

# **Development Assistance Group (DAG) Ethiopia**

## **Annual Report 2007**

**Prepared by the DAG Secretariat  
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## Table of Contents

Title	Page
1. Partnership between the Government of Ethiopia and the Development Assistance Group	
2. Executive Summary	
3. Overview of the DAG	
4. Work of the DAG	
5. Support to the PRSP Process (the General Pooled Fund)	
6. Activities under the Monitoring and Evaluation Pooled Fund	
6.1. Support to MoFED	
6.2. Support to Central Statistics Agency	
6.3. Data Systems and Economy-wide Modeling to Support Policy Analysis in Ethiopia	
6.4. Support to Civil Society Organizations	
7. Activities under the Education Pooled Fund	
8. The Gender Pooled Fund	
9. Management of the Pooled Funds	
9.1. Financial Status of Pooled Funds as at December 31, 2007	
9.2. Summary of Contributions Received and Expenditures Made during the Year 2007 by Pooled Fund	
9.3. Contributions Received in 2007 and Expected Contributions in 2008 and 2009	
9.4. Summary of Received and Expected Contributions (2007-2009) by Donor and by Pooled Fund	
9.5. Expenditures Made in 2007 by Activity under Each Pooled Fund	
10. Summary of Activities and Results of DAG TWGs in 2007	

### **Annexes**

Annex 1: Overview of Support Areas and Results Achieved in 2007

Annex 2: Overview of DAG Events in 2007

## 1. Partnership between the Government of Ethiopia and the Development Assistance Group

The Government of Ethiopia (GOE) and its development partners, represented by the Development Assistance Group (DAG) continued to demonstrate their commitment to the effective delivery of development assistance for the implementation of the Plan for Accelerated and Sustained Development to End Poverty (PASDEP). This commitment was renewed through the signing of a new project document in August, Phase III of the project '**Development Partners Support to the PRSP Process**' covering the period 2007-2011. It is a five-year project agreement between donors and Government to support the implementation of PASDEP and the harmonization agenda. The key elements of support include: strengthening of the harmonized support to the PASDEP process; promoting the harmonization agenda in line with the Paris and Rome declarations; strengthening of the Monitoring and Evaluation system and provision of strategic coordinated support to the focus areas of PASDEP. In keeping with the commitment to national ownership, the programme is to be implemented using the National Execution Modality (NEX).

The government and DAG consider enhancing aid effectiveness, harmonization and coordination as a fundamental component of achieving poverty reduction and the Millennium Development Goals (MDGs). In 2007, the Government and development partners worked together towards developing a **Joint Declaration on Harmonization, Alignment and Aid Effectiveness** and agreed to complete the Declaration after discussions on procurement systems and participation of Civil Society Organizations (CSOs) were concluded.

During the course of the year significant progress was achieved in government/donor dialogue through the functioning of the High Level Forum. The opportunity was presented for the government and DAG to engage in policy discussions, particularly on governance, scaling up of development assistance and agricultural development.

By promoting dialogue and aid effectiveness, the DAG continues to work with government in achieving the common objective of accelerating growth and fighting poverty. The DAG remains committed to supporting the Government of Ethiopia to achieve the targets set in the MDGs and PASDEP, and looks forward to enhanced dialogue with the Government in the years ahead.

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DAG Co-Chair  
World Bank Country Director  
for Ethiopia and Sudan  
DAG Co-Chair

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Head of DFID Ethiopia  
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## **2. Executive Summary**

This report summarizes the work of the DAG and the activities supported under its pooled funds from January to December, 2007. During the year, the DAG continued to support the Government of Ethiopia in its implementation of PASDEP.

The Monitoring and Evaluation (M&E) Pooled Fund provided support to strengthen data collection, analysis and dissemination for the monitoring and evaluation of PASDEP. The major activities included: statistical work on welfare and poverty; data collection and dissemination; and capacity building. The M&E Pooled Fund also supported the Poverty Action Network of Civil Societies in Ethiopia (PANE) and HelpAge International to enable civil society involvement in the monitoring and evaluation of PASDEP and the MDGs.

The implementation of the Education Sector Development Programme (ESDP) continued to be supported by the Education Pooled Fund through the financing of a number of strategic activities including the Joint Review Mission (JRM) held in October and the preparation of the Programme Implementation Manual (PIM). In addition, the fund provided support for studies that produced input for policy analysis in the sector.

