<b>3 539,40</b>	<b>3 261,32</b>

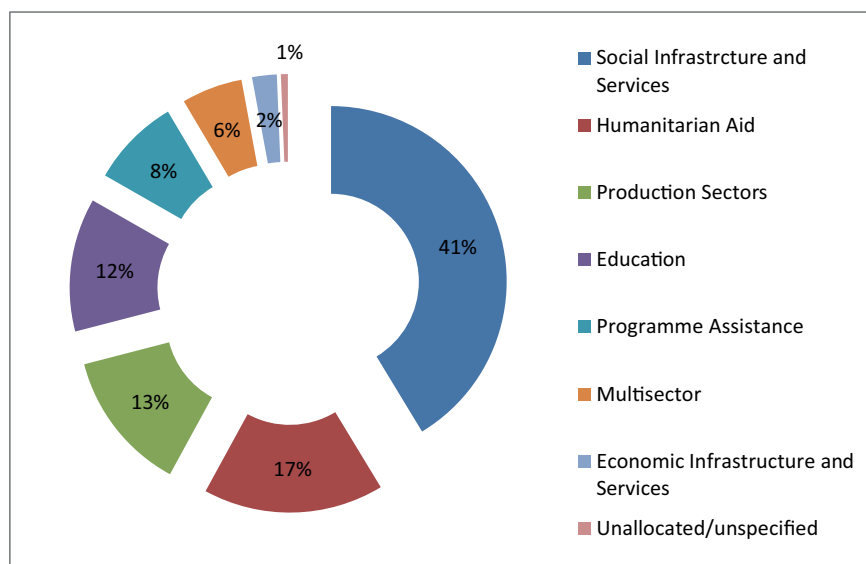
Source: OECD *Aid Statistics*.

**Table 2** Top ten donors to Ethiopia in 2012 in US\$ million.

Top ten donors to Ethiopia 2012		US\$ million
1	United States of America	732,61
2	United Kingdom	421,05
3	EU institutions	226,36
4	Canada	123,37
5	Germany	116,84
6	Japan	108,67
7	AfDF	97,43
8	GAVI	94,06
9	Global fund	93,90
10	Netherlands	79,34
...		
<b>15</b>	<b>Finland</b>	<b>31,13</b>

Source: OECD Aid Statistics.

**Figure 1** Distribution of net ODA to Ethiopia by sector, 2012.



Source: OECD aid statistics.

## 4 FINLAND'S SUPPORT TO ETHIOPIA 2007–12

### 4.1 Development policy background

#### 4.1.1 Global and European Union development policies

The global policy framework for development cooperation is the United Nations' MDGs, which were adopted by all development partners in 2000. In 2005, the EU approved a joint statement on development policy called the European Consensus. The EU's common objective is eradication of poverty in the context of sustainable development. The EU has a key role in international development policy and environmental protection. As the world's largest donor of ODA, the EU has made a strong commitment to promoting aid effectiveness. The adoption of an ambitious Paris Declaration on Aid Effectiveness in 2005 was, to a large extent, due to the strong input provided by the EU.

EU partnership and dialogue with developing countries promotes respect for human rights, fundamental freedoms, peace, democracy, good governance, gender equality, the rule of law, solidarity and justice. EU contributions focus on certain areas of intervention depending on the needs of partner countries. Policy Coherence for Development plays a central role in reinforcing the EU's contribution to developing countries' progress towards the MDGs. The aim is to maximise the positive impact of these policies on partner countries and to correct incoherence.

#### 4.1.2 Ethiopia's development policies

Ethiopian development over the 2007–12 period has been guided by two major government policies: a Plan for Accelerated and Sustainable Development to End Poverty (PASDEP) from 2005/06 to 2009/10, and the Growth and Transformation Plan (GTP), from 2010/11 to 2014/15. PASDEP carried forward the strategic directions that were pursued under the previous development strategy – the Sustainable Development and Poverty Reduction Programme.

The eight pillar strategies developed under PASDEP helped to scale up achievement of the MDGs. These pillar strategies were:

- building all-inclusive implementation capacity;
- a massive push to accelerate growth;

- creating a balance between economic development and population growth;
- unleashing the potential of Ethiopian women;
- strengthening the infrastructure backbone of the country;
- strengthening human resource development;
- managing risk and volatility;
- creating employment opportunities.

The GoE had established two alternative growth scenarios to realise the PASDEP objectives for the eight pillars. The first scenario (the base case) was established in line with the requirements of the MDGs, while the second scenario (the high case) was equivalent to an MDGs Plus scenario, which was established on the basis of the country's vision. In the base scenario, the target for annual average real GDP growth was 7%, while in the higher case scenario, the target was 10%. In both scenarios, the performance achieved during five years of PASDEP implementation was a remarkable average growth rate of 11%. This was explained by a combination of factors, including diversification and commercialisation of small-scale agriculture, expansion of non-agricultural production in services and industry, capacity building and good governance, off-farm employability (especially through small enterprises), and massive investment in infrastructure.

The overriding development agenda of the GTP is to sustain the rapid and broad-based growth path witnessed during the PASDEP and eventually end poverty. Ethiopian strategy hinges on the following pillars:

- sustaining faster and equitable economic growth;
- maintaining agriculture as a major source of economic growth;
- creating favourable conditions for industry to play a key role in the economy;
- enhancing expansion and quality of infrastructure development;
- enhancing expansion and quality of social development;
- building capacity and deepening good governance;
- promoting women and youth empowerment and equitable benefit.

These development strategies are implemented through sectoral strategies implemented by the sector ministries in cooperation with external partners and cross-sectoral cooperation mechanisms.

### **Agricultural Development Programme and Agricultural Transformation Agency**

The agricultural sector has received due policy attention in the development agenda of the Ethiopian government since this sector is crucial for attaining food security and poverty reduction. The sector is also expected to drive the process of industrialisation. The fundamentals of agricultural development are preserved in the country's overall economic development policy and priorities. Accordingly, public spending towards agricultural growth is considerable, accounting for about 13 to 17% of the government annual budget. With due commitment of the government, considerable achievement in terms of the growth of the agricultural and rural sector has been recorded. Thus, in March 2010, the Agricultural Growth Programme (AGP) was designed, aimed primarily at increasing agricultural productivity in a sustainable manner, enhancing market performance and facilitating value added in selected target areas. This is a five-year programme with a total budget of US\$264,1 million, the primary beneficiaries being the small- and medium-size farmers in the selected AGP *woredas*, which have a total population of 9,8 million. In the AGP *woredas*, an estimated 2 million agricultural households in 2 324 *kebeles* are benefiting directly.

Given the importance of the agricultural sector in the economy, the Ethiopian government also established the Agricultural Transformation Agency (ATA) in 2011. Its primary aim is to promote agricultural sector transformation by supporting existing structures of government, private sector and other non-governmental partners to address bottlenecks in the system to deliver on a priority national agenda to achieve growth and food security. The ATA is led by a chief executive officer and a high-calibre staff of senior professionals. Governance is provided by an inter-ministerial council, chaired by the Prime Minister. The Minister of Agriculture is serving as the deputy chair, with additional representation from other relevant federal ministries and heads of regional agricultural bureaus.

The two most relevant sectoral policies and strategies in relation to Finnish support from 2007 to 2012 aligned with the GTP and its predecessor, PASDEP, are **water and education**:

**The Ministries of Water, Energy and Health** jointly prepared the Universal Access Plan (UAP) in 2011 with financial and technical support from the United Nations Children's Fund (UNICEF) and SNV, the Netherlands Development Organisation. It is a strategy that combines the Water Supply and Hygiene (WASH) programme milestones under the WASH Implementation Framework, including the following components: (a) rural water supply UAP; (b) national hygiene and sanitation strategic action plan; (c) urban water supply UAP; and (d) urban sanitation UAP. The huge but achievable WASH intervention as one of the pillars of the GTP requires a committed and concerted effort from all citizens and stakeholders.

**The Ministry of Education** (MoE) developed the education sector through four consecutive Education Sector Development Programmes (ESDPs I–IV). They have been instruments for implementing the national development policies (PASDEP and GTP). The GTP underlines the importance of expansion of basic education services in achieving the MDGs and also acknowledges the role of education in promoting the economic development of the country. At primary level, support to increase access and improve quality of education will be continued in order to reach Education for All targets. In 2011/12, total enrolment in primary education was 14 million, compared with 5 million in 2000. Approximately 20% of the national budget is spent on education (25,4% in the financial year 2009/10). It is planned that gender disparity in education will be eliminated by the end of the period. Equity will also be ensured by narrowing regional and urban-rural disparities. The GTP also pays attention to children with vulnerabilities and in emerging regions by providing affirmative action to improve their access to education.

Under the ESDP III (2003/04 to 2008/09), Ethiopia made significant progress in education. Access at all levels of the education system increased at a rapid rate in line with an increase in the number of teachers, schools and institutions. Disparities decreased through a higher than average improvement of the situation of disadvantaged and deprived groups and of the emerging regions. The achievements under ESDP III were fundamental in allowing Ethiopia to progress towards becoming a middle-income economy by the year 2025. However, some challenges remain for realising this long-term vision.

The focus of education policies under ESDP IV (2010/11 to 2014/15) will shift towards priority programmes addressing these remaining challenges: (a) a strong improvement in student achievement through a consistent focus on the enhancement of teaching/learning processes; (b) the development of programmes that help attract the unreached and the disadvantaged into school and ensure that they complete primary education; (c) a renewal of adult education with a specific focus on functional adult literacy; (d) strengthening of the capacity for knowledge creation, in particular in the domain of science and technology, and expansion of technical and vocational education and training (TVET) and higher education without sacrificing quality; and (e) further improvement of the effectiveness of educational administration at all levels.

In spite of the impressive gains in access, the quality of education has remained a challenge for the education sector. Hence, the General Education Quality Improvement Project (GEQIP) was developed jointly with the MoE and donors, with a total allocation for the first phase of US\$434,9 million, including a Finnish contribution of €19,9 million.

### **4.1.3 Finland's development policies**

Country programme consultations have been held every second year between Finland and Ethiopia, during which the development cooperation sectors, aid modalities, and financial allocations are agreed. The latest country negotiations were held in 2007 and 2009, overlapping the period of this evaluation. The first Country Strategy for Development Cooperation with Ethiopia has been prepared for 2013–16 (MFA, 2013).

The guiding policy framework for development cooperation between Finland and Ethiopia during the period of this evaluation (2007–12) is Ethiopia's Poverty Reduction Strategy (2005/06 to 2009/10), PASDEP, and the GTP (2010/11 to 2014/15). Priorities are aligned with the UN's MDGs, and the Government of Finland's development strategy aligns with these priorities. Finland has, for decades, concentrated assistance on two main sectors, water and education, both of which are also priority sectors in PASDEP. Finland supports four of the eight MDGs: (1) eradicate poverty and hunger; (2) universal primary education; (3) equality and empowerment of women; and (7) environmental sustainability. In 2010, Finland was the second largest bilateral donor in the water sector and the fourth largest in the education sector, being the only donor giving technical assistance to

the MoE in special needs education (SNE)/inclusive education (IE). In addition, long-term cooperation was extended in 2011 to include the land sector, with the focus on land administration and registration.

Finland's development policy is aligned with the international policy framework of the MDGs and the EU Consensus. Finland is also committed to the Paris Declaration on Aid Effectiveness and Harmonisation. During the evaluation period of 2007–12, Finland adopted two general development policy programmes.

The *Development Policy Programme of 2007* states, as its main goal, the eradication of poverty and promotion of sustainable development in accordance with the UN MDGs. Finland strives to ensure that all development work promotes ecologically sustainable development, preserves biodiversity, combats climate change, prevents desertification and soil depletion, and protects the environment. The cross-cutting themes in the development policy are: (a) promotion of the rights and status of women and girls, and promotion of gender and social equality; (b) promotion of the rights of groups that are easily excluded, particularly children, people with disabilities, indigenous people and ethnic minorities; (c) promotion of equal opportunities for participation; and (d) combating HIV/AIDS as a health and a social problem. Finland also emphasises cooperation and coordination between all donors. Finnish development policy is founded on respect for and promotion of human rights, which are preconditions for democracy and development. Finland emphasises a wider security concept which strengthens the link between security, development and human rights. Finland also endorses the UN's role as the most important actor in development policy (MFA 2007a).

The *Development Policy Programme of 2012* has an overarching goal of eradication of extreme poverty and endorses Finland's commitment to the UN MDGs. This programme emphasises a human rights-based approach to development aligned with the UN's Universal Declaration of Human Rights (1948). Finland's development policy and development cooperation adhere to internationally agreed principles and best practices that help to improve aid effectiveness, increase the coherence of different policy sectors, promote the openness and transparency of development policy and cooperation, and emphasise the ownership and accountability of developing countries and their citizens on development and its objectives. These principles steer the selection of partners and a focus on areas and objectives where Finland can best support its partners to achieve sustainable development results. Cross-cutting objectives of the policy are: (a) promoting gender equality; (b) reducing inequality; and (c) promoting climate sustainability (MFA 2012b).

The priority areas in Finland's human rights-based approach to development are:

- a democratic and accountable society that promotes human rights;
- an inclusive green economy that promotes employment;
- sustainable management of natural resources and environmental protection;
- human development.

The Ministry for Foreign Affairs (MFA) of Finland also formulated *Africa in Finland's Development Policy, 2009* (MFA 2009a) with the purpose of defining a strategic framework for strengthening the partnership between Finland and Africa using the development policy instruments followed by *Africa in Finnish Foreign Policy, 2010* (MFA 2010a). Both policies emphasise a comprehensive approach in conflict prevention, crisis management, crisis resolution and post-conflict recovery in Africa. Finland supports the African Union (AU)'s peacebuilding work and has granted €2,9 million for a three-year cooperation programme that aims to develop the AU's peace mediation capacity. Finland's partner in implementing the programme is the South African organisation, the African Centre for the Constructive Resolution of Disputes (ACCORD), which is supported by the Finnish Crisis Management Initiative. The Horn of Africa region in the Finnish Africa Programme highlights problems related to climate change, conflicts and famine. Nearly all countries in the region have considerable problems in democracy and human rights development. In addition to the AU, Finland cooperates in the Horn of Africa region with the UN and with the regional organisation, the Intergovernmental Authority for Development (IGAD). Finland supports the AU in solving and preventing crises in the region. Finland has also supported the Nile Basin Initiative with the objective of promoting the sustainable use of the Nile water resources and cooperation between the countries in utilising water resources in order to prevent conflicts.

The MFA document on *Development and Security in Finland's Development Policy – Guidelines on Cooperation, 2009* (MFA 2010b) emphasises the interlinkages between development and security. Development does not take place without security, and security does not increase without development. The most effective way of pre-



venting conflict is to reduce poverty on a permanent basis. Finland's work to promote development and security is based on respecting and implementing the principles of international law and conventions. Promoting stability and security, as well as strengthening democracy, the rule of law, human rights and civil society, create the foundation for sustainable development at global level. Finland promotes coherence in crisis management, development cooperation and humanitarian assistance, in accordance with the EU's policies on security and development. The aim is to adopt a comprehensive approach to conflict prevention, crisis management and post-conflict recovery and reconstruction. The roles and responsibilities of security and development actors are separate but complementary. Finnish policy is also aligned with the New Deal (2012–15) goals, focal areas, and trust-building interventions. Development policy that promotes economically, ecologically and socially sustainable development will also prevent conflicts from arising and reduce the subsequent need for crisis management and post-conflict reconstruction. Finland's recently adopted fragile states guidelines further enforce the Finnish comprehensive approach in development (MFA 2014).

To ensure stable and sustainable development, it is important to support a country's capacity to produce basic services in order to reduce poverty and guarantee fundamental rights. Particular priorities include ensuring security and justice, and creating an enabling environment for economic development and employment. In addition, it is necessary to strengthen the authority and legitimacy of the state by supporting transparency and efficiency of governance, as well as the state's accountability towards citizens. The problems of fragile states can only be solved by improving the capacity of state structures and by increasing accountability towards citizens. Finland's thematic priorities include the development of an enabling environment for the private sector, the production of basic services, democratic governance and strengthening the rule of law, as well as the sustainable use of natural resources.

## **4.2 Finland's development cooperation in Ethiopia 2007–12**

The section that follows sets out in detail how Finnish development cooperation in Ethiopia has evolved over the evaluation period in the water, education and land sectors. It then summarises Finland's regional projects during this period as well as support through the Fund for Local Cooperation (FLC) and the Institutional Cooperation Instrument.

### **4.2.1 Support to the water sector**

Finnish support to the water sector has concentrated on two regions: Amhara and Benishangul-Gumuz. Four long-term programmes have been implemented in total, which together form a continuum, building on lessons learned and best practices.

#### **The Rural Water Supply and Environment Programme in Amhara region**

The Government of Finland has supported the Rural Water Supply and Environment Programme (RWSEP) since 1994. Its fourth and final phase covered the period 2006/07 to 2011. The programme has operated in three zones and 14 *woredas* in the region, with total funding of €11,3 million, out of which the Finnish contribution is €9 million, the GoE's contribution €1,12 million, and beneficiary communities' contribution €1,15 million. The fourth phase of the programme is aimed at institutionalising capacity at all levels to implement and maintain sustainable, community managed water supply facilities with the Community Development Fund (CDF). The *Performance Review of the Programme 2009* (MoFED/MFA 2009) concluded that the CDF instrument developed under the RWSEP has attracted interest to apply in other zones and *woredas* of the region, as well as from other international donors. The CDF proved to be a highly efficient mechanism as it is based on the principle of communities managing their own water supply improvements. High ownership and gender participation has been created. The functionality rate of water supplies improved greatly (about 95% of the RWSEP water points functional), as compared with the national average of 60–70%. Scaling up the CDF approach would require development of a more generic "generation II" package together with MFA, the Ethiopian administration and other key donors. Phase IV of the Programme also assumes that all RWSEP activities would be integrated into the respective administrative structures in Amhara region. However, the *Performance Review* observed that the capacity of the administration to take over the activities is very limited due to lack of staff (most posts are vacant) and very high turnover of staff, many of whom moving to the private sector in Ethiopia.

The CDF approach was officially adopted as a financing strategy at the CDF summit in Bahir Dar in February 2010. The CDF approach is currently known as CMP (community managed project) in the sector-wide policy documentation. However, the final evaluation of the Mainstreaming the Community Fund Mechanism concluded, when acknowledging the effectiveness of the CDF in rural water supply, that CDF can never be the only mechanism but rather will have to fit into a scenario where several mechanisms are possible. In addition, the evaluation refers to the UAP review and WASH Joint Technical Reviews by stating that a number of lessons learned from use of the CDF mechanism could assist Ethiopia in pursuing UAP and implementing policies on use of low-cost technology and mass mobilisation (WSP 2010).

### **Rural water supply, sanitation and hygiene programme in Benishangul-Gumuz region**

The CDF approach developed in Amhara region was extended to the Benishangul-Gumuz region by launching the Finn-WASH-BG programme in 2008. The CDF model had been found to be a functional platform for sustainable, community-led WASH development. Since its inception in 2008, the Finn-WASH-BG programme has achieved impressive results through the CDF approach in five *woredas* of Metekel zone. Community water supply coverage has been significantly increased from an average of 15% to 72% after the third year of implementation, with expected coverage of 85,5% after the fourth year. Institutional water coverage is expected to reach 58% in health posts and 80% in schools by June 2013. Awareness of the CDF approach and on sanitation and hygiene issues has also been raised in the communities participating in the programme. The Finn-WASH-BG programme was due to end in June 2013. However, the programme was unable to reach the main targets of 98% UAP and 100% sanitation coverage owing to the challenging nature of the remote, culturally and geologically diverse region. Hence, the programme has been extended to 2015.

