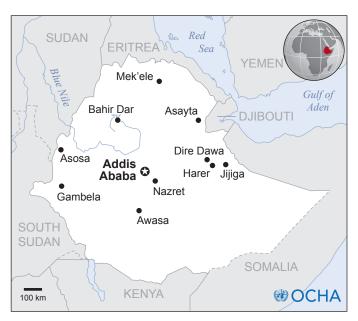
This summary is part of a progress review of seven priority countries carried out by the Joint Steering Committee to advance Humanitarian and Development Collaboration.

Situational Analysis

Ethiopia is the fastest growing economy in the region. It is also one of the poorest, with a per capita income of \$783. However, poverty declined from 29.6 per cent in 2011 to 23.5 per cent in 2016, which came largely due to the strong growth and expansion of social infrastructure.

Acute food insecurity occurs every year in Ethiopia, resulting in protracted humanitarian needs. However, Ethiopia saw a shift in the humanitarian landscape in 2018, which was marred by surge in conflict and conflict-induced displacement resulting in the displacement of more than 2.4 million persons. Food insecurity, acute malnutrition, disease outbreaks and floods further exacerbated the humanitarian situation. At present, some 8.3 million people need life-saving assistance. There are also around 3.1 million Internally



Displaced Persons (IDPs), many of whom require relief and recovery/ resettlement assistance.

Ethiopia needs to shift towards resilience-focused investments and comprehensive recovery programs for IDPs. Challenges that need to be addressed jointly are food security and nutrition, basic social service provision and displacement.

The ethnic dimensions of internal conflicts and displacement require emphasis on the normative principles of non-discrimination and impartiality. Regional and local level governments have significant responsibility to operationalize humanitarian aid. However, in some cases, differences in local capacities and motivations may result in differences in the provision of food aid, shelter, access to protection, and other areas of assistance for displaced people from minority ethnic groups. Such differences aggravate conflict dynamics and hinder sustainable and equitable development.

The new Government of Prime Minister Abiy Ahmed continues to tread carefully, managing divisions within his ethnically diverse ruling coalition and balancing a range of disparate expectations. The Prime Minister has brought new opportunities to work with the Government on reducing need, risk and vulnerability. Regional and international engagements have been prioritized to attract large-scale investments needed to kick-start regional integration and boost development. The new Government has also prioritized the trilateral alliance between Eritrea, Ethiopia and Somalia. However, additional clarity is needed on the details. AU and IGAD have not yet been engaged on these issues, but have been open to exchanging analysis with the UN.

Progress & Gap Overview

Progress +

- The Humanitarian Country Team, which already includes key UNCT members and donors, could potentially serve as a platform to coordinate around collective outcomes going forward, in support of Government priorities.
- + Good examples of enhanced humanitarian-development nexus initiatives exist at project- and area-level in regard to both refugees and internal displacement, including in the context of implementation of the Comprehensive Refugee Response

Framework (CRRF) and the Strategic Plans to address IDPs and the IDP Recovery Plan. There is Government commitment to the CRRF, which has created opportunities to anchor refugee issues in the development sphere. Financing is available: the WB committing \$200 million to provide economic opportunities for refugees and nationals through formal entrepreneurship and employment

Gaps -

- Leadership transitions at RC/HC, UN agency and government levels, have led to a loss of momentum in turning agreed priorities into action. There is a need to accelerate the appointment of an RC/HC for Ethiopia, as well as to ensure dedicated capacity in the RCO.
- There has not yet been a common analytical process to define collective outcomes. There is a need for a platform to integrate existing but siloed information into joint priorities.

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Summary of Review Findings and Recommendations

1. Leadership and Capacity

Strong advocacy by the RC/HC in 2017-2018 highlighted the opportunities in Ethiopia around the nexus: there is general acceptance on the part of all key stakeholders that humanitarian and development actors need to work more closely to joint priorities and outcomes. However, the indicated leadership transitions have led to a loss of momentum.

2. Information and Analysis

Over the past two years, several mechanisms for joined-up analysis and a regular humanitarian-development dialogue, including with donors, have been set up to feed into collective planning. However, a platform is needed to integrate existing but siloed information into joint priorities.

3. Articulation of Collective Outcomes:

There has been an initial discussion among Heads of Agencies to identify priority areas (geographic and thematic) for collective outcomes, which needs to be more concrete and measurable. In 2019, the UN and partners in Ethiopia will embark on the development of a new CCA and UNDAF, now renamed UNSDCF, and a new Multi-Year Humanitarian Strategy. Government, UN, NGOs and donors have agreed to develop collective outcomes that will link these two and other relevant strategies with the Government's new Growth and Transformation Plan.

4. Harmonizing Resources and Financing

The financing decisions of donors are fragmented. It will be important to engage key donors early in the development of the UNSDCF, the Multi-Year Strategy and the new Growth and Transformation Plan, and to ensure multi-year financing for the operationalization of the collective outcomes.

5. Accountability and Monitoring

A common accountability framework should be developed as part of the multi-year strategy.

Recommendations

Joined-up Information and Analysis: Ensure that the various HQ initiatives focusing on Ethiopia led by the PBF, the Human Security Fund, the Office for Counter-Terrorism, etc. are part of an "Integrated Package" that should feed into the new CCA, and in line with the Prevention Strategy and the Strategic plan to address internal displacement in Ethiopia and the IDP recovery plan. The CCA should be the basis of the new UNDAF as well as the multi-year humanitarian strategy and enable all planning documents to be aligned.

► Action: VTC meeting to be held with DSG and the RC/HC, UNCT in Ethiopia to reiterate the centrality of the new UNDAF as the central planning tool, which is to be strategic and inclusive, derived from the CCA, and guide the programming priorities of respective UN agencies'. Deploy a JSC Support mission to support the preparation of the new UNDAF once the CCA is at a more advanced stage.

Regional dimension: There is a need to better connect the dots and tap into the number of regional initiatives in the Horn that touch upon the nexus, and strengthen partnership with the African Union, IGAD, World Bank, ECA and bilateral donors.

▶ Action: USG DPPA and UNDP Administrator to task their representatives to ensure that key regional and cross-border initiatives across the HDP nexus are harmonized to better support country-level engagement in Ethiopia as part of their lead in the Comprehensive Prevention Strategy for the Horn of Africa.