In order to enhance aid effectiveness through harmonization and alignment of donor practices and procedures, the Government of Ethiopia and the DAG have committed to taking far-reaching action towards an effective development partnership to achieve better outcomes and greater development impact. The draft Joint Declaration on Harmonization, Alignment and Aid Effectiveness was prepared to set out the intentions of the two parties to achieve this objective.

### **3. Overview of the DAG**

#### **3.1. DAG Structure and Purpose**

DAG in Ethiopia is made up of 25 bilateral and multilateral agencies represented in Addis Ababa and providing development assistance to Ethiopia. The DAG is Co-chaired by UNDP or the World Bank with one bilateral agency. It has an Executive Committee (Ex-Com), which includes the Co-chairs and three other members on a rotating basis. The Ex-Com represents the DAG at the meetings of the Ethiopian Partnership Group (EPG), which is a group of resident Ambassadors of donor nations.

DAG was established with the purpose of ensuring more effective delivery and utilization of development cooperation in Ethiopia. It discusses and agrees policy on key development issues and supporting actions primarily with the Government; coordinates support for Poverty Reduction Strategies (PRS); interacts with other stakeholders such as, civil society, the private sector, regional authorities and parliamentarians; feeds into discussions in the EPG as appropriate; and coordinates with and takes forward the work of the DAG Thematic Working Groups<sup>1</sup> in relevant forums with the Government.

The development partners have accepted PASDEP and the MDGs as the overarching frameworks for their development cooperation with Ethiopia and have taken steps to align their country strategies around these and the broader harmonization agenda. DAG's commitment to provide support to Ethiopia remains strong and has been reconfirmed with the finalization of PASDEP, which is consistent with the MDGs.

#### **3.2. Sectoral and Thematic Programmes**

The Government and development partners have agreed on several sectoral and thematic programmes that support the implementation of PASDEP. These programmes are the Education Sector Development Programme (ESDP), Health Sector Development Programme (HSDP) and Road Sector Development Programme (RSDP). Thematic programmes include Public Sector Capacity Building Programme (PSCAP), Productive Safety Net Programme (PSNP) and the Protection of Basic Service (PBS).

These programmes provide important mechanisms for a coordinated sectoral support and for promoting the harmonization agenda in Ethiopia. Discussions are ongoing on how to further strengthen the linkages between monitoring and evaluation systems of the different sectoral and thematic programmes with PASDEP to ensure timely reporting and accountability of development assistance to Ethiopia.

In particular, the DAG has made the decision to support policy analysis, strategic studies and capacity building for the Education Sector Development Programme and gender mainstreaming through the Education Pooled Fund and the Gender Pooled Fund, respectively.

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<sup>1</sup> There were 11 such Groups in 2007 covering Education; Gender Equality; Governance; Health, Population and Nutrition; HIV/AIDS, Private Sector Development, Trade and Financial Sectors; Public Financial Management Committee, Rural Economic Development and Food Security; Water; and Monitoring and Evaluation and Transport.

As part of the support to the implementation of PASDEP, Government and development partners have launched discussions on financing of PASDEP and required support and structures to achieve the MDGs.

### **3.3. Harmonization and Partnership Structure**

Ethiopia is a pilot country for the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) harmonization agenda. Both Government and a majority of international partners are keen to proceed with the deepening of the harmonization process in the spirit of the Rome Declaration (2003) and the Paris Declaration (2005). A draft Ethiopian Joint Declaration on Harmonization, Alignment and Aid Effectiveness was prepared to monitor progress towards achieving the targets of the Paris Declaration, and it was hoped that the Declaration would be signed in 2007. However, discussions on procurements systems and the participation of civil society are yet to be concluded for the declaration to take effect.

The Government and the development partners' commitment to broaden collaboration and harmonization is supported by a partnership structure, which remains the principal forum for dialogue between the Government and the development partners. As part of the partnership structure, High Level Forums (HLFs), co-chaired by the State Minister of Finance and Economic Development (MoFED) and DAG, were decided to be held on a quarterly basis to discuss policy issues and progress on harmonization and the implementation of PASDEP. A Harmonization Secretariat was established within the Multilateral Cooperation Department of MoFED with technical assistance from DAG. The Secretariat supports the harmonization efforts and the partnership structure. Support has also been provided to the development of the Aid Management Platform (AMP) to assist the Government of Ethiopia (and its development partners) in the management of resources allocated to development activities.