### **Community-led accelerated water and sanitation hygiene**

The Community-led Accelerated Water and Sanitation Hygiene (COWASH) project was launched in mid-2011 at federal level and has scaled up the CDF (renamed as CMP) approach across all regions in Ethiopia. The financial allocation from Finland during the first year of implementation was €7,5 million for activities in Amhara, Tigray, Southern Nations, Nationalities and Peoples' Region (SNNPR), and Oromia (Ramboll Ltd 2012a). Technical assistance (TA) was extended to the Ministry of Water Resources and Energy in an effort to introduce sector-wide approach (SWAp) implementation through a multi-sectoral approach involving water, education, health, finance and economic development sectors as well as the private sector. During Phase I, increasing alignment by partners with government systems for planning, budgeting, procurement, financial management, and monitoring and reporting has been developed.

### **Technical assistance to the watershed monitoring and evaluation component of the Tana-Beles Integrated Water Resources Development Project in Ethiopia**

The watershed management sub-component (Component B1) of the Tana-Beles Integrated Water Resources Development Project (TBIWRDP) originates from one of the Fast Track projects under the Nile Basin Initiative, which aimed at bringing tangible benefits to the rural population of the Eastern Nile area faster than regular investment programmes. The project's development objective is to improve watershed and natural resource management, leading to improved and sustainable livelihoods in the Ribb, Gumera and Jema sub-watersheds (MFA 2009b).

Both Component B1 and the Watershed Monitoring and Evaluation (WME) Project have been located in the Lake Tana Sub-basin area in Amhara region, which is an economic growth zone and a development corridor of national importance. Finland has supported the WME since June 2009 up to the end of 2013 with a total grant of €1,5 million and €3,5 million for the TBIWRDP. Based on the recommendations of the Mid-Term Review (MTR), €747 000 was moved from the Trust Fund budget to the TA budget (MFA 2009b).

Land degradation in all its forms and over-exploitation of wetlands have become a serious threat facing all land-use activities in the region. The need for efficient monitoring and evaluation (M&E) systems, and their value as a management tool, has been recognised at national and regional levels. A clear political will exists for developing an M&E system. The project has been based on an assumption that the GoE continues to implement policies in the water sector and other sectors that aim to achieve economic growth and poverty reduction.

The MTR of the project (MFA 2012b) came to the conclusion that the project had succeeded in developing the M&E system at various levels: (a) at the community level, M&E was functioning well and it was envisaged

that the system would continue after project completion; (b) at *woreda* level, M&E was well established even though the high staff turnover continued to provide a challenge to the continuity of the system; (c) at regional/project level, M&E and the management information system (MIS) was functioning in alignment with the Ministry of Agriculture's guidelines (MFA 2012b).

**Water, Sanitation and Hygiene Capacity Building Project (2010–13)** is financed through UNICEF with an allocation of €2,2 million. The goal is to accelerate the achievement of the UAP and PASDEP targets for the National WASH Programme, 2011–15 (UNICEF 2011). It aims to increase the coverage of sustainable and safe WASH services for an estimated 900 000 households in 45 *woredas* in Amhara and Benishangul-Gumuz with specific emphasis on scaling up the CDF (GoF/GoE 2010).

#### **4.2.2 Support to the education sector**

Finland has been a long-term partner of Ethiopia in the education sector since the late 1990s. Implementation of the GoE's ESDP has been supported through three main channels: Technical assistance to the Ministry of Education, financial support to the GEQIP Phase I (2009–13), and contribution to the Education Pooled Fund for the ESDP.

The sector coordination mechanisms between the donors and GoE are highly developed. The Education Technical Working Group of DAG, in which Finland participates, was the first sector group to move to co-chairing between the MoE and a rotating donor. The annual review mechanism of the ESDP IV is integrated in the national Annual Education Conference.

#### **4.2.3 Special needs education programme 2008–12**

Support to the development of the SNE/IE by provision of technical assistance to the MoE took place 2004–07. This technical assistance support contributed to the development of the Special Needs Education Programme Strategy (2006) for the MoE. Support was extended to the second phase (2008–12), which aimed to strengthen the institutional basis and cooperation between different stakeholders in implementing and mainstreaming SNE/IE. The total budget allocation was €2 million.

The main outcomes/achievements of the second phase of support are:

- 1 revision of the IE programme strategy with the accompanying strategy guidelines;
- 2 support to nine resource centres/cluster centres and their satellite schools for the development of inclusive education, with ten itinerant teachers in three regions (Addis Ababa, Oromia and Benishangul-Gumuz);
- 3 implementation of a professional development programme for all regions in Ethiopia covering representatives from regional education bureaus (REBs), sub-cities and *woredas*, teacher education institutions, the TVET programme, and itinerant teachers. Both males and females have participated in training (although the majority has been males).

The third phase of the SNE/IE programme was launched in 2013 with the main purpose of integrating the SNE/IE module into mainstream teacher education institutions, and strengthening the itinerant teacher and school-based innovative model in the selected regions for later scale-up to other regions and all schools.

The participation rate of children with special needs is still low and the MoE estimates that parents are still unwilling to send their disabled children to school, particularly in rural areas. There is no reliable statistical data.

#### **Support to the General Education Quality Improvement Project Phase I, 2009–12**

As part of a move to enhance the quality of education under the ESDP policy framework, the MoE prepared the GEQIP in 2008. GEQIP has been funded jointly by the GoE and seven donors (the World Bank, DFID, Education for All-Fast Track Initiative, Catalytic Fund, Finland, Italy, the Netherlands and Sweden) using the pooled funding mechanism. The project components of the first phase are: (a) curriculum, textbooks and assessment; (b) Teacher Development Programme, including English Language Quality Improvement Programme; (c) School Improvement Programme, including school grants; (d) management and administration programme, including the Education Management Information System (EMIS); and (e) programme coordination, including M&E activities.



The total budget for GEQIP has been US\$434,94 million (including funds for the fast track initiative), with the Finnish contribution of €19,9 million. The total GEQIP disbursement by September 2012 was US\$269,39 million, representing 68% of commitments. The programme has enhanced the availability and quality of textbooks (approximately every other student has textbooks), and the number of qualified teachers at primary level has increased to 55,6% compared with the 15,7% baseline. Despite this progress, challenges still remain, particularly in management of the procurement process and contract monitoring. A donor–government task force meets monthly to discuss GEQIP progress and challenges, and coordinate with the non-pooled partners: USAID, Japan’s International Cooperation Agency (JICA) and UNICEF. The second phase commenced in 2013 and USAID joined the pooled fund.

### **Education Pooled Fund**

The Education Pooled Fund is managed by UNDP with contributions from Finland, Sweden, the Netherlands and the UK. Its total budget allocation for 2010–12 has been approximately US\$2 million. Its purpose is to support implementation and review of the ESDP in the following areas: (a) support the MoE in planning, implementation and reporting on the ESDP in the annual review meetings; (b) support the MoE in planning and assessment of high-quality policy research; and (c) promote the possibilities of NGOs to undertake sector studies and dissemination of results. The Finnish contribution to the pooled fund in 2011 was €200 000.

Complementary assistance to Finnish support to the education sector, particularly in SNE/IE, has been provided through NGO support. Major partner NGOs supporting education include the Finnish Lutheran Mission, Finn Church Aid and Save the Children in Finland.

### **4.2.4 Support to the land sector**

It was agreed in the 2009 bilateral consultations between Ethiopia and Finland (Gof/GoE 2009) that cooperation will be expanded to include the land sector by supporting sustainable land management in line with the National Investment Policy, the Ethiopian Strategic Investment Framework for Sustainable Land Management (ESIF-SLM). It was further agreed that Finland would work in cooperation with the World Bank Sustainable Land Management Programme (SLMP), implemented by the GoE. The new project, Responsible and Innovative Land Administration in Ethiopia (REILA) (2011–16), with a total budget allocation of €12,8 million, was launched in 2011 (GoE/MFA 2011, 6).

The project components are: (a) technical assistance, with a five-year budget allocation of €5,99 million; (b) financial support, or investment funds of €6,9 million managed and disbursed by the selected consultant to the executing counterpart of GoE agencies, who are responsible for managing the funds (e.g. procurement) following the Ethiopian regulations in collaboration with the TA consultant. Finland approves the procurement decisions on a non-objections basis; and (c) the capacity building component will be developed later between universities of both countries.

The project is implemented under the Ministry of Agriculture and the Ethiopian Mapping Agency (EMA). Participating regions are Benishangul-Gumuz, Tana-Beles Growth Corridor partly extending to Amhara, SNNPR and Oromia. The project focuses specifically on the ESIF component of improving the land administration and certification system in Ethiopia. Finnish support is expected to have positive environmental impacts by improving land tenure security for smallholder farmers, enabling them to invest in environmentally sound practices. Furthermore, in a wider sense, Finnish support will help combat global climate change through addressing land degradation and promoting sustainable land management. Improving the position of women will be enhanced through equal certification of land under the names of both spouses.

Finland’s cost-efficient land registration mechanism (US\$8/plot), which was developed based on DFID experience in Rwanda, has encouraged DFID to commence a land registration programme in Oromia, SNNPR and Tigray, with a £70 million allocation that would expedite the national upscaling of land registrations (Land Investment for Transformation Programme). So far 30 000 plots have been registered.

#### **4.2.5 Regional projects supported by Finland**

##### **Support to the Eastern Nile Technical Regional Office, 2003–06**

The Eastern Nile Technical Regional Office (ENTRO) was established in 2002 by Ethiopia, Sudan and Egypt. South Sudan joined in January 2014. ENTRO is the executive arm of the Eastern Nile Subsidiary Action Programme (ENSAP), with the aim of facilitating and promoting investment in water resources development in the region. It has built regional capacities hitherto unavailable in planning water resources development.

The overall objective was to contribute to the efforts of the Eastern Nile countries in better management of the River Nile as expressed in the “2020 Operational Vision of the Eastern Nile”. The project provided technical assistance and financial support for capacity and institutional building in efficient development, implementation and management of the ENSAP and in the IDEN (Integrated Development of Eastern Nile) (Pöyry Environment Oy 2006).

Finnish support to ENTRO focused on capacity development in planning, management (including financial management), and monitoring. The ENTRO was managed by each country on a rotational basis as there was no professional expertise that existed in these areas. The Finnish government provided TA by contracting a team leader to handle the financial administration of the project, and who was responsible for the use of the TA component funds.

By 2006, ENTRO had recruited professionals for various posts. After providing bilateral support to ENTRO, Finland started to finance the Nile Basin Trust Fund with €1 million, extended until 2015. ENTRO developed projects for two of the countries (Ethiopia and Sudan) and the Finnish government contributed €9,25 million for project implementation in Sudan (Community Watershed Management Programme) and €5 million in Ethiopia (TBIWRDP). The watershed projects in the two countries have promoted regional cooperation by way of exchange visits and sharing of experience (interview with ENTRO staff).

Bilateral cooperation has afforded Finland a more significant role among donors than its financial contribution would allow. Finland has a strong profile among the Nile Basin Initiative donors as a supporter of the Eastern Nile (MFA 2009a). Even though support to ENTRO precedes the timespan of this evaluation, it illustrates the continuation of Finnish support from a regional support mechanism to the bilateral modalities within the Nile Basin Initiative.

##### **Support to the institutional strengthening of the Intergovernmental Authority on Development, 2011–14**

The Intergovernmental Authority on Development (IGAD) is a Regional Economic Community in the Horn of Africa and one of the eight building blocks of the AU. IGAD was revitalised in 1996 to supersede the Intergovernmental Authority on Drought and Development, which was founded in 1986 to combat the recurrent severe droughts and other natural disasters that resulted in widespread famine, ecological degradation, and economic hardship in the Eastern Africa region. Today, IGAD covers eight countries in the Horn of Africa: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan, South Sudan (from October 2011), and Uganda, with a total land area of over 5,2 million km<sup>2</sup>, and with a population of over 200 million. IGAD's Secretariat is housed in Djibouti.

The project document of Finland's support to institutional strengthening of IGAD (MFA/IGAD 2011, 3) states, as the overall objective, “enhanced institutional capacity of IGAD Secretariat to deliver its mandate and play its role as a Regional Economic Community”. Finland has supported IGAD through the establishment of a Project Preparation and Management Unit in the Planning and Coordination Unit. Finland has financed TA (18 months of a long-term advisor and a pool of short-term expertise totalling 12 months). Capacity building has been provided through training courses and on-the-job training for IGAD staff for the Secretariat and for the member states. Guides and handbooks have been prepared in specific topics (e.g. Project Cycle Management, M&E, training of trainers). The total budget allocation from Finland is €1,9 million. The establishment of the Project Preparation and Management Unit amounts to €1,59 million, of which the Finnish contribution is €1 300 000. The contribution of IGAD covering support staff, office space, furniture and equipment is estimated at €160 000. The Finnish contribution to the Joint Financing Agreement amounts to €360 000, and to the Khartoum office, €110 000.

The IGAD office in Ethiopia is responsible for the IGAD Security Sector Programme (ISSP) launched in 2011. It started as an offshoot programme against terrorism with the purpose of building capacity of member states to resist terrorism. Its mandate was extended to cover maritime security (illegal fishing, dumping toxic items in the sea) and transnational action towards organised crime. Interviews with IGAD staff in Addis Ababa suggested improved border control management as the main result of the ISSP. In addition, it has undertaken several studies (e.g. on money laundering). The Finnish contribution to the IGAD office in Ethiopia has been capacity development in planning, management, and M&E. Instruments provided by the Finnish project have been useful and highly appreciated. It was also pointed out in the meeting that after the phasing out of Finnish project support in 2014, the Joint Financing Agreement will continue with capacity building to IGAD. Finland, together with other Nordic countries, finances the Joint Financing Agreement.

#### **Climate Change Impacts on Ecosystems Services and Food Security in Eastern Africa (CHIESA) – increasing knowledge, building capacity and developing adaptation strategies**

Finland has supported this regional project since 2011 in Tanzania, Ethiopia and Kenya. The total budget for the project is €6,8 million, of which Finland's share is €4,9 million. The objective of CHIESA is to fill critical gaps in knowledge related to climate and land change impacts on ecosystem services and to develop adaptation strategies towards building the capacity of local research and administrative organisations by research, training and dissemination. The project is located in the Jimma area (Ethiopia), Pangani river basin (Tanzania) and the Taita Hills (Kenya) (CHIESA 2011).

#### **4.2.6 Non-governmental and fund for local cooperation support and the institutional cooperation instrument**

Table 3 provides an overview of financial support of Finnish NGOs in Ethiopia in 2013:

**Table 3** Thematic areas of NGO support in 2013.

Area of intervention	No. of projects	Allocations in €
Disability and education for disabled	9	698 679
Health/HIV/AIDS	5	432 700
Child protection and care	4	656 513
Education	4	660 753
Rural and community development	5	424 120
Women	1	66 000
Catastrophe readiness preparation	1	60 000
Nutrition	2	65 982
Other (organisation, coordination)	2	89 100
<b>Total</b>	<b>33</b>	<b>3 153 847</b>

Source: NGO Unit of MFA

As the table shows, the annual financial allocation for 2013 was approximately €3 million, with the sectors of disability (where the majority of financial support is provided for education), child protection, education, health, and community development receiving the major share of allocations.

#### **Fund for Local Cooperation support**

Support through the Fund for Local Cooperation (FLC) has been implemented through consecutive three-year plans prepared by the Embassy of Finland. The FLC programme 2008–10 included the thematic areas of: (a) human rights and democracy, which contains gender equality, good governance, and support to vulnerable people; (b) environment; and (c) culture. The approach most appreciated by partner organisations has been the sustainable and integrated community development approach. The embassy has also organised experience-sharing workshops between the FLC partners and Finnish NGOs promoting capacity development.

Interviews with the Embassy of Finland confirm that FLC projects operate in the thematic areas that correspond to Finnish priorities, e.g. complementarities with watershed management, environmental protection, and informal education in line with poverty reduction. Selection guidelines for the applications have been es-

tablished by the MFA. Alignment with the Finnish development policy priorities and principles is emphasised, along with the cross-cutting objectives of gender equality, reduction of inequalities, and climate change. Overlapping with bilateral aid should be avoided. The FLC support is also intended to complement the efforts of the GoE and international community to promote equitable prosperity, democracy and human rights. The total disbursement for FLC support during 2007–12 was €1 342 million (MFA 2011). Table 4 presents an overview of FLC funding allocations and disbursements in 2011 by thematic area.

**Table 4** An overview of FLC projects in 2011.

Thematic area	Project funding in 2011 €			2010 projects disbursed in 2011 in €			Remarks
	Plan	Actual	Balance	Plan	Actual	Balance	
HR, democracy, gender, equality, disability and HIV/AIDS	265 000,00	106 748,00 (40% released = 42 499,20)	158 252,00		278 291,80	14 063,00	Rolled over to 2012
Environment	150 000,00	–	150 000,00		162 564,00	–	
Education	82 000,00	–			35 210,00	–	
Admin	27 173,00	2 886,00	24 287,00				
<b>TOTAL</b>	<b>524 173,00</b>	<b>45 585,20</b>	<b>414 539,00</b>		<b>47 065,80</b>	<b>14 063,00</b>	

Source: Report of the Embassy of Finland on Local Cooperation Funds in 2011.

Within the overall Finnish objectives for development cooperation, important FLC objectives were to strengthen local civil society (as well as the private sector, including Finnish exports and research) and cross-cutting objectives, including rule of law, democracy, human rights and public diplomacy. FLC funds could not be used for charity or humanitarian purposes or be granted to Finnish-funded NGOs, international NGOs or Institutional Cooperation Instruments.

The FLC is used to assist local CSOs. In the Ethiopian case, this aid modality is used to support gender equality and social projects. The evaluation team witnessed a project implemented by an NGO (JeCCDO) in SNNPR region where the Finnish government has been supporting urban agriculture for women beneficiaries. This aid modality is considered to be complementary to bilateral aid since it is contributing to poverty reduction and also gender equity. However, as indicated in Figure 3, support through the FLC was high in 2007 but then decreased from year to year, showing that the government has given priority to bilateral aid support.

