

## **Inter-Regional Workshop on Experiences and lesson Learned from the ECOSOC National Voluntary Presentation, Ethiopia NVP**

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### **Introduction**

The National Voluntary Presentation (NVPs) were mandated by GA resolution 61/16 that was to enabling countries to assess and present progress towards the IADGs, including the MDGs, so this process has been conducted as of 2007, and Ethiopia was among the counties to present the first NVPs in 2007.

Ethiopia's Poverty Reduction Strategy (PRS) is the primary vehicle for achieving the MDGs. To date, two PRSs have been formulated; the Sustainable Development and Poverty Reduction Program (SDPRP) and the Plan for Accelerated and Sustained Development to End Poverty (PASDEP).

The SDPRP was launched in 2002 following wide ranging public consultations in 2001. The strategy focused on improving human and rural development, food security, and capacity building through transformation of the agricultural sector; reforms in both the justice system and the civil service; decentralization and empowerment and; capacity building in the public and private sector.

The PASDEP is a five-year (2005/06-2009/10) strategic framework that builds on the strategic directions pursued under SDPRP but also embodies some bold new directions including a major focus on growth with particular emphasis on commercialization of agriculture, private sector development, and the scaling up of resources to achieve the MDGs.

PASDEP ranks among the first PRSs to be based on an MDG Needs Assessment. Costed MDG required interventions span seven sectors (i.e., agriculture and rural development, education, health, water and sanitation, road, urban development, private sector and trade issues) as well as three cross cutting areas (i.e., gender, HIV/AIDS and population). In effect, PASDEP is explicitly linked to the MDGs and constitutes Ethiopia's medium

term plan for achieving the MDGs. Furthermore, it has been synchronized and aligned with the longer term MDGs time frame.

Based on the result achieved and lessons learned from the Poverty Reduction Strategies (PRSs) have been formulated; the Sustainable Development and Poverty Reduction Program (SDPRP) and the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) the government launched another ambitious transformative plan called Growth and Transformation Plan (GTP1) for the year 2010/11-2014/15,

So that MDGs has been well integrated in both national plans. Most remarkably, the Government of Ethiopia with the support of the UN country Team (UNCT), the Millennium Projects and the World Bank conducted the Detailed MDG need assessment to estimate what it would cost to achieve the MDGs by 2015. Based on this assessment, 10 year MDG strategy was formulated, which was incorporated in to the Plan for Accelerated and Sustained Development to End Poverty (PASDEP) the Growth and Transformation Plan (GTP) (2010/11-2014/15).

In this cause Reports on the MDGs have been the primary instruments used by the Government and UN to track, monitor and report on the progress made. Ethiopia has so far produced almost five MDGs reports, including the last report that has been finalized in October 2015, therefore one can get lesson and analyze what has been done and achieved on due process of implementation of national plans and International Agreed Development Goals.

## **Implementation of National development plans and International Agreed Development Goals; MDGs**

### **A. Achievements Made and next Progress,**

Ethiopia has scored a double digit economic growth within the last twelve years consecutively because it has been well articulated, designed, communicated and implemented its own economic road-map:-

Agriculture leads industrialization policy, obviously have worked very well, otherwise there wouldn't be a consecutive double digit economic growth for the

last decade. Furthermore, this policy was not influenced and/or dictated by any other country including the grand economic power houses.

Instead, this policy was designed and put into effect solely by the Ethiopian government because it relates to the objective and realistic socio-economic conditions of the country. But it is no doubt there were copied and adopted parts of economic models and strategies from developed and developing world.

As majority of the Ethiopian people depend on agriculture for their livelihoods, it becomes pretty clear and pretty obvious to design a national economic development policy framework relating and reflecting agriculture and agriculture lead industrialization. Generally, the Country's National Development Policy Framework is designed to:

② Fight and eradicate poverty through achieving broad-based and pro-poor growth; through Medium term Plans/Programs such as the then SDPRP which spanned the three-year period (2002/03-2004/05) launched in 2002 following wide-ranging public consultations in 2001 was built on Agriculture, rural development and food security (Agriculture Development Lead Industrialization-ADLI), Sustainable Development and poverty Reduction Program (SDPRP) and the now Plan for Accelerated and Sustained Development to end Poverty (PASDEP) (2005/6-2010/11) are primary vehicles for overall socio-economic transformation and achieving the Millennium Development Plan (MDGs): which was components of decentralization and empowerment, capacity building in the public and private sector, reforms in both the justice system and the civil service, Private sector development and the scaling up of resources to achieve the MDGs.