In 2007 the HLF met on June 5 to discuss the financing of PASDEP and a report on '*Scaling Up Aid to Ethiopia: Analysis and Recommendations*,' was presented and discussed. The HLF met again on November 21 to discuss rural economic development and food security; local government elections and support to the NEBE. Government and DAG agreed on a number of action points, the progress of which would be reviewed at future HLFs.

The DAG reviewed its working mechanisms and structures in order to improve its delivery as well as to enhance policy dialogue with the Government and other partners. The DAG Secretariat with the support of the ExCom developed a DAG Challenges and Proposed Solutions matrix that included issues related to improving policy dialogue, enhancing TWG delivery, better communication among DAG structures, harmonization and new aid instruments. The DAG in its meeting in July approved the proposed solutions to the challenges. Since then the DAG has implemented some of the recommended solutions while others were planned to be done in the months ahead.

In late 2007 DAG established a Division of Labour (DoL) Team charged with the task of proposing better ways of donor engagement in different development sectors. The DoL Team comprising EC, Irish Aid and USAID developed preliminary questionnaires to assess sector-wide engagement of donors, which were discussed and enriched by DAG members. It was expected that the Team would launch its donor questionnaire in early 2008 to be filled by all DAG members. The results of the questionnaires would be used to ascertain how donors might be able to better streamline and

coordinate their programmes in future as well as to establish who's doing what, where donors' comparative advantages lie and who might be lead, active and silent donors in each sector in the future.

## **4. Work of the DAG**

### **4.1 DAG Thematic Working Groups**

During the course of the year, the DAG Thematic Working Groups (TWGs) provided a number of technical inputs for the DAG including comments on the PASDEP. In order to further streamline activities and increase their level of effectiveness, the TWG Chairs met with the Ex-Com in March to discuss the DAG structure. It was agreed that TWGs would be aligned with the PASDEP to ensure better delivery in line with national priorities. A new Transport TWG co-chaired by Government and DAG was established in October 2007.

### **4.2 The DAG Secretariat**

The DAG Secretariat, housed in UNDP under the overall guidance of the UNDP resident Representative and DAG Co-Chair, continued to support the work of the DAG Ex-Com and the DAG by facilitating and by following up ongoing issues as well as new initiatives launched by DAG. The Secretariat also liaised regularly with the TWGs to ensure smooth communication and flow of information.

To further strengthen communication and information sharing, DAG recruited a Communications Officer to develop and implement a DAG Communication Strategy. In order to provide effective support to the work of the TWGs and the secretariat, two administrative assistants were also recruited, bringing the total staff at the secretariat to six.

Throughout the year, the DAG Secretariat also continued to manage the DAG Pooled Funds in close consultation with DAG members and government counterparts. Regular interaction also took place with stakeholders outside DAG, such as Government, civil society, private sector and UN agencies to ensure smooth linkages with work of the DAG.

### **4.3 DAG Engagement with Civil Society Organizations**

In recognition of the important role they play in development, the DAG continued to work towards effective dialogue with CSOs. A consultative meeting was held in March in order to discuss means of strengthening the role of CSOs in policy dialogue with government and the monitoring of the implementation of PASDEP. The DAG ExCom also met CSO representatives in September to identify priority areas of engagement for DAG and CSOs.

## **5. Support to the PRSP Process (the General Pooled Fund)**

The General Pooled Fund (GPF) supports the coordination and facilitation of activities of the DAG. The GPF is an un-earmarked fund used for core activities undertaken by the DAG including supporting an enhanced, harmonized approach to support the implementation of PASDEP and the MDGs, DAG structures including the TWGs and the DAG Secretariat. The GPF also supports the High Level Forum (HLF) Secretariat and the Aid Management Platform (AMP), a MOFED aid database designed to manage and generate reports on Official Development Assistance to Ethiopia. Phase I was undertaken in 2007 and included the procurement of hardware, software and

IT consultancy. In the next phase MoFED has been working to roll out the program to regional states and enable donors to get access to the AMP.