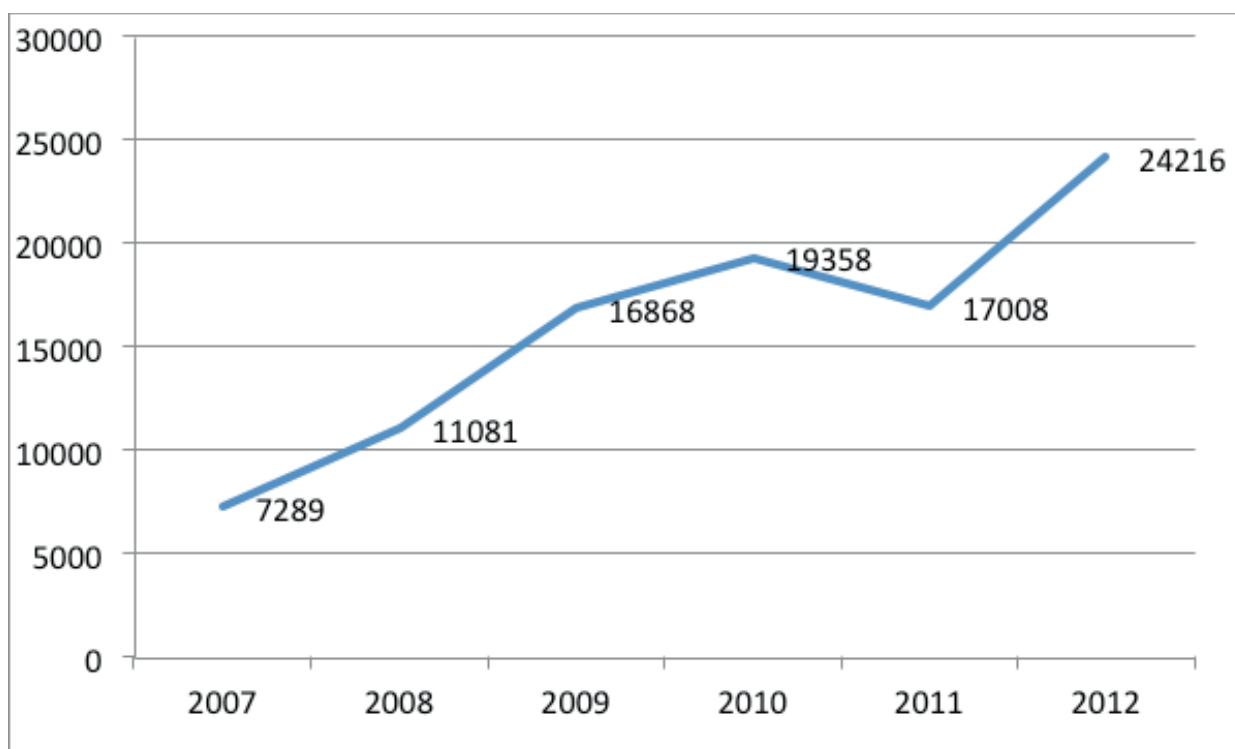
#### **Institutional Cooperation Instrument support**

A development project on poverty M&E systems in Ethiopia, 2009–11 has been implemented through the mechanism of the Institutional Cooperation Instrument. The partner organisations for the project were Central Statistical Office, Ethiopia; and Statistics, Finland, in cooperation with the Finnish National Institute for Health and Welfare. The financial allocation was €384 422. The projects aimed at capacity development of the Ministry of Finance and the Central Statistical Office in data collection and analysis of welfare monitoring surveys, and household income, consumption and expenditure surveys.

### **4.3 Analysis of Finnish financial disbursements**

Figure 2 shows the trend of Finnish support to Ethiopia during the evaluation period. The figures include all aid, including humanitarian assistance as well as possible trade-related aid within the framework of development cooperation. The figure shows an increasing trend of aid from Finland to Ethiopia year on year, with support rising to €24,2 million in 2012. This shows the commitment of the Government of Finland to provide aid to Ethiopia in the effort to reduce poverty.

**Figure 2** Ethiopia: Finland's disbursements from 2007–12 in € thousand.



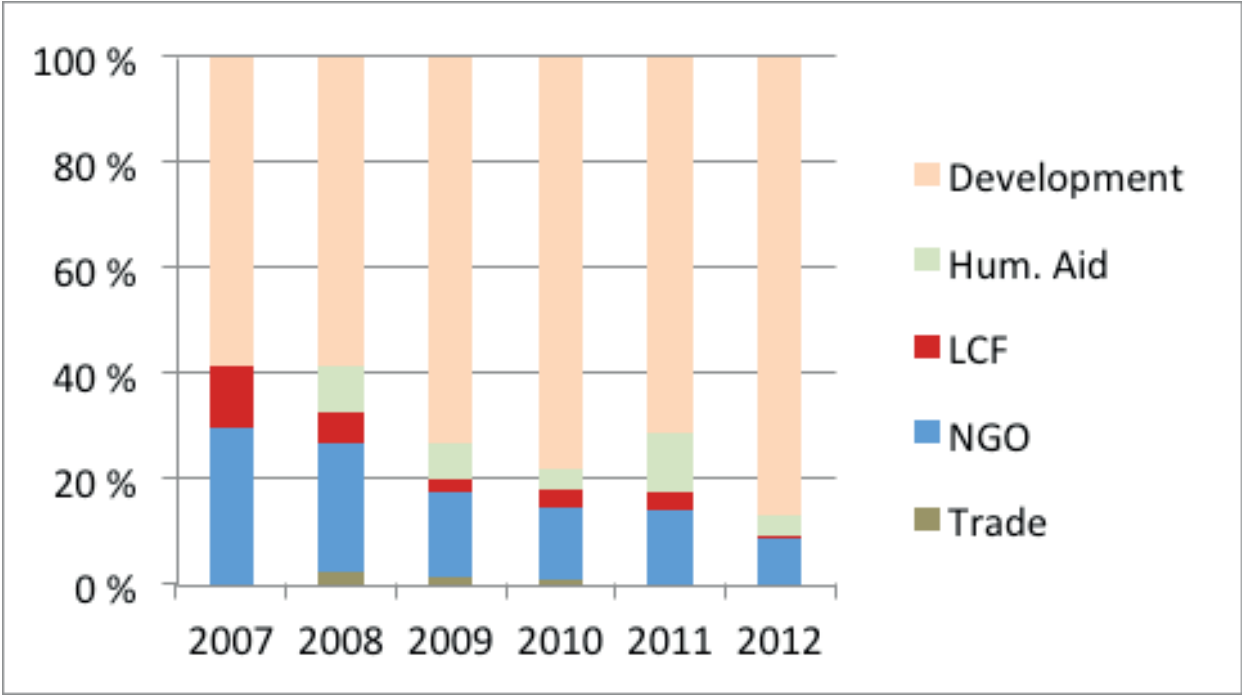
Source: OECD/DAC database, [www.oecd.org/dac/stats](http://www.oecd.org/dac/stats)

Figure 3 shows that development aid is the major aid modality Finland is using to support Ethiopia, with a steady increase year on year. This is followed by NGO support, but at a declining rate over the evaluation period, mainly due to the new CSO Law which was introduced in 2008 that restricted the engagement of CSOs in promoting human rights, democracy, justice and peace issues with funding from foreign donors. After the CSO Law was introduced, many donors, including Finland, have reduced support through this window of aid.

In 2008 and 2009, some budget was disbursed for trade, but it has since stopped. During the interviews with the GoE (MoFED), it was stressed that the Ethiopian government would encourage support from development partners (donors) in the areas of trade and economic development. This is because the country has set a target to be among the middle-income countries by 2025 and would like development partners to gradually shift from poverty reduction to development. Finland has responded to this demand in the Country Strategy for Development Cooperation with Ethiopia, 2013–16 by expanding its assistance to agricultural growth and rural development in the Tana-Beles Growth Corridor through the AGRO-BIG programme in the Amhara National Regional State Programme. The intervention will promote the establishment of efficient and profitable value chains of selected crops and/or processing industries which benefit farmers, production, traders and buyers (MFA 2013).



**Figure 3** Ethiopia: Finnish aid according to aid modality 2007–12.



Source: OECD/DAC database, [www.oecd.org/dac/stats](http://www.oecd.org/dac/stats)

**4.4 Contextual analysis**

According to the 2009 *Guidelines on Development and Security in Finland’s Development Policy*, Finnish support to Ethiopia is justified not only on the basis of long-term partnership but also from the perspective of conflict prevention. Ethiopia is defined as a fragile state in accordance with country-level issues related to Finland’s thematic priorities (sustainable and stable development through supporting the countries’ capacity to provide basic services in order to reduce poverty, guarantee fundamental rights for the citizens, and transparency and efficiency of governance) (MFA 2010b). Arguably, fragility in governance has also been exposed by the CSO Law that has restricted the advocacy work of local human rights organisations. Moreover, the recent country strategy document emphasises Ethiopia’s strategic importance in the region in its justification for continued long-term support (MFA 2013).

This provides a dual lens through which to interpret Ethiopia’s fragility for this evaluation – i.e. from both an internal perspective, where Finnish support seeks to contribute to the alleviation of poverty and inequality, particularly with respect to the developing regions, as well as an external perspective, which sees Ethiopia as a stabilising entity in an increasingly unstable and volatile region. Building on the country background provided in Section 3.1 – which touches on issues of fragility, economy, democracy and human rights – the following analysis was conducted by the evaluation team to provide a deeper and nuanced understanding of fragility within Ethiopia with the purpose of situating the team’s findings in the current context.

Traditionally, the highlands of Ethiopia have been at the centre of politics and economic development, and the peripheral regions have, as a result, been relatively ignored and less developed. In the early 1990s, the country introduced an ethnic-based federal system in order to address ethnic politics and development gaps. Ethnic federalism has provided regions with the opportunity to make decisions in planning, budgeting and implementation in their respective jurisdictions. The regions receive their annual budget based on a block grant formula. The formula is considered to be “equity-based” and development gaps are taken into account in allocating budgets to each region. Government structures are in place and operational guides and systems are rolled out to all regions. However, the developing regions are faced with capacity limitations, and internally and externally triggered conflicts. As a result, the implementation of development policies and programmes has been adversely affected. For instance, Ethiopia is implementing its GTP, a successor to the PASDEP. Overall, encour-

aging results have been registered in terms of accelerating growth and reducing poverty. However, the pace of development in most sectors is slower in the four developing regions – Gambela, Benishangul-Gumuz, Afar, and Somali. These regions are characterised by scattered and mostly mobile populations, making it more challenging to provide public services.

Despite the progress made in recent years in the developing regions, access to basic services remains poor – due in large part to limited infrastructure, while service delivery models are often unsuitable to local livelihood patterns, resulting in low utilisation rates. National programmes which are having success in other regions – for instance, the Protection of Basic Services Programme and the Productive Safety Net Programme (PSNP) – do not sufficiently address the challenges of these regions (MoA/MMA 2012). The fact is that the four developing regions are significantly lagging behind other regions of the country, which has an adverse effect on national poverty reduction and development efforts. The developing regions struggle with less developed infrastructure than more central parts of the country. There is also relatively poor access to social services, with poor-quality delivery, while underdeveloped agricultural and agro-pastoral activities exacerbate poverty (Mussa 2004).

Limited capacity to implement what is planned is a major problem in the emerging regions. The regions require strengthened capacity at three levels, as defined by the OECD: (a) individual, (b) organisational, and (c) the enabling environment. Various reports generated from the regions show that there are serious gaps in capacity at the individual level (most post-holders are not suitably qualified), that the regional and *woreda* sector offices are weak as institutions, and that there are gaps providing adequate incentives and an enabling environment for people to work in. Some efforts have been made by the federal government to support leadership and change agents in the four developing regions, but considerably more and perhaps different support needs to be considered for these regions to allow them to progress at a faster pace (MoFA 2009). The following features are shared by all emerging regions:

- community participation is generally low;
- the education system is not responsive to the socioeconomic and environmental situation of pastoralist communities, resulting in their low participation in education (among girls in particular);
- ethnic nationalism and underdevelopment has fuelled instability and insurgency in some parts of Ethiopia periphery;
- conflicts have flared up over grazing land and water points and have led to a decline in rangeland resources;
- in addition to border conflicts, the developing regions are also facing increasing flows of refugees due to internal conflicts in neighbouring countries. For instance, the current internal conflict in South Sudan has resulted in an influx of refugees to Gambela, putting greater pressure on scarce local resources. The same is true in the eastern part of the country.

Overall, it is clear that the emerging regions are disadvantaged and are faced with low capacity and development levels, and inter- and intra-clan conflicts, as a result of which they are lagging behind other regions in development. These regions are clearly fragile by the definition of MFA and an equity-based development approach is required to bring them to the level of other regions. By providing and/or improving social and economic services, it is possible to minimise conflicts and ensure peace and stability in these regions. Benishangul-Gumuz is the only emerging region that is directly targeted by Finland's interventions in the water and land sectors. Finland's financial support to the ESDP, together with other donors and the government, has also contributed to the education sector throughout the country.

## 5 EVALUATION OF PEACE AND DEVELOPMENT IN FINLAND'S DEVELOPMENT COOPERATION WITH ETHIOPIA

The following chapter captures the key findings of the evaluation based around the four evaluation questions agreed at the inception stage, and their corresponding judgement criteria (i.e. sub-questions). The evaluation criteria of the OECD/DAC – relevance, efficiency, effectiveness, impact and sustainability – in addition to issues of coordination and coherence are addressed within the judgement criteria. We recall that this is neither a

country programme evaluation as such, nor a project evaluation. It is a thematic evaluation wherein the evaluation questions, common to all our case studies (Afghanistan, Palestine, Ethiopia and Western Balkans), are formulated to raise issues, lessons learned and recommendations on Finland's contributions to peace and development in fragile states. The emphasis therefore is on this higher level of analysis and learning rather than the specifics of each programme. Analysis is based on: document analysis; interviews with MFA and project implementing agencies in Finland; interviews and focus group meetings in Ethiopia with the Embassy of Finland, relevant ministries, government officials at regional, *woreda* and *kebele* levels, donors and other stakeholders; and observation and interviews at project sites. The four evaluation questions (EQs) are addressed in turn as follows:

- EQ1: Has Finnish development cooperation provided relevant support to the drivers of peace and development, including poverty reduction, in Ethiopia? Have the choice and mix of sectors and instruments contributed to these targets, and recognised issues of fragility in the country?
- EQ2: What have been the mechanisms to integrate Finnish development policy priorities in country-level interventions? Are development interventions on the ground complying with the priorities and thematic focuses of the development policies and the 2009 guidelines?
- EQ3: How have cross-cutting objectives been integrated in Finland's development interventions in Ethiopia? How has their integration/non-integration affected identified and achieved results? What are the lessons learned and best practices in implementing cross-cutting objectives?
- EQ4: How have aid effectiveness commitments been integrated in Finnish development interventions in Ethiopia? How has their application supported development results and the overall objective of peace and development?

## 5.1 Relevance of support to the drivers of peace and development

This section addresses the issue of relevance and whether Finnish development cooperation has provided relevant support to the drivers of peace and development, including poverty reduction, and whether the choice of mix of sectors and instruments contributed to these targets, and recognised issues of fragility in Ethiopia. It is based on document analysis and interviews with officials and stakeholders in Finland during the desk study phase, as well as interviews with Ethiopian officials and stakeholders and observations at project sites.

### Box 1 Summary of key findings for evaluation question 1.

Finland did not have a country programme strategy before 2013–16. Nevertheless, analysing Ethiopia's political and socioeconomic situation has been the basis for selecting priority sectors and aid instruments for development cooperation. Ethiopia's development strategies, focusing on poverty reduction, have provided the main leverage for development assistance. Fragility in Ethiopia relates to regional and ethnic disparities, weak governance and capacity, gender inequality, and lack of basic services for the population. Finland's programme addresses these issues and can be classified as relevant. Finland's support addresses peace indirectly through development cooperation in the priority sectors of water, education, and land. Concentrating Finnish development cooperation in succinct sectors has been appropriate, avoiding aid fragmentation and providing a clear focus and opportunities for greater impact.

Finnish support is relevant and responds well to Ethiopia's needs and priorities. Finland has actively followed the events related to development and security in Ethiopia and reacted to them in its cooperation strategy and in the chosen modality. This finding is in line with the *Evaluation of Development Cooperation with Ethiopia, 2000–08*: "development cooperation with Ethiopia has been tightly focused, relatively coherent and highly relevant" (MFA 2010c, p. 15).



### **5.1.1 Extent to which the design of and strategic choices made within each country programme are based on good contextual, political economy, poverty and conflict analyses**

Finland did not have a country strategy for development cooperation in Ethiopia before 2013. Prior to this (and for the evaluation period under consideration here), the mechanism for making decisions on bilateral cooperation was the biannual country negotiations between Finland and Ethiopia. These negotiations were based on a situation analysis of the country's needs and priorities (e.g. Finland Embassy 2007 Situation Analysis) (MFA 2007b), when the political situation and development issues were analysed in relation to Finland's support to the priority sectors and aid instruments. There is no evidence that Finland had undertaken studies combining the elements of contextual, political economy, poverty and conflict analysis into one comprehensive study as a basis of the development programme in Ethiopia. As a small donor, Finland uses research data available from other stakeholders as a source of its decision making on development assistance. Finland's support during the evaluation period of 2007–12 was well established in the two priority sectors (water and education) due to Finland's long-term partnership with Ethiopia. Continuation of assistance in the same sectors has been agreed between the two countries and based on the requests from Ethiopia and separate contextual analyses on various themes undertaken by the embassy. These consist of memos/reports of political and human rights issues, sectoral reports, the embassy's strategic plans, and negotiation mandates (see list of embassy reports in the references section of this report). A long-term approach to Finnish aid has contributed to several benefits for both partners: (1) continuity of assistance in the same sectors has aided impact and sustainability; (2) incorporation of lessons learnt and best practice into the new phases of projects; (3) building trust and good relations between Finland and Ethiopia; (4) long-term presence of Finland in the same sectors has also built Finnish capacity and understanding of the specific features of Ethiopian culture, social and economic context; and (5) cooperation and coordination with the larger donors (World Bank, DFID, UNICEF) in the water, education and land sectors has enabled enhanced impact of Finland's investment.

### **5.1.2 Extent to which intervention logics underpinned the designed strategy, and the extent to which these were relevant, valid and understood by Finland's MFA and its partners**

Finland has not had a strategy underpinned by an intervention logic during the evaluation period, but nonetheless a strategy can be inferred from analysis of the programme. By reviewing the existing documents on bilateral negotiations between Finland and Ethiopia, the evaluation team produced an intervention logic for development cooperation during the desk study (which is revisited in Section 5.5). This demonstrates a strong embedding of programme formulation in the poverty reduction strategies of Ethiopia and shows that the focal sectors for Finnish support have been selected accordingly. Water, education and land (since 2010) have continued and a strong linkage with the poverty reduction strategies of Ethiopia (PASDEP and GTP) has been established and continued, and aligned with the Finnish Development Policy Programme. The bilateral consultation mechanism implemented approximately every third year has confirmed the validity and relevance of Finnish support to Ethiopia, even though no country strategy for development cooperation with Ethiopia existed before 2013. It has been difficult to monitor the direct impact of the sectoral interventions on national poverty reduction indicators due to a lack of reliable data. In acknowledging the government's deficient capacity in monitoring poverty indicators, Finland has supported the Central Statistical Agency (CSA) of Ethiopia in the development of a poverty monitoring system, including also capacity development. This was implemented during 2007–12 as a cooperation mechanism between CSA and the National Statistics Office in Finland (MFA undated b).

### **5.1.3 Extent to which other MFA interventions (political dialogue, humanitarian action) have complemented and/or provided leverage to development cooperation**

Interviews with a range of key informants in Ethiopia confirmed that Finland actively participates in political dialogue with the GoE. The mechanisms for dialogue are listed in the Country Strategy for Development Cooperation, 2013–16: (a) high-level forum convening two or three times a year, which is a forum for policy dialogue between the Development Assistance Group and the GoE on the implementation of the national development strategy; (b) the political dialogue between the ministers and deputy ministers of GoE and the EU Ambassadors' group based on the Cotonou Agreement; (c) civil society issues are discussed in sectoral work-

ing groups and the technical working group platform, including human rights issues. These discussions were reported as being useful in keeping up with the conducive atmosphere between donors and the government, even when delicate issues have been raised. The reports of the political dialogue are classified and hence not available to the evaluation team. The Evaluation of Development Cooperation between Ethiopia and Finland, 2000–08 states that “Finland has been explicit in bilateral consultations in stating its concerns over political developments. Due to concerns about democratization, it has not been willing to give direct budget support.” The report further concludes that Finland has combined a political stance with acting in accordance with accepted principles for promoting aid effectiveness. Finland has remained a stable and predictable development partner (Borchgrevnik *et al.* 2010).