### **Overall Objectives of the SDPRP, PASDEP Vs MDGs,**

The main objectives of those three national plans were to lay out the directions for accelerated, sustained and equal economic development and benefit of the citizens, which could as well as to pave the groundwork for the attainment of the MDGs by 2015. In realizing those objectives; and the achievement of IADG, including MDGs will contribute to the attainment of Ethiopia's vision of becoming a middle income country. By;

② building an economy, which has a modern and productive agricultural sector with enhanced technology and an industrial sector that plays a leading role in the economy;

② sustain economic development and secure social justice; and,

② Increase per capita income of citizens, by achieving all MDGs and mainly 2030 agenda for Sustainable Development is so critical to reach the nation's big target.

### **Overall Objectives of the GTP1**

#### **B. Transformational and well pin pointed thematic areas;**

As it was mentioned in the introductory part, Ethiopia launched Growth and Transformational plan (GTP), which was a bit unique in very ambitious nature, in areas like people centered or participatory, pro-poor, highly pressing on agricultural productivity, small scale industrialization approach, by mobilizing youths participation, job creation, focusing on small land holders, export and market oriented agricultural production and supporting scale-up mechanisms.

This plan was accompanied by large amount of mega projects which was or is demanding high tech technologies and capital throughout the country.

- ✓ Over all the Ethiopian Economy continue to register remarkable growth, Real GDP expanded by 10.3% in 2013 compared to the highest case scenario of GTP target of 11.2% for the year 2013/14.
- ✓ This economic growth is impressive compared with 5.4 % of growth estimated for Sub-Saharan Africa in the year 2013/14.
- ✓ Per capital income is reached to \$676 in 2014, in 2000/1 it was around \$130 then in 2005/6 it was \$377.1 but still it is the list income level and needs further effort to bring the citizens in middle income level.
- ✓ The Ethiopian Economic growth was/is mainly attributed to service sectors (51,7%), agriculture (21,9%) and industrial sector (26,4%).

### **IADGs/MDGs**

Ethiopia is one of the countries which responded positively to the Millennium Declaration of the 2000. Ethiopia has adopted, contextualized, owned and mainstreamed the MDGs into the annual progress reports on its poverty reduction strategies since 2005. Ethiopia is on track to achieve six of the eight MDGs—the two exceptions being MDGs 3 and 5. This section provides a summary of the country's progress in achieving the MDGs by goal.

#### **Goal 1: Eradicate extreme poverty and hunger**

In Ethiopia, the population living below the nationally defined poverty line (which is also called the incidence of poverty) in 1996 was 45.5 per cent, while it was believed to be 48 per cent in 1990. In 1996, the poverty gap and poverty severity were 12.9 per cent and 5.2 per cent respectively. Using a conservative estimate, the incidence of poverty declined

to 29.6 per cent in 2011 and is estimated to have declined further to 25.1 per cent in 2014 and 23.4 per cent in 2015.

The incidence of poverty has declined by 35 per cent between 1996 and 2011. It is not only the incidence of poverty that has been declining, but also the poverty gap and poverty severity. Between 1996 and 2011, the poverty gap declined from 12.9 per cent to 7.8 per cent and poverty severity declined from 5.1 per cent to 3.1 per cent indicating poverty gap and severity declined by 39.5 per cent and 39.2 per cent respectively over the period. Overall, Ethiopia is on track to meet the MDG target of reducing poverty and hunger by half between 1990 and 2015.

Ethiopia had already met one of the three targets (Target 1.C) well ahead of 2015. The reduction in poverty has occurred in all regional states and both rural and urban areas, although the level of decline is not uniform. Increased agricultural production and productivity, effective implementation of the Productive Safety Net Programme (PSNP) that has been providing assistance to over eight million rural people per year since 2005, urban food aid at times of extreme rises in food prices, effective regulation of markets for consumer products and the labour intensive construction projects (which have served as an additional source of income for the poor) are some of the main drivers of the observed progress in poverty reduction.

Despite the decline in the level of poverty, there are about 22.6 million poor people in 2013/14 who are living under the poverty line (which is very close to PPP US\$1.25 a day on food and non-food items) and who are unable to satisfy their basic needs. Besides, the severity of poverty increased between 2005 and 2011. Therefore, reducing poverty among the poorest of the poor, ensuring food security and reducing the number of poor people in the country remain priority areas for intervention in the post-MDGs period.