Through the United Nations High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP), humanitarian assistance has been extended to refugee camps in Ethiopia (18 at present) for the growing number of refugees from neighbouring countries. Ethiopia has received approximately 400 000 refugees by 2012 from Somalia (55%), Sudan (24%) and Eritrea (17%) (Embassy of Finland, undated memo). Ethiopia has received international recognition for keeping its borders open for people escaping conflicts and hunger from neighbouring countries, regardless of the high levels of poverty in its own country. Finnish Ministers, together with the embassy staff, have visited these camps and found that they were well kept and maintained.

#### **5.1.4 Extent to which the mix of Finnish development cooperation aid instruments and modalities was appropriate to achieve objectives**

Finland employs four types of modalities for bilateral cooperation: (a) project support; (b) programme-based cooperation, together with government and other donors; (c) co-financing arrangement with the World Bank; and (d) pooled funding and/or direct budget support. NGO and FLC funding instruments lie outside the bilateral support mechanisms. Our findings vary sector by sector and they relate to efficiency and effectiveness and, to a certain degree, also to sustainability of the results of the project.

##### **Water sector**

Our field mission findings confirmed those of the desk review. Project support at various levels (community, *woreda*, regional and central) has proven an appropriate instrument in achieving objectives. There is a high level of attainment of the project objectives, indicating efficiency and effectiveness of the interventions. The community-based approach (WASH committees) in Finn-WASH-BG and the previous Amhara WASH project has generated strong local ownership. The CDF (CMP) model has promoted sustainability, as after the initial project funding for investment, the communities generate the funds for maintenance and upkeep through collecting fees. Implementing the CDF model requires a great deal of capacity building at the local level that the Finnish project has been able to give through TA. Yet doubts were expressed by other donors over the feasibility of upscaling the model to cover millions of users. Furthermore, some donors were hesitant to finance microfinance institutions (MFIs) outside government structures.

Finland’s latest water sector project, COWASH, has been scaled up to the ministry level by provision of a long-term TA in the Ministry of Water Resources. The project strategy is aimed at integrating the project into the Ministry’s national One WASH programme by aligning the reporting system with the government system and working on adapting the CMP manual into the government’s procurement systems. COWASH operates in 40 *woredas* in Amhara (against the five *woredas* of Finn-WASH-BG) and has made the strategic decision to mostly finance capacity building activities in the *woredas*. The Ministry is willing to solve the procedural problems related to CMP, acknowledging the benefits of a community-owned approach, which is also part of the National Water Policy. Government financial contributions at the regional level are 52% against 48% from Finland. This is an encouraging trend in terms of sustainability of the project. Water sector interventions are clearly linked with the poverty reduction strategy, because they directly improve access to basic services and enhance the wellbeing of people in relation to economic, health and social indicators.

The Evaluation of Finnish Development Cooperation in the Water Sector confirms the finding on the relevance of support to the water sector, but “more focus on the areas of governance would further improve the relevance. The individual projects and the comprehensive water sector programme (in the case of Ethiopia) are highly responsive to the most urgent needs and objectives of partner countries” (Matz, Blankwaardt, Ibrahim-Huber, Nikula and Eder 2010). The report further commends Ethiopia’s RWSEP (Amhara) with the ratio be-

tween disbursement and commitment of Finnish ODA funds reaching almost 100%, on account of the very high simultaneous demand from different villages for funding for water supply systems after the introduction of the CDF approach and mechanism.

### **Education sector**

Programme support is most advanced in the education sector. Finland has actively participated in the planning, implementation and monitoring of the sector approach in education (ESDP I–IV) since the late 1990s. Finland is also a core donor in the GEQIP, which is an instrument to promote achievements of the ESDP target in quality of education. The pooled funding mechanism managed by the World Bank is the modality of giving support to the MoE in implementing the GEQIP. The underlying assumption during phase I of GEQIP made by all donors has been that the MoE is capable of planning, implementing and monitoring the project without external TA. The situation has changed during the second phase, and international and local TA has been recruited for financial management, procurement, planning and School Improvement Programme. The schools receive funds from the MoE for quality improvement and donors are satisfied with the high disbursement rates. However, the MoE complained about the slow rate of disbursement of funds from the World Bank Trust Fund to the MoE, causing delays in implementing the programmes. As compared to the earlier situation, the education sector indicators have improved considerably. For example, textbook/student ratio is almost 1:1, teacher upgrading programme has an output of 95% of teachers obtaining formal qualifications, new curricula have been developed, and 126 new titles of textbooks developed. In quantitative terms, the pooled funding system for the GEQIP has proven a successful instrument for reaching targets at macro level.

Finland has been the only donor in the MoE providing TA through project support for the development of special needs education (SNE)/inclusive education (IE). It has done so since 2004 through the development of the SNE/IE strategy, awareness raising and capacity building at all levels, and piloting new modalities of SNE/IE. Finland has been acknowledged by other donors for maintaining on the national agenda the right to education for disabled children and students with barriers to learning. The capacity to implement SNE/IE efficiently at national level is still deficient, even though awareness has increased and parents (particularly in urban areas) are sending their disabled children to school, even though many are still left out of education. The TA instrument has been effective in strategy development and piloting innovative models of SNE/IE.

Document review conducted during the desk study and verified by interviews at the MoE and during the field visit to the Oromia region confirmed that establishing resource centres is an achievement of Finnish support. Finland, as the only donor in SNE/IE, has contributed significantly to SNE awareness raising since coming to the country in 1998.

Capacity development results at all levels (from MoE, Regional Education Bureaus and *woreda*) are weakened due to high staff turnover. Low salary levels and political interference are reported by interviewed government officials as reasons for this unfortunate state of affairs. Private sector companies and donors with better remuneration and conditions of service attract the most capable staff from the government. Capacity building programmes funded by donors (often offering scholarships abroad) have also exacerbated staff turnover, with some trained staff members not returning to their posts. Finland (together with other donors) has been aware of the problem and as a result has tried to intensify the capacity building programmes. This, however, has not brought about a sustainable solution. The GoE, on the other hand, is in a difficult position because the national budget can only cover the existing salary levels and some operational costs, without any possibility to raise salaries. All quality inputs for education come from donor funds. Finland has been hesitant to top up salaries for crucial posts due to unsustainability of the mechanism. Instead, Finland has hired local TA staff to implement the activities in SNE at the MoE and regional levels. This situation prevails in all sectoral ministries. The assumption made by the evaluator in the constructed intervention logic was that the mitigation strategy for high staff turnover had been developed by the government. It was clearly not a valid assumption. There is a need for the GoE and donors to tackle this issue together and design a viable strategy to reduce high staff turnover. For example, donors could support the salary increment system based on performance with preset indicators in order to reward results. This would require the establishment of a quality auditing system. If performance is linked with salary raises, it would motivate staff and decrease levels of turnover. Donors could partially finance the piloting of the system and agree with the government on the phasing out period, during which the government would take over.

Interviews with other stakeholders confirmed that Finland has been playing an important role in promoting inclusiveness and equity, in the education sector and SNE in particular. The donors and government agencies interviewed suggested that the Government of Finland is known for promoting gender equity and SNE, which are picked up by donors and government. For instance, in the SNNPR, where Finland is supporting the resource centres for SNE, the government is establishing new resource centres and training of teachers for SNE. In this respect, the Finnish government has also played a catalytic role in supporting SNE in Ethiopia.

### **Land sector**

Finnish project support for piloting the land registration process has implications for scaling up of second-level registration in other *woredas* using similar methodologies and technologies. During our field visits to Oromia, SNNPR and Benishangul-Gumuz, we learned that the pilots in specific *kebeles* have been used as lessons for other *woredas/kebeles*. Neighbouring *woredas* have been benefiting through training and experience-sharing with the *woredas* where the pilots are carried out. Thus, the financial support of the Finnish government for REILA has been used as a catalytic tool as well, and the experience of the pilot *kebeles* is being used for scaling up in other adjacent *woredas/kebeles*, which is a great contribution to the land registration process in the country.

### **The mix of aid instruments**

Pooled funding, together with project funding in education, has had a positive effect, as the GEQIP II has now doubled the capitation grant for schools for disabled students. The Teacher Development Programme under the GEQIP II has also included SNE and IE training. However, during the interview, the concerned official complained about their lack of capacity in planning the training and recruiting the trainers for SNE/IE. This is a clear indication of lack of a coordination and cooperation mechanism in the MoE, since both units are housed in the same building in the MoE. Some Finnish NGOs also work in the area of education of children with disabilities. At field level, there is some evidence of learning from the Finnish SNE/IE project, but there is no systematic coordination mechanism between the two aid instruments.

The Tana-Beles Watershed Management Project has been successfully implemented jointly with the World Bank. Part of the Finnish funds has been allocated into the World Bank Trust Fund and part as a TA project. Finland has supported development of the M&E system for a major World Bank-funded project. The World Bank regional office in Amhara expressed satisfaction with the results of this modality.

**NGO and FLC** projects are aligned with the Finnish development policy and give complementary support to the same sectors and to cross-cutting objectives. Clear cooperation mechanisms were not observed. A recent evaluation of NGO complementarity commissioned by MFA Finland included an Ethiopia country study – although a specific Ethiopia country report was not produced. The following quotation is the only reference to Ethiopia from the synthesis report:

From the field studies, the evaluation identified a few examples of good practices aimed at complementarity between Finnish NGO and bilateral support. In Ethiopia, for instance, special needs education teachers trained through technical assistances under bilateral programmes are employed in schools supported by Finnish NGOs or by disability organisations supported by Finnish counterparts. However, this complementarity was not a planned outcome, but rather occurred naturally, as most of the special needs education teachers in the country were educated through the Finnish support under the bilateral programme. (Olesen and Endeshaw 2013)

One example of a successful mix of project and NGO support in SNE/IE is the establishment of resource centres by NGOs (e.g. in Arba Minch, two resource centres were set up with International Service, and others were set up with Handicap International and World Vision), taking lessons from the Finnish model. If complementarity of NGO support in priority sector interventions and cross-cutting objectives was more systematically planned, it would increase the impact and sustainability of the developed systems, particularly at the community level.

#### **5.1.5 Extent to which the sectors chosen by Finland were done so in recognition of the characteristics and priorities relating to the fragility of the country/region**

In addition to high levels of poverty causing fragility, Ethiopia is considered fragile due to regional disparities whereby undeveloped regions have endured conflicts over sparse natural resources, particularly among differ-



ent ethnic groups. This has been compounded by the weak capacity of governance structures with high staff turnover, plus issues related to human rights and democracy exacerbated by the suppression of opposition parties, restricted freedom of press and restrictions imposed by the CSO Law.

The Finnish Development Policy Guidelines define good governance as an important driver linking peace and development. Poverty and capacity problems in the governance systems are addressed through Finnish interventions in the water, land and education sectors, including capacity development at all levels of governance structures (central, regional and *woreda*). The water and land sectors have a direct impact on poverty reduction. Out of Ethiopia's four developing regions (Gambela, Benishangul-Gumuz, Afar and Somali), Finland has selected Benishangul-Gumuz as its target region in the water and land sectors. These regions are characterised by scattered and mostly mobile populations making it more challenging to provide public services.

At the regional level, Finland's support to IGAD's capacity building and Nile Basin Initiative-related projects has an impact on peace and stability in the region. The overriding principle of Finnish support is development of capacity. *The Evaluation of Development Cooperation between Ethiopia and Finland, 2008–10* concludes that "support to Nile Basin Initiative has been a successful example of incorporating both technical aspects and regional political security elements. This has given Finland an opportunity to participate in the related security and technical dialogue" (MFA 2010c, 21).

Finnish development assistance has not directly used fragility indicators as the main justification for its development cooperation, apart from the case of Benishangul-Gumuz. High levels of poverty and a lack of basic services in the priority sectors have been the primary entry points for the interventions. Tackling weak governance and lack of capacity at all levels as signs of fragility have been addressed as a means rather than an end for contributing to Ethiopia's national development goals.

Finnish support has contributed towards developmental stability through attention to participatory rights of citizens, promotion of trust in the government for providing basic services, and the possibility for people to enhance their standard of living and eradicate poverty. Finnish support in water, education and land sectors has been aimed at the promotion of opportunities for people at the local level to participate in society as equal members and enhance their living standards through access to clean water, sanitation and hygiene, security through sustainable land tenure, improved farming methods, and access to education for all.

### **5.1.6 Extent to which Finnish country strategy identified specific areas of intervention where its added value would be apparent and recognised by stakeholders**

Historical continuity and accumulated expertise and knowledge have been extremely important in the selection of priority sectors. Finland is recognised as the lead donor in the water sector as well as a strong advocate of SNE/IE. Finland has invested in equality in education and developed a high-level SNE system and capacity in its own country. Finland has prioritised SNE in many of its target countries since the early 1990s, in many cases being the only donor focusing on this area. This has helped to accumulate specific technical know-how in this sub-sector. *The Evaluation of Development Cooperation with Ethiopia 2000–08* states that Finnish support has responded to the Ethiopian poverty reduction strategies and has been built on specific Finnish expertise, thus contributing to Finnish added value in the two main sectors of cooperation (MFA 2010c). Finnish added value in the water sector is also based on Finland's political decision to focus its assistance in this sector in its priority countries over recent decades. This has added to the Finnish technical know-how on work in different types of terrains (flat lands, highlands). Interviews with various ministries and stakeholders confirmed Finland's pre-eminent role in these sectors. Scaling up of the programme to encompass national development strategies has further strengthened Finland's reputation. Involvement in the water sector has expanded into a comprehensive programme comprising management of water resources, land management and growth-related interventions.

## **5.2 Policy coherence and resource allocation**

This section examines the mechanisms used to integrate Finnish development policy priorities into interventions in Ethiopia, as well as the extent to which development interventions on the ground have complied with the priorities and thematic focuses of the development policies and the 2009 guidelines.

**Box 2** Summary of key findings for evaluation question 2.

Since Ethiopia is not a conflict or post-conflict country, the priority areas from the 2009 guidelines stem from enhancing good governance and capacity of state structures, increasing accountability towards citizens, economic growth, and provision of basic services. In addition, improving the rights and status of women, and strengthening social equality of the most vulnerable groups in society are at the core of Finnish priorities and thematic focuses. Finland's main approach in Ethiopia is to support the implementation of its poverty reduction strategy, reinforcing stability and security in the country. Finnish support complies with the *2009 Guidelines on Development and Security in Finland's Development Policy*.

**5.2.1 Extent to which the policy priorities stipulated by MFA (particularly in the 2009 Guidelines) were understood and incorporated into country-level interventions**

Finnish development policy and the guidelines on development and security are interlinked. The overall goal is to eradicate poverty and promote sustainable development in accordance with the UN MDGs. The priority areas from the 2009 guidelines stem from enhancing good governance and capacity of state structures, increasing accountability towards citizens, economic growth and the provision of basic services relating to health, housing, food security, education and personal security. In addition, improving the rights and status of women and strengthening social equality of the most vulnerable groups in society are at the core of Finnish priorities and thematic focuses.

Finland's support in the priority sectors (water, education and land) comply well with the policy priorities and thematic areas. Education sector support gives specific attention to the most vulnerable groups through the SNE/IE intervention. Gender is an overarching objective in all sectors of Finland's support. Poverty eradication is directly addressed in the water and land sectors.

**5.2.2 Extent to which security and justice priorities are reflected in country interventions, and the results and learning obtained from these**

Beyond the timespan of this evaluation (since the last border war with Eritrea in 2000), Finland took security into consideration in making decisions on continuation of its development cooperation support. During the timespan of this evaluation, Ethiopia has been a peaceful country with a stabilising role in the volatile Horn of Africa region. Finland's main approach in Ethiopia is to support the implementation of its poverty reduction strategy, reinforcing stability and security in the country. The latest strategic plan (Embassy of Finland, Addis Ababa 2013a) confirms that the priorities of promoting peace and security in the region through dialogue and monitoring the role of the AU in conflict prevention and reconciliation. This is implemented largely through joint monitoring with EU and Nordic cooperation.

**5.2.3 Extent to which economic development and employment issues are reflected in country interventions, and the results and learning obtained from these**

Finland's support to the water and education sectors does not have a direct employment effect. From a longer-term perspective, it is assumed that a better educated population has better prospects for employment, but the level of education (primary education) does not lead directly to employment. Finland's land administration project (REILA) supports the establishment of a curriculum for land administration in an agricultural TVET institute in Benishangul-Gumuz. Otherwise, Finland is not involved directly in development of the TVET sub-sector.

Water sector interventions improve food security at the community level through improved access to water that can also be used for irrigation. The impact on enhanced vegetable gardening was observed in the field visit to Benishangul-Gumuz. Local economic activity was increased with the help of the Tana-Beles Integrated Watershed Management Project. The visit to the project site and the interview with the Regional Agricultural Bureau revealed that the project had an impact on income-generating activities (agricultural productivity, handicraft work and selling the products) because land productivity had increased through soil conservation.



As a result, the Agrobic project was launched in 2012, which extends the experiences and lessons learned in the Tana-Beles Watershed Management Project into promoting marketing of the products.

#### **5.2.4 Extent to which state building and governance priorities are reflected in country interventions, and the results and learning obtained from these**

Ethiopia's governance and administrative structures are in place, but their efficiency and effectiveness need to be improved. Finland, together with other donors, has aimed to improve governance through their sectoral interventions. Finland's overriding principle in all development assistance is to provide capacity building for the government structures at all levels. The lessons learned from these interventions are, however, not always clearly articulated. According to interviews with staff at government offices at all levels and project TA teams, high staff turnover was mentioned as the biggest challenge for sustaining development results. The low salaries and conditions of service, and political interference were mentioned as the main reasons for this situation. Regional and *woreda* offices were most seriously affected by high staff turnover. Continuous staff development programmes, well-documented system descriptions, and recruitment of local TA with the project funding were implemented as mitigation measures by the regional and *woreda* staff in Benishangul-Gumuz and Amhara during the field visit.

#### **5.2.5 Extent to which results-based management is able to monitor and evaluate compliance and coherence with global policies**

Results-based monitoring has not yet been used to monitor Finland's overall programme during the evaluation period of 2007–12, and an intervention logic for the Finnish programme as a whole had not been prepared. The *Evaluation of Development Cooperation between Ethiopia and Finland, 2000–08* recommended strengthening monitoring through greater use of external evaluations of civil society support and greater involvement of the embassy in following up humanitarian assistance. The report suggested that the country strategy should have targets and indicators to allow results-based management of the country programme as a whole, also systematically integrating the cross-cutting objectives into the planning and implementation of interventions (MFA 2010c, 17).

We acknowledge the adoption of the first Country Strategy for Development Cooperation with Ethiopia for the period 2013–16. This will introduce the programme-level, results-based monitoring system on a biannual basis in relation to the country-level development results. The MFA also informed us that biannual monitoring reports will be prepared by the embassy.

Currently, results-based monitoring has been linked with the sector/project-specific logical frameworks and indicators. Monitoring progress towards the relevant MDGs at national level has used the monitoring systems of different ministries. Weaknesses in government capacity for collecting reliable data on the MDG indicators are apparent, even though improvement has taken place where a SWAp is used. The education sector has perhaps the most advanced management information system (EMIS) in the country.

#### **5.2.6 Extent to which the totality of resources made available and disbursed was equal to the ambitions set by programme objectives**

Finland is a small donor in terms of its financial volume of development assistance. This has also had an impact on the planning of the scale of interventions. The desk review and the interviews during the field mission suggest that the funds from Finland are disbursed on a timely basis and used efficiently. The findings from the interviews in Ethiopia confirm that the project objectives are realistically set in relation to available resources. Because it is a small donor, Finland often seeks to work in partnership with other donors such as the World Bank. Finland's strategy has also been to pilot innovative small-scale models and attract bigger donors for co-operation and upscaling (e.g. by REILA for the DFID-funded Land Investment Transfer Programme).

### 5.3 Cross-cutting objectives

This section assesses how cross-cutting objectives have been integrated into Finland's development interventions in Ethiopia, and how their integration/non-integration has contributed to identified and achieved results. It also identifies lessons learned and best practices in implementing cross-cutting objectives.

**Box 3** Summary of key findings for evaluation question 3.

The 2012 and 2007 Development Policy Programme cross-cutting objectives were integrated into the project interventions to variable degrees. Gender objectives are well integrated in Finland's development co-operation interventions in the water, education and land sectors. Disadvantaged areas have been targeted in provision of clean water and sanitation, hence decreasing inequalities. Environmental sustainability has been the objective in improved soil and water conservation and reforestation. Finland has played a catalytic role in creating awareness and action of the rights of people with disabilities and barriers to learning for education. People with disabilities are target groups in the SNE/IE programme. Climate change is targeted in one regional project. The needs of other marginalised groups, and combating HIV/AIDS, have not been at the core of Finnish assistance and there have been weak monitoring systems at *woreda* level. There is very little evidence that the cross-cutting themes/objectives have been part of policy dialogue.

#### 5.3.1 Extent to which cross-cutting objectives were taken into account in the analysis and design of Finnish interventions

This evaluation has addressed the three cross-cutting objectives as set out in the 2012 Development Policy Programme: gender equality, reduction of inequality, and climate and environmental sustainability, as well as two additional objectives from the 2007 Development Policy Programme: rights of easily excluded groups (children, people with disabilities, indigenous groups, ethnic minorities), and combating HIV/AIDS as a social and health problem.

With respect to **gender equality**, the evaluation found that gender has been well integrated into all interventions, including those in the water, land and education sectors. There has been increased female participation in water sector interventions, as evidenced by observations from site visits in Bullen *woreda*. The WASH committees there have equal representation of women, with women often taking the role of chairperson. Land sector interventions also strengthen the position of women through registration of land equally under both spouses' names. Enhancing girls' access to education and their retention rates are objectives of the government's ESDP, whereby Finland contributes financially through the GEQIP, together with other core donors, and provides TA for the development of SNE/IE. Moreover, NGO and FLC projects are implemented to promote gender equality.

With respect to **reducing inequality**, water sector programmes have aimed at enhancing access to basic services (education, clean water, hygiene and health) in disadvantaged areas. Education sector support aims to achieve equal access to education for all, whereby Finland has contributed together with other donors. Universal access to primary education has nearly been achieved, with gender parity.

**Environmental sustainability** is taken into account in the water sector projects in planning the new water points. The old water points to be rehabilitated with project support have been identified as a possible environmental risk, due to deepening of the groundwater table at several older water points caused by deforestation and intensified agriculture. In cases of drought, the impact on the groundwater table may become serious. It is also taken into account in the Tana-Beles project and REILA through improved soil and water conservation and reforestation. Combating **climate change** has been directly targeted in the regional CHIESA project.

Regarding the **rights of easily excluded groups**, Finnish support has targeted SNE/IE, and has been implemented in Ethiopia for a decade with the overall objective of enhancing access to and quality of education for disabled children. Moreover, there are currently nine NGO projects active in the disability sector. However, indigenous groups and ethnic minorities have not been at the core of Finnish support in Ethiopia. **HIV/AIDS** has not been on the agenda for Finnish bilateral development cooperation, although a few NGO projects have

been implemented in combating HIV/AIDS. Finnish assistance has not been targeted directly at ethnic minorities, even though support in Benishangul-Gumuz has included all groups in the region.

### **5.3.2 Extent to which cross-cutting objectives were taken into account in political and policy dialogue**

Documentation of political and policy dialogue provided to the evaluation team has only included agreed minutes of 2007 and 2009 country consultations. The 2009 negotiations took up issues related to environmental sustainability and climate change when discussing the progress of PASDEP. Concerns were also expressed about democracy and human rights after the passing of the CSO Law. The 2007 minutes of consultations between Ethiopia and Finland report that the cross-cutting themes such as gender, environment, human rights and HIV/AIDS feature within the existing cooperation. These themes were seen as essential and furthermore it was noted that they are well embedded in PASDEP. The Finnish delegation stated that Finnish state auditors would assess how these themes are mainstreamed in the bilateral cooperation and will visit Ethiopia in August–September 2007. The Ethiopian delegation welcomed the auditors and saw the process as mutually beneficial. The audit report was not available to the evaluation team. Core GEQIP donors commended Finland for continuing to advocate for SNE/IE in the donor group meetings on education. It was also noted that Finland contributed to ensuring the inclusion of SNE/IE in the second phase of GEQIP. The embassy reports to the MFA regularly on issues related to human rights and gender equality and keeps these on the agenda with the dialogue with the government.

Other political dialogue records have been classified as confidential and were not available to the evaluation team.

### **5.3.3 Extent to which Finnish development cooperation has contributed to the stated objectives and intended outcomes of its interventions**

With respect to **gender**, female participation at the community level community watershed planning teams increased to 33% and in the community general assemblies to 40% between 2009 and 2013 in Tana-Beles project communities. Land registration has improved the status of women due to land being registered in both spouses' names (approx. 30 000 registrations since 2010). Women have 50–60% representation in WASH committees in RWSEP (2007–11) and Finn-WASH-BG (2009–13); women are also increasingly taking up positions as chair persons and treasurers. The ESDP has enhanced gender equality, particularly at primary level. There is almost gender parity in enrolment rates, and the national primary school completion rate at grade 8 is 52,5% for boys and 46,2% for girls (MoE 2011). To conclude: gender is well mainstreamed into water, education and land sector interventions.

With respect to **reducing inequality**, programme progress reports and MTRs indicate enhanced levels of access to clean water, improved hygiene, improved health and hygiene education in schools, and hence improved levels of health in the villages where the project has been implemented. UAP targets of 100% access to clean water are most likely to be achieved by the end of the Finn-WASH-BG project in the respective *woredas*. **Climate and environmental sustainability** has proven a risk with regard to long-term sustainability due to deepening of the groundwater table at several older water points caused by deforestation and intensified agriculture. In cases of drought, the impact on the groundwater table may become serious. The long-term impacts of climate change are the most serious risks for the sustainability of regular access to water (MoFED/MFA 2009). Positive environmental impacts are expected from the REILA project, because land tenure security will be improved for smallholder farmers, providing incentives to invest in environmentally sound practices, like watershed rehabilitation, management of terraces, contour bounds and reforestation. Moreover, the programme seeks to combat global climate change through addressing land degradation and promoting sustainable land management (GoE/MFA 2009). The CHIESA project 2011–15 addresses the issues related to climate change in the countries of Eastern Africa (Ethiopia, Tanzania, and Kenya). Evaluations of contributions of the assistance have not been undertaken (nor provided to the evaluation team).

With respect to the **rights of easily excluded groups**, support to SNE/IE has enhanced access to and quality of education for children with disabilities and barriers to learning, but more efforts are needed to provide access to education nationwide. The Finnish project (mostly in urban areas) has raised awareness of the right

to education of children with special needs. Many interventions to provide education for children with disabilities have been undertaken in Addis Ababa without Finnish support. In addition, several Finnish NGOs implement projects for disabled children, and they have benefited from the training provided by the bilateral SNE/IE project.

#### **5.3.4 Extent to which lessons on implementing cross-cutting objectives have been recorded and disseminated**

There were no separate reports on the implementation of cross-cutting objectives. The results are included in the project progress and evaluation reports. Of particular note, gender equality has improved in the water sector through improved participation in decision making. Interviews at the project *woredas* and villages confirm that local women were interviewed and reported on the benefits of access to clean water and their responsibilities in managing the water points. Women have also increasingly participated in WASH committees and in decision-making processes. Monitoring systems are weak at the *woreda* level – there has been no data collected for the water and land sectors – although anecdotal evidence exists. The education sector monitoring system, through EMIS, is the most efficient, but still lacks data on students with special needs.

### **5.4 Aid effectiveness and development results**

This section assesses how aid effectiveness commitments have been integrated into Finnish development interventions in Ethiopia, and how their application has supported development results and the overall objective of peace and development.

**Box 4** Summary of key findings for evaluation question 4.

As a signatory to the Paris Declaration, Finland monitors the political situation and participates in dialogue with the GoE, specifically within the EU context. Finland has been an important supporter of harmonisation and has actively participated in the donor coordination group (DAG). Ethiopia is strongly committed to implementing its poverty reduction strategy. Finland has aligned all its development cooperation interventions under the PASDEP and GTP. In bilateral programmes and projects, Ethiopian management and financial systems are used to channel aid. Government procurement systems are widely used. Still, some parallel structures have been put in place specifically for capacity building purposes. Finland channels support through the UN, particularly in programmes relating to human rights and famine relief and for refugee camps.

#### **5.4.1 Extent to which Finland has applied and integrated its aid efficiency commitments in the country/region**

Finland is a signatory to the *2005 Paris Declaration on Aid Effectiveness* (OECD 2007), which aims to build closer cooperation and harmonisation among donors and partner countries. In the spirit of the declaration, the following activities have been implemented:

- Finland monitors the political situation and participates in dialogue with the GoE, specifically within the EU context;
- Finland has been an important supporter of harmonisation and a leader in the water sector;
- Finland has also actively participated in the donor coordination group (DAG) to promote harmonisation and coordination as well as participated actively in the sectoral coordination groups;
- Finland has harmonised its procedures and financial management with the GoE systems as much as possible in the water, education and land sectors.

#### **5.4.2 Extent to which national ownership and alignment with national policies is incorporated into interventions undertaken**

Ethiopia is strongly committed to implementing its poverty reduction strategy. Finland has aligned all its development cooperation interventions under the PASDEP and GTP. In bilateral programmes and projects, Ethio-

pian financial systems are used to channel aid. Government procurement systems are widely used (water sector). Management structures are harmonised with country structures as much as possible; nonetheless, some parallel structures have been put in place specifically for capacity building purposes.

#### **5.4.3 Extent to which Finnish development cooperation is coherent with and complementary to the development strategies and programmes of other major bilateral and multilateral donors**

Finland's active role in harmonisation at all levels has resulted in the development of large multi-donor programmes such as the protection for basic services, the PSNP, the GEQIP and WASH (World Bank, EU, DFID and USAID). Finland channels support through the UN, particularly in programmes relating to human rights and famine relief and for refugee camps. The previous *Evaluation of Development Cooperation with Ethiopia, 2000–08* also confirms the coherence of Finland's development programme (MFA 2010c). It is well focused and aligned with the Ethiopian government's priorities and is relatively well harmonised with other donors.

#### **5.4.4 Extent to which the results and achievements to date are likely to endure in the longer term**

Sustainability of development results depends on effectiveness of the capacity building and also on the government's possibilities to continue activities without external financial or technical support. Sustainability of the development results of Finnish projects also depends on cost-effectiveness of the systems that have been developed to minimise the financial burden to the government budget. Through a study of Finland's assistance, the following principles have been observed in this respect: (a) the government should not be burdened by the creation of new posts on the government payroll; (b) there is a need to develop self-financing and income-generation mechanisms at community level; and (c) there is a need to develop well-recorded systems and procedures for management combined with staff training for the administrative structures.

The sustainability of the project achievements can be assessed against these principles. We observed that the CDF model's likelihood of sustainability in the respective *woredas* is high due to the community's full financial responsibility after the investment and capacity building. This was observed during the site visit in Benishangul-Gumuz. Empowerment of women as the main users of household water consumption also increases the ownership of the water points and their proper maintenance and upkeep. Land registration will also bring security in land ownership and encourage investment on the land, leading to environmental sustainability and increased agricultural production. The Watershed Management Project in Tana-Beles has promoted soil conservation and increased agricultural productivity, accompanied by several types of income-generating activities, which are likely to continue after external support. Sustainability will be strengthened through a community participation approach where women have significant roles in decision making.

Finland's support to SNE/IE will most likely sustain the awareness of the rights to education of children with disabilities and enhance their access. An indication of this is the inclusion of SNE/IE into the GEQIP II through the School Improvement Programme and Teacher Development Programme. A per capita grant provides additional funding to schools that have students with disabilities and integrates SNE/IE teacher training into the mainstream Teacher Development Programme. This has been the result of Finland's intervention in SNE/IE during the GEQIP I when it was not part of the overall quality enhancement programme. However, sustainability of the itinerant teacher model in the SNE/IE programme is questionable. During the pilot phase of the programme (2008–12), itinerant teachers were hired to work in the resource centres that served the satellite schools around them giving pedagogical advice and training to mainstream teachers. Ten itinerant teachers were funded by the Finnish project with the assumption that they would be taken on to the government payroll after project funding was phased out. Out of these ten teachers, only two to three have been moved under the regional budget. ESDP IV envisages 500 resource centres to be established with itinerant teachers by 2015. This is clearly an unrealistic plan, questioning the sustainability of the model piloted by Finland.



## 5.5 Intervention logic revisited

In the desk phase of this study, we developed an intervention logic (or theory of change) that captured the intentions and the underlying assumptions of Finnish development cooperation in Ethiopia (Annex 5). Finland's documents do not provide an explicit theory of change; therefore, the intervention logic for Ethiopia has been inferred and constructed from the existing documents such as minutes of the bilateral consultations (2007 and 2009), the new Country Strategy for Development Cooperation with Ethiopia 2013–16, thematic reports by the Embassy of Finland, programme documents, evaluations and completion reports. We also found that they did not contain a risk analysis that anticipated context-related setbacks or changes in the political landscape, apart from impact of the CSO Law on the human rights situation. Thus, our intervention logic was “strategy planned” rather than “strategy realised”. In light of the above analysis, we return to that original theory of change, asking to what extent it was (a) realistically assessed in terms of the underlying assumptions; (b) measurable, in terms of the kind of data analysis that was in place; and (c) realised in terms of what actually occurred within the lifetime of the programmes. But this is more than just application of the DAC criteria on outcomes and impact. It asks not only “has X occurred” (because it may not yet have done so) but “are we confident that Finland's contribution has had a positive influence in moving towards the upper level goals of our theory of change?”

The intervention logic “constructed” is rooted in the poverty reduction strategy that forms the overall goal of Finnish assistance. Finland has aligned its support with Ethiopia's two national development policies (PAS-DEP and GTP) during the evaluation period of 2007–12. The main aim has been to reduce poverty and trigger economic growth, with the ultimate goal of attaining the MDGs by 2015. As a long-term vision, Ethiopia is to become a middle-income country by 2025.

The overall assumption for assistance to Ethiopia is that supporting economic growth and poverty reduction would have an indirect effect on peace and stability in Ethiopia and in the volatile Horn of Africa region. Hence, it would be important to strengthen Ethiopia's role as a regional player and a centre of stability.

Finnish support has been consistent over the years and concentration on three major sectors (water, education and land) has been based on assumptions that supporting them through provision of basic services will alleviate poverty efficiently and decrease inequalities, with particular reference to gender and marginalised groups, as well as promotion of environmental sustainability.

The assumptions under each level of the intervention logic (from problems, to sectoral programmes leading to immediate outcomes in the sectors, medium-term outcomes in sectoral policies, and final impacts on development policy agenda) contextualise the support in relation to Ethiopia's development agenda as a whole. In this change chain, the main underlying assumption is that the GoE is committed to moving towards the intended changes and has the capacity to do so.

Based on field-level analysis, we are now able to revisit the original intervention logic and assess its appropriateness, in particular with respect to the assumptions at various levels.

- 1 At **impact** level, most of the assumptions are valid. The GoE has made a strong commitment to implementing the Growth and Transformation Plan and the donors are committed to supporting Ethiopia. Foreign investments have been growing and the private sector is gradually increasing. Political dialogue between the government and donors is regular under the DAG. Yet, the GoE is still highly dependent on foreign aid and the national budget can only partially finance the GTP, even though it spends 60% of its annual budget on poverty-related actions. The GTP preparation has been criticised for not assessing the impact of inflation and other risks. Aid dependency has decreased slightly during the past few years.
- 2 At **medium-term outcome level**, the assumptions on government's increased budgetary allocations in poverty-related sectors in water and education are partially correct. Education receives about 20% of the national budget; even though the water sector budget has been growing, it is still only 3%. The assumption that the GoE has the capacity to implement sectoral programmes in education and water is partially correct. The education sector programme is mostly implemented without external TA, with good progress in access and some quality improvements (teacher upgrading). GoE capacity to monitor the entire



programme has been weak and the donors have set aside US\$2 million for preparation of the GEQIP annual progress reports. The One WASH programme is based on the SWAp in the water sector and GoE capacity to implement it without TA is still weak.

The assumption that the GoE would design and implement a strategy for mitigating the negative effects of high staff turnover in government structures at all levels is clearly not valid. This is a critical assumption with regard to the sustainability and impact of Finnish support in the priority sectors. Evidence of Finland taking up the issue of high staff turnover in country consultations was not discerned from the minutes of the 2007 and 2009 consultations. Finland's Country Strategy for Development Cooperation with Ethiopia, 2013–16 mentions staff turnover in the public sector as a risk, but does not suggest a suitable strategy to address it, aside from identification of causes and continuous discussion between stakeholders and capacity enhancement.

The assumption of the GoE's commitment to tackle issues relating to regional disparities is valid. This is evidenced by prompt action taken by the GoE to solve the ethnic problems in Benishangul-Gumuz in the inception phase of REILA. After the discontinuation of the project, the regional authorities solved the problems and the project was continued. The situation is peaceful in the respective *woredas*.

- 3 At **immediate outcome level**, the assumption that the MoE has the capacity to implement the GEQIP activities with pooled funds was found to be uncertain. The core donors expressed satisfaction with the progress in implementing the GEQIP, evidence of which was based on disbursement of funds and indicators related to quantitative achievements (e.g. number of teachers upgraded, new curricula, pupil-to-book ratio enhanced). However, studies had not been undertaken to assess the quality of the training and its impact on the teaching/learning process. Student achievement tests did not indicate improved results of learning. At the same time, the stakeholders reported on the weak capacity of the MoE in monitoring the results of the programme.

The assumptions in water sector projects (Finn-WASH-BG and RWSEP) are valid. The communities have capacity to manage the water points using the CDF model after assistance has been phased out. Validity of the assumption under the REILA that the GoE is committed to take into account all ethnic groups and settlers equally is still difficult to assess since the project has not been implemented for long enough. However, the site visits indicate that the GoE is committed in this aspect.