The target of achieving full and productive employment and decent work for all, including women and young people, is also on track, but with a significant gender disparity. Therefore, reducing youth unemployment and gender inequality in employment, especially in urban areas, must be prioritized during the post-MDGs period.

## **Goal 2: Achieve universal primary education**

Net enrolment rates for both primary and secondary education have increased substantially compared with 15 years ago. The net enrolment rate in primary schools was 21 per cent in 1996 and rose to 93 per cent in 2014, indicating that net enrolment in primary education grew by about 18 per cent per annum. If this trend continues, it will reach 100 per cent in 2015. The net enrolment rate for secondary education was 8.8 per cent in 1996 and grew to 20.2 per cent in 2014. However, net secondary enrolment is still very low, having increased by only 6.8 per cent per annum between 1996 and 2014. The literacy rate has increased from 27 per cent in 2000 to 47 per cent in 2011. Such growth is perhaps the result of the increase in gross enrolment in primary education. Despite the success in providing children with near universal access to primary education in Ethiopia, the completion rate for both the first cycle (Grades 1-4) and second cycle (Grades 5-8)

primary education did not improve noticeably so as to enable the attainment of the desired target of 100 per cent completion. Completion rates were 57 per cent for Grade 5 and 34 per cent for Grade 8 in 2005, and had increased to 70 per cent for Grade 5 and 53 per cent for Grade 8 in 2014. Despite these low completion rates, the gender gap in primary completion rates, which was very high in the early years of the period under review, had completely closed by 2014.

Overall, Ethiopia is on track to meet Goal 2 but the growth in net enrolment has been slow in recent years and primary education has suffered from grade repetition, children dropping out and poor learning achievements, such as low competencies in reading and mathematics. Improving completion of primary education through the provision of quality education must continue to be prioritized in Ethiopia's post-2015 development agenda.

### **Goal 3: Promote gender equality and empower women**

Ethiopia has put substantial effort into eliminating gender disparities in primary and secondary education. At all levels of education, Ethiopia started with high levels of disparity in the enrolment of boys and girls. There had been some narrowing of the gap even before Ethiopia adopted the MDGs. The ratio of girls to boys in primary and secondary schools in 1996 was 36 per cent and 41 per cent respectively. The Gender Parity Index (GPI)<sup>1</sup> in 2000 was 0.7 for both primary and secondary education. By 2014, the GPI for Grades 1-8 of primary education had jumped to 0.93 and had reached 0.94 for first cycle secondary education and 0.85 for second cycle secondary. Since 2012, the GPI has not increased beyond 0.94. Therefore Ethiopia is not on track to reach the target of achieving a 1:1 girls to boys ratio, and is thus unlikely to meet Goal 3 by the 2015 deadline. The slow progress of the GPI could be attributed to a number of reasons, including socioeconomic and cultural challenges, such as early marriage, violence against girls, abduction, parents' lack of awareness of the benefits of education, distance to school, and a lack of gender sensitive facilities in school. Therefore, there should be a renewed commitment to eliminating gender disparities during post-2015 period.

In terms of political empowerment, the proportion of seats held by women in the House of People's Representatives (lower house of the national parliament) reached 38.7 per cent in the 2015 election, thus surpassing the 30 per cent benchmark—a significant achievement. This achievement should be complemented by the strengthened capacity of women to engage as effectively in the social, economic and political spheres as their numbers warrant. The role of women in the executive and judiciary should also be further strengthened.

### **Goal 4: Reduce child mortality**

Ethiopia has made progress in reducing child mortality. It fell by two thirds between 1990 and 2015 and the goal has been declared already achieved. Contributing factors to this include increased access to health service coverage, notably immunization. Immunization coverage—for measles and diphtheria-pertussis-tetanus (DPT3) –

contributed significantly to reducing child mortality. From 36.5 per cent for measles and 41.9 per cent for DPT3 in 2001, coverage increased to 86.5 per cent and 91.1 per cent in 2014. This shows that the two are on track to meet the MDG target of 90 per cent and 96 per cent respectively by the end of the MDGs period (2015). As a result, child mortality per 1,000 live births has fallen substantially over the past 15 years. Under-five mortality per 1,000 live births was estimated to be 166 in 2000 and this had been reduced to 88 by 2011. Under-five mortality is estimated to have declined further to 60 in 2014, which is below the MDG target of 63, indicating that Ethiopia has achieved its target of reducing child mortality by two thirds ahead of time. There are slight variations across regions with Somali (60.5 per cent), Gambella (50 per cent) and Dire Dawa (68.1 per cent) having the lowest coverage in 2014 for DPT3. With respect to immunization for measles, the lowest coverage was recorded in Somali (57.8 per cent) and Gambella (45 per cent). Therefore, reducing regional disparities and ensuring regional equity should be emphasized during the post-2015 era.