Finnish programmes in water, and partly also in education, have increased capacity building activities during the evaluation period. The professional development programme for the regional, *woreda* and teacher education colleges was started in the SNE/IE programme based on the recommendation of the MTR in 2010. The most recent water sector programme, COWASH, invests most of its funds at regional level to capacity development in respective regions and *woredas*. Finn-WASH-BG and Tana-Beles Watershed Management programmes have mitigated the effects of high staff turnover by developing orientation programmes for new staff at *woreda* level and produced well-recorded procedural descriptions in the developed activities (monitoring).

Overall, it can be concluded that the intervention logic, despite its weaknesses around some of the assumptions, responds well to Finland's overall goal to support the GoE in implementing its poverty reduction strategies. The weakness in Finland's approach to designing its development assistance has been that a country strategy did not exist before 2013. The interventions in priority sectors have been planned in isolation from country-level contextual analyses. Cross-sectoral learning and experience-sharing would have been more effective under one strategy. Nevertheless, the choice of sectors has been relevant to Ethiopia's priorities and Finland's strength in these sectors.

As Finland's support is linked strongly under the development scenario, its link to the fragility and security nexus is not explicitly expressed. Fragility is tackled through equal provision of basic services and addressing weak governance through capacity development as well as at the regional level.

## 6 CONCLUSIONS

### 6.1 Relevance of support to the drivers of peace and development

Finnish development cooperation has been driven by the poverty reduction strategies of Ethiopia (PASDEP and GTP) during the period of this evaluation 2007–12. Ethiopia is defined as a “fragile state” due to high levels of poverty, regional and ethnic disparities, weak governance and capacity, gender inequality and lack of basic services. Hence, strengthening local governance and capacity building have been the overarching principles of Finnish assistance. These have also been the means of addressing fragility and promoting the sustainability of interventions. Regional interventions through IGAD and the Nile-Basin Initiative have also supported the drivers of peace and addressed fragility in the region.

The mix of sectors and aid instruments are appropriate for achieving the set objectives and addressing fragility. Concentration on three sectors has avoided fragmentation of aid. Finland’s support has been relevant in responding to Ethiopia’s development priorities. The evaluation findings also justify the conclusion that Finland has been relatively effective in producing the intended outcomes in provision of basic services in its priority sectors. However, effectiveness and sustainability of the capacity development approach in the Finnish bilateral and NGO/FLC projects has been weakened by high staff turnover.

The overall aim of Finnish support has been to promote poverty reduction through targeting disadvantaged rural areas with high poverty levels and vulnerable groups (disabled) in society. Impact of Finland’s contribution to poverty reduction at country level is difficult to assess due to lack of result-based monitoring of Finland’s entire programme and also GoE’s weakness in poverty monitoring. However, impact is discernible in sectoral interventions particularly in water and land (improved health and hygiene indicators and agricultural production) reflecting on poverty and enhanced gender participation. Educational opportunities for girls and to a certain extent for the disabled have increased through the education sector interventions.

### 6.2 Policy coherence and resource allocation

Due to the absence of a formal country strategy and an overall intervention logic for the country programme the Finnish development policy priorities were designed through separate sectoral interventions. Country-level interventions were implemented mainly through project and programme support in priority sectors. The Finnish bilateral development cooperation programme is coherent with Finnish policies and policy dialogue with Ethiopia. Other ODA-financed activities are also internally coherent with bilateral assistance. NGO and FLC activities are aligned with Finland’s development policy priorities and thematic areas. However, there is no systematic interaction between the two modalities at the field level. Monitoring the results of Finland’s programme as a whole has not been possible due to the lack of an intervention logic for the country programme.

The priority areas of the 2009 guidelines that Finland’s assistance is compliant with are enhancing good governance, capacity of state structures, economic growth, and provision of basic services. The overall strategy to manage the risk of high staff turnover has not yet been developed by the government and donors.

### 6.3 Cross-cutting objectives

Finland has been most successful in promoting gender equality through its interventions in the priority sectors and also through NGO support. Gender equality has been one of the main targets in the water and land sectors, and has not only been perceived as a cross-cutting objective. Finland has also been a strong advocate for the disabled in promoting their rights to education. Ethnic minorities have not been at the core of the Finnish development programme, but their rights have been addressed in disadvantaged areas in the land sector, an unintended finding that occurred during the start-up phase of REILA. The human rights approach has been integrated into the Finnish programme particularly through addressing gender and vulnerable groups. Finland has also addressed environmental protection and indirectly climate change in the water and land sectors with

good results. The lesson learned in relation to the integration of cross-cutting objectives is that comprehensive socioeconomic studies need to be undertaken during the identification and programme planning phases in order to integrate CCOs into programme design.

## 6.4 Aid effectiveness and development results

Finland has been active in donor coordination and aid harmonisation as a signatory of the 2005 Paris Declaration on Aid Effectiveness. As a relatively small donor Finland has aimed at greater impact of its assistance through cooperation with other donors. Participation in the DAG has paved the way for harmonisation. The education sector was the first to adopt a SWAp in the late 1990s. Since then Finland has been one of the core donors in the education sector and is currently active in promoting SWAps in the water sector.

## 7 RECOMMENDATIONS

- 1 We endorse continued support in the priority sectors but recommend broadening capacity development from training to management and development of monitoring systems at regional and *woreda* levels:
  - Finnish support to the selected sectors (water, education and land) has been successful. Continued support to these sectors is also confirmed by the new *Country Strategy for Development Cooperation with Ethiopia for 2013–16*. The weakest aspects concerning impact and sustainability of support in the priority sectors relate to governance and capacity.
  - Thus, the team recommends that Finland should broaden the capacity development concept (implemented mostly through training) to documenting the systematic approaches for planning, implementing and monitoring that were developed in the selected regions and *woredas*.
  - Preparing orientation manuals for new staff in the regions and *woredas* would mitigate the negative effects of high staff turnover.
  - Cross-sectoral learning from best practices should be commenced under the leadership of the embassy. For example, the monitoring system developed by the Tana-Beles Watershed Project could be used as a model for other projects.
- 2 Strengthening support to reducing fragility
  - Finland could support the GoE in planning and implementing a strategy to respond to the weak governance that has been exacerbated by high staff turnover, since Finland's strength as a relatively small donor has been the development and piloting of innovative models that can be mainstreamed.
  - We recommend consolidating and extending assistance in the selected disadvantaged region of Benishangul-Gumuz rather than spreading support thinly to other regions. This is justified by the modest interest of other donors in this region.
  - We recommend establishing coordination and cooperation mechanisms in water and land sector projects in Benishangul-Gumuz to achieve synergies and share experiences.
  - Finland should initiate, under the DAG, the development of a strategy to mitigate the risks of high staff turnover in the public sector and provide catalytic support in piloting the strategy in Finland's priority sectors.
- 3 Intensify regional cooperation to strengthen security and peaceful development in the region
  - Support to IGAD should be continued by strengthening the capacity of the organization. This would be in line with the Finnish overriding principle of strengthening governance through capacity building and reducing fragility in the region.
  - Finland's regional assistance started with support to the establishment of the ENTRO (2003–06). This has paved the way for regional security, preventing conflicts over water resources and promoting the sustainable use of Nile waters in the region.
  - We recommend that Finland should consider continuation of its regional support, even though there is currently no commitment to continue the support in the Nile Basin Area.

- 4 Finland should design an intervention logic for its entire country programme and implement results-based monitoring
  - The adoption of the Country Strategy for Development Cooperation 2013–16 has been a positive development, and in the coming year an effective results-based monitoring system on the entire programme level should be implemented.
  - We propose that the intervention logic (or theory of change) adopts a comprehensive approach, combining development cooperation with trade, private sector development, cooperation with the AU on crisis prevention, and regional cooperation. This will help in monitoring the achievement of peace and stability together with progress towards achieving the MDGs and a national development strategy.
  - Apart from biannual monitoring of the whole programme, we suggest that a mid-term evaluation should be undertaken for the purpose of flexibility in responding to changes in the political and socioeconomic context.
  
- 5 Continued support to CCOs but addressing also ethnic minorities in disadvantaged regions and paying more attention to mitigating the negative effects of HIV/AIDS.

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### 1 BACKGROUND TO THE EVALUATION

The evaluation at hand is the first evaluation of the Finnish development cooperation focusing on the peace, security and development nexus. Finnish development cooperation has been evaluated in several partner countries considered as fragile states; however, a large thematic evaluation combining analysis from different countries has not yet been conducted.

This evaluation will assess peace, security and development in the Finnish development cooperation through country and regional case studies. Some Finnish country programmes and aid portfolios in fragile states are addressing directly conflict prevention or crisis management with specific targeted activities. However, majority of the cooperation in these countries is addressing a wide range of development challenges supporting conflict prevention and mitigation in a comprehensive manner and often indirectly. Usually, development cooperation is implemented in parallel with other activities through diplomacy, crisis management and humanitarian assistance.

The evaluation will include two components. First component contains evaluation of the Finnish development cooperation in the Western Balkans which showcases a region that has come out of war and is now in different stages of EU integration. The second component, in turn, includes three other case study countries and areas each experiencing a different situation of fragility. The evaluation of the two components is organised in such way that the cross-fertilisation between them can take place. The findings of the both components are going to be merged into synthesis evaluation report and as such the two components are closely interlinked. This will guide the organisation of the evaluation process and the work of the evaluation team.

### 2 CONTEXT

Peace, security and development as well as the particular needs of fragile states have gained increasing attention in the international development discourse during the past decade. United Nations Millennium Declaration placed peace and security in the core of development together with poverty reduction, protection of the environment as well as human rights, democracy and good governance. The EU, in turn, in its key development policy document “The European Consensus on Development” of 2006 considered the needs of the fragile states as one of the five common principles defining EU’s response to development. The importance of fragile states was reaffirmed in the EU Council Conclusions “Increasing the Impact of EU Development Policy: an Agenda for Change” of May 2012. In addition, OECD agreed on the *Principles for Good International Engagement in Fragile States and Situations* in 2007. They contain commitments to maximise the contribution of development partners in fragile states and their implementation was monitored also in connection to the Paris Declaration monitoring process.

A new approach to the development of fragile states called “New Deal” was agreed at the Fourth High-Level Forum on Aid Effectiveness which was held in Busan in 2011. New Deal commits fragile states and their development partners to “do things differently” by designing and implementing interventions with an even greater consideration for the specific characteristics of fragile states; and to focus on “different things” by structuring development interventions around peacebuilding and statebuilding goals.

There are nearly 50 states in the world that are classified as fragile states. More than 1,5 billion people live in countries that suffer from violent conflicts or constant political and criminal violence. At the same time development is curtailed. Very often violence erodes the base underpinning peace processes that have brought an end to political violence. Weak institutions suffering from a lack of legitimacy are unable to generate security, justice or economic development that supports employment. This can lead to crises also in countries that appear to be stable.

The nature of conflicts and fragile situations has changed during the last decades. Conflict and fragility does not necessarily result from one-off episode of war but from a repeated cycle of violence, weak governance,

instability, poverty and competition over environmental resources as well as environmental hazards. While the repetitive nature of conflicts increases in some countries and regions, their possibilities to achieve sustainable development are diminished. Some of the fragile states are on track in achieving part of the millennium development goals (MDGs); however, achieving the targets is particularly challenged in low-income fragile states. According to the OECD, ODA is the biggest financial inflow in fragile states.

## 2.1 Peace and development in Finnish development policy

The role of development policy as part of conflict prevention and peace mediation is included in the Programme of the Finnish Government (2011). The Programme states that Finnish development cooperation funds can be increased towards supporting comprehensive security. This is also stated in the Government Report of 2012 on Finnish Security and Defence Policy. Also the previous Government Programme of 2007 emphasised the role of crisis prevention and support to peace processes in the Finnish development policy. In addition, both Government Programmes have emphasised women's role in crises and conflict prevention. Finland has a national action plan on the implementation of the UN Security Council Resolution 1325 on Women Peace and Security for the period of 2012–16.

Peace, security and development nexus has been one of the key elements of Finnish development policy during the past two decades. It is also a central element in the Finnish Development Policy Programmes of 2007 and 2012 which emphasise the interconnectedness between security and development. Key concept in Finnish development policies has been “comprehensive security” that encompasses human rights, development and security. In overall, comprehensive security can be supported through complementarity of different means: development cooperation, humanitarian assistance, diplomacy as well as military and civilian crisis management. Finland perceives development cooperation to have a particular role in conflict prevention and crisis recovery. In addition, Finnish development policies have emphasised the continuum between humanitarian aid and development cooperation in responding to the reconstruction and development needs of countries recovering from crises.

Finnish Development Policy Programme of 2012 emphasises long-term vision and commitment in supporting fragile states. These countries' ability to fulfil their basic functions and create economic growth is the key prerequisite for poverty reduction. Basic functions include security and justice as well as the ability to collect tax and customs revenues, which in turn can secure basic services and promote employment. Security and justice encompass human rights, democratic governance and a functioning civil society. Legitimacy and authority of the state are built through transparency and efficiency of governance as well as state's accountability to its citizens.

In 2009 the Ministry for Foreign Affairs published a document “Development and security in Finland's development policy – Guidelines on cooperation”. Being based on the Development Policy Programme of 2007, the document outlines priorities for Finland's work in the peace, security and development in activities financed through development cooperation. The document takes as a starting point the multiplicity of factors affecting fragility and places the concept of comprehensive security into the core of development policy response. Guidelines showcase policy work and operational activities Finland is promoting globally as well as in different regions. It also stipulates the geographic and thematic priorities of Finnish development cooperation. While geographic focus is on selected fragile states and areas, the thematic focuses, in turn, are stipulated as: (a) ensuring security and justice; (b) creating enabling environment for economic development and employment; and (c) strengthening the legitimacy of the state by supporting transparency, efficiency and accountability of the state and its governance structures towards citizens. The document also lists the methods and channels of development cooperation.

## 3 SCOPE

The evaluation focuses on Finland's country programmes and development cooperation portfolios, related policy dialogues and partnerships in selected fragile states and areas. While the focus of the evaluation is on country programmes and aid portfolios, the evaluation also looks into how development cooperation pro-

grammes interact with other Finnish ODA-financed activities supporting peace and development at the country level.

The evaluation concentrates particularly on the aspects of peace and development in the peace, security and development nexus. Security is only addressed when it is part of the country programme and development cooperation portfolio. Crisis management operations are not included in the evaluation.

The evaluation consists of two components:

**Component 1** includes the evaluation of the Finnish development cooperation in the Western Balkans encompassing Albania, Bosnia and Herzegovina, Kosovo, Croatia, Macedonia, Montenegro and Serbia. While assessing the entirety of the Finnish development interventions in the region, the particular scope of Component 1 is the implementation of Finland's Development Policy Framework Programme in the Western Balkans for the years 2009–13. Component 1 also contains the final evaluation of two regional projects, namely (a) Education for Sustainable Development in the Western Balkans (ESD); and (b) Consolidation of the Human Capacities in the Forest Policy and Economics Education and Research in the South-East Europe Region (FOPER I and II). The evaluation of the two projects will contribute also to the evaluation of the entirety of the Finnish development interventions in the region.

**Component 2** consists of case studies on Finnish development cooperation in Afghanistan, Palestinian Territories and Ethiopia. All of them are identified by the OECD/DAC as countries or areas in fragile situations.

When analysing the country programmes and development cooperation portfolios in the case study countries, the evaluation is not intended to examine each individual intervention meticulously but rather focus on how the entire country programme or cooperation portfolio and the related policy dialogue and partnerships support the drivers of peace and development in that particular context.

The evaluation covers bilateral instruments and bilateral contributions through multilateral channels (so-called multi-bi cooperation). In addition to sector support, programmes and projects, the bilateral cooperation instruments include FLC administered by the Finnish embassies and projects under the Institutional Cooperation Instrument. Activities of the Finnish CSOs in the case study countries are looked at as an entirety and as part of the overall Finnish contribution in a country. Similarly, while humanitarian aid and civilian crisis management operations are not included in the scope of this task, the evaluation looks at the interface between development cooperation and other ODA-financed activities at the country level in enhancing comprehensive approach to peace, security and development.

The scope of information sources include the development strategies of the case study governments, Finland's development policy programmes, thematic and geographic guidance documents, previously conducted country programme or thematic evaluations, country analyses, reviews and reports, country-specific development cooperation plans, agreed minutes of the bilateral or other consultations, programme and project documents and similar documents. The evaluation team is also encouraged to use different local sources of information when available.

The temporal scope of the evaluation is 2007–12 covering the two Development Policy Programmes of 2007 and 2012. As an exception, the evaluation of Western Balkans (Component 1) covers the entire span of Finland's development interventions in the region.

## 4 PURPOSE OF THE EVALUATION

The purpose of the evaluation is to draw lessons on how Finnish development cooperation supports peace and development in fragile states. In addition, the purpose of Component 1 is to provide an assessment on the overall results and lessons learned of the Finnish development interventions in the Western Balkans region.

It is expected that the evaluation will bring forward issues, lessons learned and recommendations on Finland's contributions to peace and development in fragile states to support decision-makers at different departments

of the Ministry. The purpose of the evaluation is to benefit the overall development policymaking of the Ministry for Foreign Affairs and, in addition, to support the *Guidelines on Fragile States* which the Ministry for Foreign Affairs is in the process of drafting.

Evaluation serves as a tool for accountability and its purpose is to inform also the general public, parliamentarians, academia and the wider community of development professionals on the use and achievements of the development cooperation which is financed by public funds.

## 5 OBJECTIVE OF THE EVALUATION

The objective is to provide a comprehensive overall independent view on the achievements, contributions and weaknesses of Finnish development cooperation in supporting peace and development in fragile states. Evaluation will provide lessons learned from the past cooperation focusing on the priorities of the Finnish development policies. Finally, the evaluation will give recommendations on how to enhance the implementation of policy priorities in supporting peace and development through development cooperation.

The specific objective of the evaluation is to seek answers to the following main evaluation questions:

- 1 Has Finnish development cooperation provided relevant support to the drivers of peace and development in fragile states including poverty reduction? Have the choice and mix of sectors and instruments contributed to these targets?
- 2 What have been the mechanisms to integrate the Finnish development policy priorities also stipulated in the 2009 guidelines “Development and security in Finland’s development policy” in the country level interventions? Are development interventions on the ground complying with the priorities and thematic focuses of the development policies and the 2009 guidelines?
- 3 How have the cross-cutting objectives been integrated in Finland’s development interventions in fragile states? How has their integration/non-integration affected identified and achieved results? What are the lessons learned and best practises in implementing cross-cutting objectives?
- 4 How have the aid effectiveness commitments been integrated in the Finnish development interventions? How has their application supported development results and the overall objective of peace and development? What have been the lessons learned and best practises?

The main evaluation questions will be studied through total of four case studies covering countries and areas in different situations of fragility.

## 6 ISSUES BY EVALUATION CRITERIA

The following **issues by evaluation criteria** will guide the evaluation in all of the case studies. Priority issues for each criterion are indicated below. The listed priority issues have also benefited from the DAC guidelines on Evaluating Peacebuilding Activities in Settings of Conflict and Fragility (2012). It is expected that the evaluation team will develop more detailed evaluation questions based on the priorities set below and expand the set of questions where it deems this necessary.

### Relevance

- Assesses the choice of development interventions and their stated objectives in the context of partner country’s policies and development objectives as well as the particular situation of conflict and fragility of the country under examination.
- Analyses the extent to which the objectives of Finland’s country programmes or cooperation portfolios are consistent with the objectives of the Finland’s development policies also stipulated in the 2009 guidelines “Development and security in Finland’s development policy”.
- Includes assessment of relevance through the perceptions of different beneficiary groups at different levels of interventions (national, regional, local) with the particular focus on the final users and groups, including those addressed through cross-cutting objectives.
- *For Component 1 only:* Analyses the extent to which the objectives of Finland’s development cooperation in the Western Balkans are consistent with the objectives of Finland’s Development Policy Framework Programme 2009–13 for the Western Balkans.