### **Goal 5: Improve maternal health**

Ethiopia is unlikely to meet Goal 5 by the 2015 deadline. The Government, the UN and other development partners are endeavouring to meet the target of reducing maternal mortality by two thirds between 1990 and 2015. The Contraceptive Prevalence Rate (CPR) increased from 8.1 per cent in 2000 to 41.8 per cent in 2014. Wide variation was observed across regions, with Afar and Somali lagging behind the rest. In fact, CPR declined over the period in Somali region. Antenatal care (ANC) service coverage increased from 29 per cent to 98.1 per cent between 2000 and 2014. However regional variations have been observed in coverage of ANC services with Afar, Somali and Benishangul-Gumuz (categorized as developing regional states) lagging behind. The proportion of women aged 15-49 who are attended at least once by a skilled health provider during pregnancy improved from 26.7 per cent in 2000 to (a still very low) 39.9 per cent in 2014. There are also rural-urban variations with the percentage of pregnant women attended once by skilled health personnel in rural areas standing at 35 per cent while it was 80 per cent in urban areas. Although the disparity between rural and urban areas was high, the rate of increase between 2000 and 2014 was higher in rural areas (60.6 per cent) than in urban areas (19.4 per cent). As a result of this and other factors, maternal mortality rate improved over time, but very slowly. The maternal mortality rate was estimated to have declined from 1,400 per 100,000 live births in 1990 and 871 in 2000 and 673 in 2005, before marginally increasing to 676 in 2011 and declining again to 420 in 2013. This represents a significant decline, but not a high enough one to enable Ethiopia to reach the target of 267 per 100,000 live births in 2015. Therefore Ethiopia is off track in Goal 5. Cognizant of this fact, the UN community in Ethiopia came together and formulated a flagship joint programme on accelerating maternal health (under the umbrella of the H4+) and also designed an MDG Acceleration Framework for MDG 5, which aims to speed up the expansion of maternal health services in pastoral and semi-pastoral areas. The issue of maternal health is at the centre of human development and should continue to be a priority area for intervention in the post-MDGs period.

## **Goal 6: Combat HIV/AIDS, Malaria and Other Diseases**

Combating HIV/AIDS, malaria, TB and other diseases has been prioritized in successive Health Sector Development Programmes (HSDPs) and poverty reduction programmes, including SDPRP, PASDEP and GTP. Ethiopia has succeeded in reducing the prevalence rate of HIV/AIDS from 4.5 per cent in 2000 to 1.1 per cent in 2014, which surpasses the MDG target of less than 4.5 per cent.

Though the prevalence rate is low, there are slight disparities between rural and urban areas with a relatively higher prevalence rate observed in the Addis Ababa and Dire Dawa City Administrations. The proportion of people living with HIV/AIDS in the country who were on Antiretroviral Therapy (ART) was 1 per cent in 2004, but that had increased to 54 per cent in 2014, which is far behind the MDG target of 100 per cent in 2015. With more effort, ensuring universal access to HIV/AIDS person on ART by 2015 seems achievable.

The percentage of children under the age of five who sleep under nets treated with insecticide increased from 43 per cent in 2005 to 49.3 per cent in 2012. The national tuberculosis detection and treatment success rates increased from 36 per cent and 85.6 per cent respectively in 2009 to 54 per cent and 92.1 per cent in 2014. By 2013/14, a total of 116,633 TB cases were reported with a TB case notification rate of 133 per 100,000 members of the population. The TB treatment success rate also increased, from 84 per cent in 2009/10 to 92.1 per cent in 2013/14. Therefore, Ethiopia is on track with respect to MDG 6.

## **Goal 7: Ensure environmental sustainability**

Ethiopia has a vision of becoming a middle income and carbon neutral economy by 2025. The implementation of the Climate Resilient Green Economy (CRGE) Strategy developed in 2012 is geared to meeting this ambition. Ethiopia believes that achieving middle income status by 2025 through the conventional development path would result in a dramatic increase of carbon emissions and unsustainable use of natural resources. As part of implementing the CRGE strategy, a management roadmap was prepared for 1,440.8 thousand hectares of forest. About 22,515 quintals of tree seeds have been distributed to communities. About 10.2 million hectares of degraded area were rehabilitated during the first GTP period (2010/11-2014/15). Data from the Ministry of Environment and Forest show that as a result of these and other rehabilitation activities, it was possible to increase the forest cover of from 13 million hectares in 2012 to 15.93 million hectares in 2014. Moreover it was possible to cover 17.7 million hectares of land with multipurpose trees. The forest cover in Ethiopia was around 13 per cent in 2001, declined to 11.8 per cent in 2005, but had increased again to 15 per cent by 2014. After such an impressive performance in ensuring environmental sustainability, Ethiopia is on track to meet its target for increasing forest cover in Ethiopia. Ethiopia has declared the achievement of the MDG target for access to safe drinking water well ahead of 2015. Ethiopia is also on track to meet the MDG target for access to sanitation facilities. However, there is a large

gap between the access of rural and urban areas to safe sanitation facilities and safe drinking water. As it is unlikely that the rural-urban gap will close in the near future, much effort is needed by the Government to increase the access of rural people to safe drinking water and sanitation facilities.

### Goal 8: Develop a global partnership for development

Net official development assistance was US\$1.1 billion in 2000 and increased to US\$3.8 billion in 2013, an annual average growth rate of 17.5 per cent. Of total ODA, 58 per cent was allocated for basic social services (social infrastructure and services such as education and health). Ethiopia has prioritized key pro-poor sectors such as education, health, agriculture, water and rural roads, as well as industry, as drivers of sustained economic growth and job creation. Untied aid, or aid that is not limited to procurement from companies in the donor country or in a small group of countries, comprised 87 per cent of ODA to Ethiopia in 2012. ODA was 8.2 per cent of Ethiopia's GNI in 2013, compared with 18.5 per cent in 2004.

With regard to aid effectiveness indicators, Ethiopia scores above the global average for all indicators measured at the country-level, but there has been a decrease in partners' use of Ethiopia's public financial management and procurement systems. Ethiopia enjoys preferential market access within COMESA, as well as to the USA and the EU. Since 2003, it has been on the road to accession to the WTO, which has recently been delayed due to protracted negotiations on trade in services. In 2013, 23 per cent of gross ODA consisted of aid for trade.

Ethiopia's total debt service as a percentage of total exports of goods was 8 per cent in 2013, and its risk of external debt distress, although low in previous years, has recently moved towards moderate risk. The proportion of the population with access to affordable essential medicines was 91 per cent, according to a 2009 study. Access to affordable information and communications technology (ICT) has increased considerably, albeit from a low base. In 2013 27 out of 100 people have mobile phone subscriptions, 0.8 out of 100 people have fixed-telephone subscriptions, and 2.3 per cent of the population use the Internet.

Overall, given increases access to modern communication technology, and increasing trends in ODA in both per capita terms and as a percentage of GNI, as well as the possibility of improved debt sustainability, Ethiopia is on track to meet the MDG of developing a global partnership for development

**Table 5.3.1: Summary of Ethiopia's achievements on the MDGs**

<b>Goals</b>		<b>Status</b>	<b>Direction of trend</b>
<b>Goal 1</b>	Eradicate extreme hunger and poverty	On track	<b>Upward</b>
<b>Goal 2</b>	Achieve universal primary education	On track	<b>Upward but slowing</b>
<b>Goal 3</b>	Promote gender equality and empower women	Off track	<b>Reversed</b>

<b>Goal 4</b>	Reduce child mortality	On track	<b>Upward trend</b>
<b>Goal 5</b>	Improve maternal health	Off track	<b>Slowing</b>
<b>Goal 6</b>	Combat HIV/AIDS, malaria and other diseases	On track	<b>Upward</b>
<b>Goal 7</b>	Ensure environmental sustainability	On track	<b>Upward</b>
<b>Goal 8</b>	Develop a global partnership for development	On track	<b>Upward</b>