### Effectiveness

- Considers how Finland has contributed to countries' capacities to produce basic services and reduce poverty taking into account the context of fragility. Assessment includes an analysis on how the trends of fragility have affected the achieved objectives, how risks have been managed and how the implementation of aid effectiveness commitments has contributed to the achieved results.
- *For Component 1 only:* Assesses to what extent Finnish development cooperation has achieved its objectives in the Western Balkans as stated in the consecutive regional strategies and Development Policy Framework Programme.

### Impact

- Refers to the wider achievements of Finnish development cooperation in the country under examination in terms of contributions to security and justice, economic development and employment as well as strengthened the authority and legitimacy of the state.
- Focuses on how the impact is perceived by the different beneficiary groups with the particular focus on the final users and groups, including those addressed through cross-cutting objectives.
- *For Component 1 only:* Refers to the wider impact of Finnish development cooperation to Western Balkan's development towards multiethnic societies, rule of law and European democracy.

### Sustainability

- In the context of fragile states, sustainability refers particularly to how different interventions support the sustainability of resilience towards trends of fragility and conflict. The analysis includes assessment if Finnish development cooperation has contributed to the long-term drivers of peace as a key element for sustainability.
- Assessment focuses on how leadership, ownership and capacity have been supported to strengthen sustainability of interventions. Analysis also considers how participation of men and women as well as different beneficiary groups have been organised.
- *For Component 1 only:* assesses if the exit from the overall regional framework programme has been managed in a way to support sustainability.

### Coordination

- Looks into the costs and benefits of investing in division of labour and other coordination activities. The analysis examines if Finnish development cooperation activities are coordinated with other development partners and if this coordination has improved the relevance, effectiveness and impact of Finnish development cooperation.

### Coherence

- Assesses the internal coherence of Finnish policies, policy dialogue and development cooperation including an assessment on how development cooperation has interacted with other Finnish ODA-financed activities at the country level.
- Assesses the coherence of Finnish policies and development cooperation with wider donor communities' policies and interventions.

### Efficiency

- Focuses on the working modalities related to aid delivery and management. The assessment considers particularly if the chosen working modalities as well as the number and size of interventions have supported efficient aid delivery and reaching of the intended beneficiaries.

For the **final evaluation of the two regional projects (ESD and FOPER I & II) included in the Component 1** the priority issues for each criterion are indicated below. It is expected that the evaluation team will develop more detailed evaluation questions based on the priorities set below and expand the set of questions where it deems this necessary

### Relevance

- Focuses on the objectives and achievements of the project and their consistency with the policies of the partner countries and with the needs and priorities of the different stakeholders, including all final beneficiaries.



### **Effectiveness**

- Focuses on the achievement of project's immediate objectives.
- Assesses to what extent the achievements of the project have supported human rights and cross-cutting objectives of gender equality, reduction of inequalities and promotion of climate sustainability.

### **Impact**

- Assesses the progress towards achieving the overall objectives of the project taking also into account the aspects of strengthening regional integration.
- Analyses the overall impact of the project, intended and unintended, positive and negative.
- Focuses on how the impact is perceived by the different beneficiary groups with the particular focus on the final users and groups.

### **Sustainability**

- Assesses if the benefits produced by the project will be maintained, including the achievements in human rights, gender equality, reduction of inequalities and promotion of climate sustainability.
- Examines if the phasing out/exit from the project has supported the sustainability of the benefits produced.

### **Efficiency**

- Focuses on the project's working modalities. The assessment considers particularly if the chosen working modalities and the size of the project have supported efficient aid delivery and reaching of the intended beneficiaries.

## **7 STRUCTURE OF THE EVALUATION: COMPONENTS 1 AND 2**

The evaluation consists of two components. It is organised in such a way that the two components can learn from each other. While their findings are presented separate reports, they are also merged into one synthesis report.

### **7.1 Component 1: Evaluation of the Finnish development cooperation in the Western Balkans**

Component 1 of the evaluation contains the evaluation of Finnish development cooperation in the Western Balkans and the final evaluation of two regional projects, namely Education for Sustainable Development in the Western Balkans (ESD) and Consolidation of the Human Capacities in the Forest Policy and Economics Education and Research in the South-East Europe Region (FOPER I & II). Out of the Western Balkan countries Kosovo and Bosnia-Herzegovina are considered as fragile states and they are also included into the geographic priorities of the 2009 guidelines.

Finnish development cooperation in the Western Balkans started in 1996. Cooperation has been guided by strategy papers of 1999, 2003 and 2009. The 1999 strategy paper identified livelihoods and support to civil society as priority areas for bilateral development cooperation. In the 2003 strategy, in turn, supporting human resources development, administrative capacities and civil society were identified as priority areas. Both strategies contained the use of different financing instruments (for example bilateral development cooperation, humanitarian aid and civil crisis management) in supporting stabilisation of the Western Balkans.

In 2009 the Ministry for Foreign Affairs published a Development Policy Framework Programme of the Western Balkans for the years 2009–13. The Policy Framework Programme has been implemented under Government Development Policy Programmes of 2007 and 2012. The thematic priorities of the Finnish development cooperation were identified as stability and security, aid for trade, environment and social sustainability. In addition to country-specific programmes, the framework programme identified regional programmes particularly in the environment sector. The strategy emphasises complementarity and coordination of Finnish development cooperation with other donors, placing particular attention to the complementarity of the Finnish cooperation to the Instrument for Pre-accession Agreement (IPA) and other programmes of the European Com-

mission. While the evaluation will assess the entirety of the Finnish development interventions, the particular focus will be on the implementation of the Policy Framework Programme of 2009–13.

The current Framework Policy Programme is ending in 2013. There is no new Framework Policy Programme or regional development cooperation strategy expected after this. In practise this means that Finnish development cooperation is scaled down. The scaling down has already started during the implementation of the current Framework Policy Programme.

Comprehensive evaluations on the Finnish development cooperation in the Western Balkans have been conducted on Bosnia and Herzegovina in 2004 and on Kosovo in 2008. In Bosnia-Herzegovina Finnish development cooperation was considered generally relevant including the post-conflict perspective and that the set goals were reached. Development cooperation instruments were assessed to be well chosen and the management of projects effective and inclusive. According to the evaluation the main challenge was sustainability. The evaluation on Finland's development cooperation in Kosovo, in turn, found out that the cooperation had been innovative in terms of solutions and instruments. In addition, Finnish contributions were able to make a difference due to thematic concentration and the country programme had not suffered from deficient donor coordination. While Finnish support was found out to be successfully switched from emergency phase to development cooperation, the evaluation considered the planned cooperation in Kosovo too detached from the general goal of EU integration.

During the years Finland has supported the Western Balkans' regional stability and security and EU integration comprehensively by means of foreign and security policy measures, including military and civilian crisis management, economic and commercial activities, and development cooperation. In 2011, the Finnish ODA to the Western Balkan countries was €9,8 million.

## **7.2 Component 2: Other case studies on peace and development in Finnish development cooperation**

Component 2 consists of further case studies on how Finland has contributed to the peace and development in fragile states. The selected case study countries and areas represent different situations of fragility. In addition, the content and the programming process of Finnish development cooperation vary among the case study countries.

### **Afghanistan**

Finland's Development Policy Programmes of 2007 and 2012 as well as the 2009 guidelines refer to Afghanistan as fragile country where Finland is committed to long-term development cooperation. Large part of the Finnish development cooperation in Afghanistan is channelled through multilateral trust funds such as the Afghan Reconstruction Trust Fund (ARTF) by the World Bank and the Law and Order Trust Fund for Afghanistan (LOTFA) by the UNDP. Aid is also channelled, for example, through CSOs. Humanitarian aid and civilian crisis management constitute of a considerable share of the ODA in Afghanistan. In year 2011, the Finnish ODA to Afghanistan was €22,3million.

Finnish development cooperation in Afghanistan was evaluated in 2007. According to the evaluation Finnish aid in Afghanistan has been coherent and relevant to the priorities of Afghanistan and many programmes have had a positive impact with high impact potential. The evaluation recommended more considerations on possible negative consequences as part of the aid may have adverse effects.

### **Palestinian Territories**

Finland's Development Policy Programmes of 2007 and 2012 as well as the 2009 guidelines refer to Palestinian Territories as a fragile area where Finland is carrying out development cooperation. Finland's development cooperation portfolio can be described as a statebuilding programme with an aim to support the peace process and the capacities of the Palestinian institutions to take care of state functions. Finnish development cooperation concentrates on education, land registration and water sectors. In addition to the bilateral programme, support has been channelled through multilateral organisations and the EU. Finland is also providing humanitarian aid in the Palestinian Territories and participates in the civilian crisis management operation in the country. In 2011, the Finnish ODA to the Palestinian Territories was €11,6 million.

## Ethiopia

Ethiopia is one of Finland's long-term partner countries and Finland has a comprehensive country programme to support drivers for peace and development. The guidelines of 2009 note that support to Ethiopia is justified from the perspective of fragility in addition to the overall development needs. In addition, Ethiopia is an important regional player and a centre of stability in the conflict prone and volatile Horn of Africa. The country programme concentrates on education, water and rural economic development. In addition to development cooperation through various instruments, humanitarian aid can constitute a large part of the ODA in Ethiopia. In 2011, the Finnish ODA to Ethiopia was €17,0 million.

Finnish country programme in Ethiopia has been evaluated in 2010. The evaluation found Finnish development cooperation tightly focused, relatively coherent and highly relevant. Development cooperation was also found reasonably effective and efficient. Its impact particularly on the water sector was considered significant. The overall sustainability and impact was found satisfactory. In addition to the country programme evaluation, Finnish cooperation in the Ethiopian water sector was evaluated part of a large thematic evaluation in 2010 (evaluation report 2010:3). This evaluation will also benefit from the results of the ongoing evaluation of the complementarity in the Finnish development policy and cooperation. The evaluation will assess the activities of the Finnish NGOs in Ethiopia among other countries. The results of the complementary evaluation will be available during second half of 2013.

## Other evaluations

In addition to the case studies listed above, the evaluation will benefit from the findings on the evaluation that assessed Finnish support to the peace process in Nepal which is one of Finland's long-term partner countries and considered as a fragile state by the OECD/DAC. The evaluation was done as part of a joint evaluation led by Denmark including also Switzerland and Finland (report "Evaluation of the international support to the peace process in Nepal 2006–12" is expected to be available during first half of 2013). Finland's contribution in the evaluation focused on the different peace building activities at the level of individual people, in particular women and ethnic minorities in rural areas. The Finnish sub-evaluation report was published in 2012 (*Finland's Contribution to Building Inclusive Peace and Nepal: Evaluation Report 2012:7*). The findings of the evaluation can be used also in the context of Nepal's country programme evaluation report published in 2012.

## 8 GENERAL APPROACH AND METHODOLOGY

As mentioned earlier, the evaluation looks at the country programmes or development cooperation portfolios as a whole. In addition, evaluation looks into the related policy dialogue and established development partnerships in the partner countries. Finland's contributions are analysed in the light of partner countries' policies and actions as well as part of the wider donor community operating in the country.

The evaluation takes as its starting point context analysis of the situation of fragility done during the desk study phase in each case study country or area and assesses Finland's development cooperation within this context.

The evaluation will involve stakeholders in the Ministry and Finnish embassies as well as relevant institutions and stakeholder groups in the partner countries. Principles of participatory evaluation are applied and during the field work particular attention will be paid to ensure that women, marginalised and vulnerable groups are included.

Interview groups for the desk study and field visit phases are to be identified by the evaluation team in advance. EVA-11 will inform those concerned within the Ministry and in the case study countries the evaluation team is introduced to the main governmental and administrative authorities by the Finnish Embassy. The actual logistics and arrangement of interviews is the task of the evaluation team. EVA-11 will provide also team with an introductory letter with the help of which the team can approach different stakeholders for interviews and document retrieval.

The field visits will be divided in a following way between the two phases:

**Component 1:** Western Balkans focusing on Kosovo and Bosnia-Herzegovina. During the Policy Framework Programme of 2009–13 bilateral programmes have focused on Kosovo while Bosnia-Herzegovina was former

focus country in the region. In current Policy Framework Programme Bosnia-Herzegovina is a partner in the regional programmes and projects. Other shorter field visit countries in the region are Serbia, Montenegro and Croatia including also visits to the two regional projects.

### **Component 2: Afghanistan, Palestinian Territories and Ethiopia.**

Particular attention is paid to the adequate length of the field visits to enable sufficient collection of data also from sources outside of the institutional stakeholders. Some of the case study countries pose particular practical issues related to the security of the evaluation team members. These issues are discussed more in detail in the beginning of the evaluation process and the evaluation team will conduct the field work taking the security instructions into account. The timing and organisation of the field visit to Afghanistan will be planned in close collaboration with the Finnish Embassy in Kabul and it will be conducted according to the security procedures of the Embassy.

The team is expected to use methods suitable to fragile contexts and take advantage of local sources of information including information collected from the final beneficiaries when possible. Evaluation team is expected to propose a detailed methodology in the evaluation matrix which will be presented in the inception report covering both Components 1 and 2. The methods used will be mixed multiple methods which enable triangulation in the drawing of results. Validation of results must be done through multiple sources. No single statements should be taken as a general outcome.

During the process particular attention is paid to a strong inter-team coordination and information sharing between the two components. In addition, the evaluation team is expected to show sensitivity to gender roles, ethnicity, beliefs, manners and customs of all stakeholders. The evaluators shall respect the rights and desire of the interviewees and stakeholders to provide information in confidence. Direct quotes from interviewees and stakeholders are not used in the reports.

The evaluation team is expected to raise issues which it deems important to the evaluation but are not mentioned in these ToR. Similarly, the team is expected to take up issues included in the ToR which it does not deem feasible.

## **9 EVALUATION PROCESS, TIMELINES AND DELIVERABLES**

The evaluation consists of the following phases and will produce the respective deliverables. The process will move forward according to the phases described below and new phase is initiated when all the deliverables of the previous phase are approved by EVA-11.

### **I Start-up meeting**

**Deliverable:** Start-up note and start-up meeting

The purpose of the start-up meeting is to discuss the entire evaluation process including practical issues related to the field visits, reporting and administrative matters. Start-up meeting can be organised also as a video conference or a webinar. The start-up meeting is expected to be organised during the month of July 2013.

In the start-up note the evaluation team presents how it intends to approach the entire evaluation task. The start-up note will look more in detail to the issues related to the both components as described in these ToR. The start-up note is presented four (4) weeks after the signing of the contract.

### **II Inception**

**Deliverable:** Inception report

This phase includes the preparation of the inception report for both components and organisation of the inception meeting in Helsinki.

Production of the work plan and the evaluation matrix of the main evaluation questions presented in these ToR constitute the inception report. Evaluation questions are presented through more specific research questions, respective indicators and judgement criteria. Sources of verification are also indicated. Separate evaluation matrix is prepared for the two regional projects to be evaluated in the Western Balkans.

The methodology will be explained, including the methods and tools of analyses. The inception report will make special attention to the methodological needs of evaluating development cooperation in the context of fragility. It will also elaborate specific issues related to the fragility trends in the cases of Component 1 and 2 and how they affect the approach and methods.

The inception report will show the fine-tuning of the tasks between the team members involved in both components, present a list of stakeholder groups to be included into the interviews as well as an outline of the interview questions to be used for the interviews in Finland. The inception report will also suggest an outline of the final reports. The structure of reports will follow the established overall structure of the evaluation reports of the Ministry.

The inception report should be kept concise and should not exceed 20–25 pages, annexes included. The inception report will be submitted in September 2013.

### **III Desk study**

**Deliverable:** Desk study report

Desk study phase consists of analysis of the written material. Desk study report will provide a concise analysis of the policies, guidelines, and other documents related to the evaluation subject. It will also present a plan for the field visits including the identification of local interviewee groups (government authorities, academia, research groups/institutes, civil society representatives, other donors etc.) and sources of information (studies, publications etc.) and an outline of the interview questions according to the interviewee groups in each of the field visit countries.

Draft desk study report will be submitted to EVA-11 prior to the interviews in Finland and is subject to approval by EVA-11 prior to the field visit. The report should be kept concise and clear. It should be submitted latest six (6) weeks after the inception meeting.

Interviews in Finland will be conducted based on the analysis of the written material. This will enable informed discussions with the interviewees. Interviews with the high policy level interviewees of the Ministry will be organised as joint sessions including both components and all case studies of the evaluation.

### **IV Field visits to Western Balkans (Component 1) and to other case study countries (Component 2)**

**Deliverable:** Presentation supported by power point on the preliminary results.

The field visits of Components 1 and 2 are organised in such a way that the field visit to the Western Balkans is initiated first and is expected in January 2014. The field visit is going to focus on Kosovo and Bosnia-Herzegovina, however; it will also contain shorter visits to Croatia, Serbia and Montenegro including also visits related to the final evaluation of the two regional projects ESD and FOPER I & II.

Field visit to the three (3) other case study countries is expected to be conducted in January – February 2014.

The purpose of the field visits is to reflect and validate the results of the desk study phase and assess the situation on the ground in the light of policy and programming analysis. The purpose of the field visit is to make further assessments and fill any gaps in the information. The field visit will contain the collection of local sources of information as a key element of the evaluation.

The preliminary results of field visits will be presented, supported by a power point, to EVA-11 after the return from the field. Results are presented in a form of a webinar. The team is also expected to provide an oral presentation on the preliminary results at the end of the each field visit to the staff of the respective Finnish embassy or representative office. Webinars can also be used in the case of possible shared sessions between the embassies.

After the field visit further interviews and document study in Finland may still be needed to complement the information collected during the desk study phase and the field visits.

### **V Final reporting**

**Deliverable:** Final reports (including semi-final draft reports, final draft reports and final reports) and public presentation supported by power point.



The final reporting contains the following deliverables:

- Evaluation report on Finnish development cooperation in the Western Balkans including the findings of the final evaluation of the projects (a) Education for Sustainable Development in Western Balkans (ESD); and (b) Forest Policy and Economics Education and Research (FOPER I & II) as annexes.
- Synthesis report on peace and development in Finnish development cooperation. In addition to the synthesis, the results of each three cases of Component 2 will be presented and reported either as part of the synthesis report or separately.

The timetable of the delivery of semi-final draft reports, final draft reports and final reports is as follows:

The semi-final draft reports are available six (6) weeks after the end of the field visits. The semi-final draft reports will be commented by EVA-11. It is possible that semi-final draft reports will be also shared with some key informants.

Final draft reports will be available within three (3) weeks after the comments to the semi-final draft reports.

Final draft reports will be subjected to a round of comments by the parties concerned. It should be noted that the comments are meant only to correct any misunderstandings or factual mistakes instead of rewriting the report.

The reports will be finalised based on the comments received and will be ready within three weeks after receipts of the comments. The final reports are expected no later than in June 2014.

A special effort should be made by the evaluation team to produce concise the informative reports. Detailed instructions on writing the report are given in Section 8.1.

Presentation of the findings of the evaluation will be held in Helsinki no later than June 2014.

In addition to the presentations in Finland, a presentation of the findings of the evaluation will be organised through also through a webinar. Special attention is going to be made to include representatives of the partner countries in the webinar.