### C. Policies and Strategies interventions,

Although a number of innovative policy measures have contributed to Ethiopia's progress, policy successes in education, agriculture and infrastructure are worth noting. A. Education Ethiopia's remarkable achievement in gross primary enrolment is largely attributable to the government's Education Sector Development Program (ESDP), which places emphasis on improving access to educational opportunities without compromising on quality. Specific measures to achieve these objectives include: promotion of universal free primary education; community control over schools and resources; upgrading teacher training; enhancing the English language curriculum; and emphasizing information technology, computers, and television in teaching across the country. To support these efforts, government per capita spending on education more than doubled between 2001/02 and 2004/05. B. Agriculture

Specific policy measures to improve agricultural productivity and promote food security include: agricultural extension and research; the design and operationalization of growth corridors; agricultural export promotion, a National Food Security Program; a Productive Safety Net Program; and a Voluntary Resettlement Program. Agricultural Extension Services and Research a key feature of this innovative policy measure is the deployment of extension workers to every rural kebele in Ethiopia to facilitate sustained knowledge and skills transfer to smallholder farmers. This has contributed to increased agricultural productivity particularly for cereals, pulses, and oil seeds.

**Growth Corridors;** To enhance agricultural commercialization and diversification, the government is designing growth corridors to integrate complementary centers of production and marketing. Growth corridors facilitate integrated development

by creating value chains within and across regional boundaries. National Food Security Program the National Food Security Program seeks to achieve food security by: increasing the availability of food through domestic (own) production; ensuring access to food for food deficit households; and strengthening emergency response capabilities. Productive Safety Net Program the Productive Safety Net Program is intended to bridge the income gap of chronically food insecure households, and engage such households in community asset-building efforts especially during the lean season and times of drought. Priority for household asset-building interventions is given to beneficiaries of the Safety Net Program.

**C. Infrastructure Achievements,** require focused infrastructure investments, especially in roads, energy and water and sanitation. To this end, the government has designed a number of programs to improve the nation's infrastructure. To date, the government's Road Sector Development Program which was designed to integrate isolated rural communities with regional and national markets has resulted in a significant increase in the total road network of the country and the proportion of roads in good condition. The catalytic role of telecommunications for development is now widely accepted. Accordingly, Government has taken major steps to enhance the sector's contribution to economic growth and poverty reduction.

**The Ethiopian Telecommunication Corporation (ETC)** has developed a strategic plan to face the challenges of bringing telephone connectivity to the wider public particularly rural areas and towns. The telecommunication policy/strategy framework stipulates that the backbone infrastructure will remain in the public domain, under the auspices of ETC, while the private sector is encouraged to become increasingly involved in downstream activities and services. At the same time, the Government and the regulatory authority will keep up sustained pressure to ensure that the ETC meets the highest service standards, attain roll-out targets and delivers world class network and service quality standards. Furthermore, the Universal Electrification Access Program, a large-scale rural electrification program, is expected to benefit over 6,000 rural towns and villages in all regions of the country.

Finally, Ethiopia's National Water Resources Management Policy, Water Sector Strategy, and Water Sector Development Programs seek to ensure efficient, equitable and optimum utilization of available water resources to support the country's socio-economic development. Notable achievements of these programs

include: increased rural access to clean water and; increased access to irrigated land by farmers. D. Health One of the major policy initiatives that have been placed in motion recently, is institutionalization of the village health service through the implementation of health service extension program as an institutional framework. This Program would give momentum to the efforts directed towards the achievement of the MDGs, especially Goals 4, 5 and 6).

### **Challenges and the way-outs,**

Notwithstanding these strategic policy interventions, a number of key challenges remain. They include: rising inflationary pressures; growing income inequality particularly in the urban areas; HIV/AIDS; a decline in the quality of education and; limited resources particularly for resource-intensive interventions in the area of infrastructure development. In recent months, the country has experienced a rise in inflation and a corresponding decline in real incomes particularly of the poor.

Long run solutions to this challenge rest on efforts to enhance productivity of smallholder farmers while expanding the modern sector to create more jobs. Furthermore, despite the decline in the poverty rate and the impressive growth record, low income persists. Moreover, ensuring universal primary health service including HIV/AIDS remains a major health challenge. Undoubtedly, the gains in enrolment have placed considerable pressure on the nation's educational infrastructure and compromised the quality of education at both the primary and secondary level.