## **9.1 Writing of the reports**

The evaluation team will ensure that the evaluation reports are concise and informative and can be easily understood also by those who are not specialists in development cooperation.

Final reports must follow the Instructions to Evaluation Report Authors which will be provided to the evaluation team in the beginning of the assignment. The team should agree on common formats (type of bullet points, format of tables etc.) and to ensure that all team members are following the overall instructions to the authors. The final reports shall be subjected to a language check and a thorough check of details before reports are submitted to EVA-11. The editorial and linguistic quality of the final report must be ready-to-print. The Ministry will be responsible for the translation of the abstract and the summary into Finnish and Swedish.

In addition to the assessments of the quality assurance experts, evaluation reports will be subjected to a peer review of international experts. The views of the peer reviewers shall be available on the basis of anonymity to the evaluation team.

In overall, the evaluation teams should observe in its work the OECD/DAC and EU aid evaluation quality standards of the evaluation process and reports. A matrix combining the OECD/DAC and EU quality standards for evaluations is made available to the team in the beginning of the assignment.

Should it happen that the final evaluation reports do not comply with the requirements spelled herein, the instructions to authors and the quality standards of the OECD/DAC and EU, there will be penalties to the service provide as specified in the contract.

Finally, each deliverable is subjected to EVA-11's approval. The evaluation team is able to move to the next phase only after receiving a written statement of acceptance by EVA-11.

## 10 EXPERTISE REQUIRED

In overall, successful conduct of the evaluation requires a deep understanding of peace, security and development nexus. It also requires experience in and knowledge of the case study countries as an operating environment for development cooperation. Finally, the successful conduct of the evaluation requires experience on fragile states as a subject and environment for evaluations.

The evaluation team will include a mix of senior male and female experts. The team also includes experts from both developed and developing countries.

**All experts** shall have a minimum of MSc/MA university education and be fluent in oral and written English (level 6). One of the senior experts shall be a native speaker of Finnish language. Knowledge of local administrative languages of the case study countries among the experts will be an asset.

One of the senior experts of the team will be identified as the team leader. The team leader will lead the work of both components and will be ultimately responsible for the deliverables. The evaluation team will work under the leadership of the team leader who carries the final responsibility of completing the evaluation. The identified team leader will lead the work of both Component 1 and 2 of the evaluation to ensure the continuity of the process and feeding of the findings between the two components.

Detailed team requirements are included in the Instructions to the Tenderers (Annex A to the Invitation to the Tenderers).

### 10.1 Document retrieval and other assistance to the evaluation team

It is necessary that the evaluation team consists of one junior expert to support the team in document retrieval as well as logistical arrangements.

Part of the documentation, particularly concerning the Western Balkans, is already collected and is available to the team. However, document retrieval is still needed and should be initiated in the beginning of the evaluation process. Document retrieval should be done by the junior member of the team under a supervision of a senior team member. EVA-11 will provide support in the document retrieval to the extent possible. However, it is the responsibility of the evaluation team to ensure that all documentation necessary to a successful conduct of the evaluation has been collected.

The junior expert will be a native speaker of Finnish language. She/he will serve in the document retrieval, practical organisation, logistics, and similar tasks in Finland. She/he may be required to review and summarise some documentation that exists only in Finnish language. His/her residential location should enable him/her to be available on a short notice.

The junior expert is required to have a minimum academic qualification of MSc or MA, and a minimum of two years of working experience after the graduation. The junior expert will be fluent in oral and written English (level 6).

There is no opportunity to claim per diems, rental or residential expenses, or other travel than local public transport fees to the junior expert from the evaluation budget.

## **10.2 Quality assurance**

Two quality assurance experts will be required. These two experts need to be highly experienced, their expertise and experience corresponding the level and qualifications of team leader position. They have provided quality assurance services at least for three (3) processes, and are familiar with the international frameworks of the OECD/DAC and the EU regarding the aid evaluation quality standards and of the evaluation reports.

The quality assurance experts will review all the deliverables and offer advice at each juncture of the evaluation process that includes submission of a deliverables. The reports of the quality assurance experts will also be submitted to EVA-11. At the end of the evaluation process the quality assurance experts will fill in the EU's quality grid for evaluation reports.

## **11 BUDGET**

The total budget of the evaluation including both Component 1 and Component 2 is €600 000 (VAT excluded).

## **12 MANDATE**

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organisations. However, it is not authorised to make any commitments on behalf of the Government of Finland. The evaluation team does not represent the Ministry for Foreign Affairs of Finland in any capacity.

The evaluation team has no immaterial rights to any of the material collected in the course of the evaluation or to any draft or final reports produced as a result of this assignment.

Helsinki, 2 April 2013

Aira Päivöke  
Director  
Development Evaluation

## ANNEX 2 PEOPLE INTERVIEWED

Name	Organisation	Position
Leo Olasvirta	MFA Finland	Department for Africa and Middle East, former Ambassador to Ethiopia
Jussi Karakoski	MFA Finland	Department for Development Policy, Education Advisor
Minna Hares	MFA Finland	Department for Africa and Middle East, Desk Officer for Ethiopia
Kirsi Pulkkinen	MFA Finland	Department for Development Policy, NGO Unit, Desk Officer for Ethiopia
Harri Seppänen	NIRAS	Home Office Coordinator for Finn-WASH-BG
Henna Tanskanen	NIRAS	Home Office Coordinator for Tana-Beles WME
Tommi Tenno	NIRAS	Home Office Coordinator for REILA
Mikaela Kruskopf	NIRAS	Monitoring specialist, Tana-Beles WME
Elis Karsten	RAMBOLL	Home Office Coordinator for COWASH and former CTA for Rural Water Supply and Environmental Programme in Amhara Region, Phase IV 2007–12
Anja Koskinen	Finnish Evangelical Lutheran Mission (FELM)	Project Coordinator
Yalemzewd Demissie	Ministry of Agriculture	Senior Land Admin Expert
David Harris	Ministry of Agriculture	REILA Team Leader
Dr Zerfu Hailu	Ministry of Agriculture	Deputy Team Leader, REILA
Mohammed	Ministry of Education	SNE Directorate, MoE
Solomon Shiferaw	Ministry of Education	Head of Planning and Policy
Mohammed	Ministry of Education	In-service training of Teacher Development Programme
Mesfin Zewdie	Ministry of Women, Youth and Children Affairs	Program resource mobilisation expert
Abay Amare	Ministry of Women, Youth and Children Affairs	Communications Officer
Kokeb Misrak	Ministry of Finance and Economic Development (MoFED)	Director of Bilateral Cooperation
Arto Suominen	Ministry of Water, Energy and Irrigation	Chief Technical Advisor, COWASH
Abraham Ayalew	Human Rights Commission	Legal Advisor
Diribu Jamal	Oromia Bureau of Land Admin and Environmental Protection	Head of Bureau
Yadessa Dinsa	Oromia Bureau of Land Admin and Environmental Protection	Senior expert
Herpassa Yadessa	Oromia Bureau of Land Admin and Environmental Protection	Expert
Kebede Feyisa	Ilu <i>Woreda</i> (Oromia) Land Admin and Environmental Protection Office	Head
Kumesa Workneh	Ilu <i>Woreda</i> (Oromia) Land Admin and Environmental Protection Office	Surveyor
Tenya Gudissa	Ilu <i>Woreda</i> (Oromia) Land Admin and Environmental Protection Office	Surveyor

Abele Keterma	Ilu <i>Woreda</i> (Oromia) Land Admin and Environmental Protection Office	Registrar
Belay Bizuneh	SNNPR Education Bureau	GEQIP focal person
Solomon Gizachew	SNNPR Education Bureau	Finland SNE focal person
Seifu Bekele	SNNPR Education Bureau	Learning and Teaching Assessment Head
Abera Willa	SNNPR Land Administration, Use and Environmental Protection	Head and Process Owner
Woliyou Mohammed	Maskan <i>Woreda</i> (SNNPR) Land Admin and Use	Coordinator
Shewaye Tesfaye	Maskan <i>Woreda</i> (SNNPR) Land Admin and Use	Quality Control
Eyuraselem Feleke	Maskan <i>Woreda</i> (SNNPR) Land Admin and Use	Information and Documentation
Sherifa Nuru	Wolensho 2 <i>Kebele</i> (Meskan <i>woreda</i> )	Land Admin and Use Committee Member
Mekonnen Lema	Wolensho 2 <i>Kebele</i> (Meskan <i>woreda</i> )	Land Admin and Use Committee Member
Etagegn Gebre	Wolensho 2 <i>Kebele</i> (Meskan <i>woreda</i> )	Holder of land from the first husband and now the 2 <sup>nd</sup> wife
Tikunesh Sitota	Wolensho 2 <i>Kebele</i> (Meskan <i>woreda</i> )	Holder of land and widow
Mitiku	Amhara region Bureau of Agriculture	Manager of Tana-Beles Watershed Management Project
Ato Lakew Desta	Amhara region Bureau of Agriculture	former Capacity Building Expert in Tana-Beles WME
Desalegn Simache W Mihretie	Benishangul- Gumuz Region Metekel Zonal Office (Finn-WASH team)	Field Advisor
Tilahun Abebe	Benishangul- Gumuz Region Metekel Zonal Office (Finn-WASH team)	BoFed WASH & Finn-WASH Coordinator
Tapio Niemi	Benishangul- Gumuz Region Metekel Zonal Office (Finn-WASH team)	Finn-WASH Programme Coordinator
Dawud Adowe	Benishangul- Gumuz Region Metekel Zonal Office (Finn-WASH team)	Water specialist, <i>Woreda</i> Office
AbelnehTeshare	Benishangul- Gumuz Region Metekel Zonal Office (Finn-WASH team)	Chairman Water Users' Association
Lakew Desta	Benishangul- Gumuz Region Metekel Zonal Office (Finn-WASH team)	former Capacity Building Expert in Tana-Beles WME
Anne Sillanpää	Bulen <i>Woreda</i>	REILA Junior Expert
Debash Yiderasal	Bulen <i>Woreda</i>	Land Administration Expert
Dawud Adowe	Bulen <i>Woreda</i>	Land Administration Expert
Desalelu Gedi	Gilgel Beles <i>woreda</i>	Principal of Primary School
Sirpa Maenpaa	Embassy of Finland	Ambassador
Marko Saarinen	Embassy of Finland	Counsellor, Water, Land Administration
Janne Oksanen	Embassy of Finland	First Secretary, Head of Cooperation (Trade)
Paula Malan	Embassy of Finland	Councillor, Education
Meseret Mengistu	Embassy of Finland	FLC Coordinator
Abdi Aden	DFID	Peace and Development Programme Advisor
Toby Sexton	DFID	Peace and Development Programme Advisor



Martha Solomon	DFID	WASH Advisor
Shewit Emmanuel	DFID	Private Sector Development (PSD) Advisor
Simon Lapper	DFID	LIFT Team Leader
Menbere Alebachew	DFID	LIFT Consultant
Belay Addise	DFID	Education Advisor
Tesfaye Bekalu	World Bank	WASH Specialist
Thanh Thi Mai	World Bank	Senior Education Specialist
Dr Samuel Godfrey	UNICEF	WASH Section Chief
Dr Sibeso Luswata	UNICEF	Chief Education Advisor
Alembanchi Molla	UNICEF	Project Officer
Setotaw Yimam	UNICEF	Education Specialist
Michelle Shen	USAID	Chief, Education Office
Dr Solomon Bekure	USAID	Land Administration to Nurture Development Programme, Team Leader
Prof Belay Kassa	USAID	Land Administration to Nurture Development (Deputy Team Leader)
Tegege		
Paul Sherlock	Irish Aid	Head of Development
Commander Abebe Mulunch	IGAD	Head of Security Sector Programme
Ato Abraham	Human Rights Commission	Legal Advisor
Yoseph Endeshaw	FLC	NGO Support Complementarity Evaluator
Masresha Kibret	JeCDDO	Managing Director, Awassa Branch

## ANNEX 3 DOCUMENTS CONSULTED

Committee of Ethiopia undated for NRI/PENHA Research Project on Pastoralist Parliamentary Groups, funded by DFID's Livestock Production Programme and the CAPE Unit, African Union's Interafrican Bureau of Animal Resources (AU-IBAR) 37 p., available at <http://www.nri.org/projects/pastoralism/ethiopiafinal.pdf> (accessed 4 June 2014).

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## ANNEX 4 EVENTS TIMELINE ANALYSIS

Here we present some of the key interfaces between Finnish interventions and events in Ethiopia from 2006–12, including major government events, events common to all donors, and interventions/initiatives by Finland.

Major events common to all donors	Selection of Finnish initiatives/interventions
<b>2006</b>	
<p>MoFED presented The Plan for Accelerated and Sustainable Development to End Poverty (PAS-DEP) June 2005 to 9–10 September 2006 as the national development strategy for poverty alleviation and economic development.</p> <p>National Action Plan for Gender Equality 2006–10 was adopted by the Ministry of Women’s Affairs.</p>	
<b>2007</b>	
<p>WASH Multi-Stakeholder Forum and Handover of the EU Water Initiative (EUWI) Ethiopia Country Dialogue from the EUWI Task Force to the National WASH Steering Committee 5–6 December 2007 agreed to prioritise four undertakings for their formal consideration and endorsement by the next MSF-3 in 2008: (a) establish the WASH sector M&amp;E framework linked to appropriate management information system (MIS); (b) enhance capacity building in the WASH sector through investment programmes and WASH CB Pool; (c) further establish the WASH sector coordination structures, in particular in the regions; and (d) establish models of sustainable service delivery, including the role of the private sector, legal WASH committees and effective supply chains.</p>	<p><b>Bilateral Consultations between Ethiopia and Finland</b> noted that water and education sectors are given priority in the PASDEP. Finland noted with satisfaction that the PASDEP takes into account the challenge of population growth. Continuity of assistance in these two sectors was confirmed. The Finnish delegation briefed the Ethiopian counterpart on the preparation of the revised Development Policy of the new Government of Finland. It is expected that the revised policy will follow the framework of the previous policy; MDG and the Paris Declaration on aid harmonisation and effectiveness. The primary goal of Finnish development policy is to eradicate extreme poverty. It was noted that cooperation in the water sector continues in the form of Phase IV of the Rural Water Supply and Environmental Programme (RWSEP) in the Amhara region, scheduled to start in July 2007. Both sides consider RWSEP a successful programme, which includes elements that will be replicated in a similar programme in Benishangul-Gumuz Regional State. The preparation mission in Benishangul-Gumuz is planned to take place in May-June 2007. It was agreed that Finland will actively follow the evolution of the SWAp programme. In future, cooperation will evolve towards channelling support via established SWAps. Concerning the education sector, it was noted that Finland continues to support the pooled fund for Teacher Development Programme II. It was noted that Ethiopia wishes Finland to support the Special Needs Education programme, both in the form of TA and programme support. Finland will consider this proposal.</p>
<b>2008</b>	
No major events	

<b>2009</b>	
<p>The “<b>Proclamation for the Registration and Regulation of Charities and Societies</b>” was ratified in 2009, limiting the ground for CSOs participation in advocacy and rights issues. The CSO Law distinguishes between charities and societies which are member benefit organisations. It further distinguishes between organisations based on their sources of funding.</p> <p>According to the law, an NGO registered as Ethiopian Resident that receives more than 10% of its funding from external non-Ethiopian sources is not allowed to work with any of the following purposes or activities: human and democratic rights, equality of nations, nationalities and peoples, gender and religion, rights of disabled people and children, conflict resolution or reconciliation, efficiency of the justice and law enforcement services.</p>	<p><b>Bilateral consultations between Ethiopia and Finland were held 28–29 April 2009 in Addis Ababa.</b> They endorsed the education and water sectors as the priorities of the cooperation. Cooperation was agreed to be extended to the Land Administration, promotions of economic development in Tana-Beles Growth Corridor as well as expanding the utilisation of the CDF mechanism. Finland also expressed willingness to extend its support to the information society aspects.</p> <p><b>Joint Communiqué of Development Partners on Comprehensive Africa Agriculture Development Programme (CAAPD)</b> was signed by the GoE, development partners and other stakeholders on 8 August 2009. It affirmed a partnered commitment to further the ambitions of the CAAPD to meet related MDG targets and achieve the ultimate goal of placing Ethiopia in middle-income status by 2020.</p>
<b>2010</b>	
<p><b>General elections of 2010</b></p> <p>The 2010 elections were considered to be peaceful compared to the 2005 elections due to the fact that the opposition parties were not strong enough in that election. For the 2010 elections, 29,2 million voters were registered and the turnout was 90%. 4 525 candidates competed for the 546 seats in the House of Peoples’ Representatives, of which 1 349 were members of the ruling EPRDF, 374 members of parties affiliated with EPRDF, 2 798 were members of the opposition parties, and four were independent.</p> <p>The election results indicated that the ruling EPRDF party had won 499 (91,4%) of the 546 seats in Parliament. The EPRDF had won a landslide victory in 9 of the 11 regions and cities. About 90% of eligible voters participated in the election. The chief EU observer reported that the elections were “peaceful and well organised”, but noted an “uneven playing field” and criticised the use of state resources in the EPRDF campaign. The EU received numerous reports of intimidation and harassment, but indicated that this did not necessarily affect the outcome of the elections.</p> <p>MoFED prepared the <b>Growth and Transformation Plan (GTP) 2010/11 to 2014/15</b> as the development policy of Ethiopia.</p>	<p><b>The CDF approach</b> was officially adopted as a financing strategy <b>at the CDF summit</b> in Bahir Dar in February 2010. The CDF approach is currently known as CMP (Community Managed Project) in the sector-wide policy documentation</p> <p>Water, Sanitation and Hygiene (WASH) <b>Multi-sector Forum</b> was held on April 13, 2010.</p> <p><b>Annual Education Conference</b> arranged by the MoE for donors and other stakeholders. Annual Review Mechanism of the ESDP IV is integrated in the conference.</p>



<p>MoE <b>Education Sector Development Programme IV</b> was planned and adopted as the basis for education sector strategy implementing the national development policy GTP.</p> <p><b>Agricultural Growth Programme</b> was designed, aimed primarily at increasing agricultural productivity in a sustainable manner, enhancing market performance and facilitating value added in selected targeted areas, March 2010.</p>	
<b>2011</b>	
<p><b>Universal Access Plan (UAP) of WASH</b> was prepared by the <b>Ministries of Water, Energy and Health</b> in line with the UAP and with the financial and technical support from UNICEF and SNV, the Netherlands Development Organisation, as a strategy to implement WASH programme as an instrument to reduce poverty under the GTP, December 2011.</p> <p><b>Annual Education Conference</b> arranged by the MoE for donors and other stakeholders. Annual Review Mechanism of the ESDP IV is integrated in the conference.</p>	
<b>2012</b>	
<p><b>Annual Education Conference</b> arranged by the MoE for donors and other stakeholders. Annual Review Mechanism of the ESDP IV is integrated in the conference.</p>	<p>The first <b>Country Strategy for Development Cooperation with Ethiopia 2013–16</b> was prepared by the MFA. The strategy is based on promotion of Ethiopian development strategy GTP. Finland engages its assistance to no more than three sectors (education, water, agriculture) to avoid fragmentation. Finland continues to be an important supporter of harmonisation and a leader in the water sector. Finland aligns its cooperation with government priorities and increasingly channels funding through joint programmes, pool funds and sector programmes.</p>

## ANNEX 5 INTERVENTION LOGIC