Additional human and financial resources are therefore required to improve the absorptive capacity of the educational system. Additional investments in overall infrastructure development are needed to support and sustain Ethiopia's current economic expansion. Given the resource-intensiveness of infrastructure development, greater effort and assistance is required to scale up resources to finance such investments.

The other big challenge is Climate Change induced drought and fluctuating rain fall amount and seasons, but this is not only problem to Ethiopia it is Cross-cutting every nation and people of the globe, therefore it needs strong cooperation and collaboration as well as private and public partnership is also critical in this regard. Ethiopia launched Climate Resilient Green Economic Development Strategy, to tackle the climate change effect through adaptation, mitigation, and building green energy source; like hydro-power energy, solar power energy, wind power energy, geothermal and bio-gas energy sources for expanding demand of energy resources. In this regard technical, financial and

technology transfer from the developed countries could play vital role to make this effort concert and sustainable.

### **Support from the International Community;**

Addressing Ethiopia's development challenges will require a scaling up of both human and financial resources. GTP, PASDEP's and SDPRP meaningfully supported through financial, technical and funded through external Aid. In order to enhance partnership Government and partners have put in place dialogue architecture - at policy level - the High Level Forum (HLF) and various sectoral forums.

We have also established Joint Government- Partners Task force on Harmonization to take forward the Paris Declaration. A number of multilateral partners (UN funds, programmes and specialized agencies and World Bank, EU, AfDB) and bilateral (UK, Ireland, Canada) have moved to supporting budgets and sector/programs using public finance system. However, the country faces challenges such as unpredictability in aid flows, lack of information on aid flows, lack of commitment by some donors to harmonize disbursement and reporting procedures. There is also need to accelerate the pace of implementing the Paris Declaration.

We recognize that there was a lot of good will to support PASDEP and GTP1 and still promising pledges were made for GTP2 and post- 2015 development agenda. However, this good will needs to be translated in real aid flows on time. Furthermore, despite debt relief and debt cancellation, per capita official development assistance to Ethiopia (US\$14.8 in 2005/06) is considerably lower than that of other low income countries, including many with higher average per capita incomes and with better indicators of human development.

Ethiopia has prioritized key pro-poor sectors such as education, health, agriculture, water and rural roads, as well as industry, as drivers of sustained economic growth and job creation. Untied aid, or aid that is not limited to procurement from companies in the donor country or in a small group of countries, comprised 87 per cent of ODA to Ethiopia in 2012. ODA was 8.2 per cent of Ethiopia's GNI in 2013, compared with 18.5 per cent in 2004.

With regard to aid effectiveness indicators, Ethiopia scores above the global average for all indicators measured at the country-level, but there has been a decrease in partners' use of Ethiopia's public financial management and procurement systems. Ethiopia enjoys preferential market access within COMESA, as well as to the USA and the EU. Since 2003, it has been on the road to accession to the WTO, which has recently been delayed due to protracted negotiations on trade in services. In 2013, 23 per cent of gross ODA consisted

of aid Ethiopia's total debt service as a percentage of total exports of goods were 8 per cent in 2013, and its risk of external debt distress, although low in previous years, has recently moved towards moderate risk.

It would have been impossible for Ethiopia to achieve national plans and to achieve or being on track 6 of 8 MDGs last 15 years.

### **Conclusions,**

Development interventions will only be effective if they are guided by long and medium-term home grown development plans that internalize the MDGs. To date, Ethiopia has achieved fairly rapid growth with measurable positive human development outcome. This has been accomplished through prudent macro-economic management and innovative policy interventions particularly with respect to primary and secondary enrolment, infrastructure development, increased agricultural productivity and improved food security. However, several challenges remain including emerging inflationary pressures induced by excess demand, declining quality of educational services stemming from rapid increases in the enrolment rate, rising inequality particularly in the urban areas and continuous effort needed to bridge the infrastructure deficit.

The proportion of the population with access to affordable essential medicines was 91 per cent, according to a 2009 study. Access to affordable information and communications technology (ICT) has increased considerably, albeit from a low base. In 2013 27 out of 100 people have mobile phone subscriptions, 0.8 out of 100 people have fixed-telephone subscriptions, and 2.3 per cent of the population use the Internet.

Overall, given increases access to modern communication technology, and increasing trends in ODA in both per capita terms and as a percentage of GNI, as well as the possibility of improved debt sustainability, Ethiopia is on track to meet the MDG of developing a global partnership for development