## **6. Activities under the Monitoring and Evaluation Pooled Fund**

The Monitoring and Evaluation Pooled Fund is intended to strengthen the welfare data production, storage, dissemination and undertake in-depth studies on the determinants of poverty and the establishment and maintenance of integrated management information system pertinent to PASDEP and MDGs. In 2007, this necessitated support to the government in producing statistical work, generation of qualitative and quantitative information and building the capacity of MoFED and CSA in these areas.

### **6.1. Support to Ministry of Finance and Economic Development (MoFED)**

A number of support activities were undertaken during the year with a focus on PASDEP dissemination and monitoring and evaluation.

i) Financial support was provided to MoFED to print and disseminate 4000 copies of PASDEP main text and policy matrix in Amharic and English languages. In addition, the Annual Progress Reports (APR) of 2005/6 and 2006/7 of PASDEP were prepared and distributed to stakeholders. PASDEP sensitization and public awareness raising activities were undertaken through radio broadcast in Amharic and Oromiffa. The programmes were broadcast through Radio Fana. Altogether, the printing and broadcasting activities contributed to the efforts being made by the government to aware the people in general and the implementing partners in particular.

ii) Poverty analysis study was initiated with aim to providing important information on the profile and determinants of poverty in Ethiopia. The team of three international consultants and one national counterpart were recruited to undertake the study.

iii) Capacity building through on job training was provided for the staff members of the Development Planning and Research Department (DPRD) of MoFED and relevant staff of CSA. The training focused on welfare monitoring indicators. The DAG also supported the institutional strengthening of MoFED through the provision of office equipment such as computers, printer and photocopiers. These enabled the department to generate coherent qualitative and quantitative data that will be used in development planning, monitoring and evaluation.

### **6.2. Support to Central Statistical Agency (CSA)**

The Household Income Expenditure and Consumption Survey (HIECS) was completed and the survey results used as an input for poverty and welfare analysis. This enabled CSA to produce basic preliminary income poverty indicators that were used for poverty and welfare analysis and baseline information for PASDEP.

In order to strengthen the M&E system of the poverty reduction strategy, support was provided to eight CSA staff members to pursue postgraduate studies in South Africa in the fields of economics and statistics. Continuing the support, the M&E Pooled Fund was used to process the postgraduate study of eight other CSA staff members for the 2008 academic year.

### **6.3. Data Systems and Economy-wide Modeling to Support Policy Analysis in Ethiopia**

As part of strengthening the M&E of PASDEP, the Ethiopian Development Research Institute was supported to implement the Data Systems and Economy-wide Modeling Project. The project is aimed at the development of a Social Accounting Matrix (SAM); capacity building and establishment of a database to support various types of analysis, including multiplier models and Computable General Equilibrium (CGE) Models. The project is in progress and is expected to be completed in September, 2008.

#### **6.4. Support to Civil Society Organizations (CSOs)**

Poverty Action Network of Civil Society Organization in Ethiopia (PANE) and HelpAge International were provided with financial support from the M&E Pooled Fund. The support helped promote the participation of CSOs in the monitoring and evaluation of the poverty reduction process of the country which will ultimately enhance the public ownership.

##### **6.4.1. Support to Poverty Action Network of Civil Society Organizations in Ethiopia (PANE)**

Financial support was provided to PANE--a policy and advocacy network engaged in poverty reduction activities. As part of popularizing the PASDEP, PANE organized PASDEP consultation workshops in different regions of the country. A consultant was recruited to provide technical support to facilitate the annual progress review of the implementation of PASDEP in all regions.

##### **6.4.2. Support to HelpAge International**

HelpAge implemented the Older Citizens' Monitoring of Basic Services under PASDEP project with four partner organizations: Rift Valley Children and Women Development Association, Women Support Organization, Hundee and Action for Development. The financial support helped the organization to establish project structure with all stakeholders, identify priority services and micro projects in five woredas with estimated total beneficiaries of 130,950 older persons. HelpAge provided training to 145 woreda staff in Participatory Rural Appraisal (PRA) techniques, participatory planning, monitoring and evaluation and indicator development that led to the development of basic service delivery monitoring system.

### **7. Activities under the Education Pooled Fund**

#### **Education Sector Development Programme (ESDP) Annual Review Meeting (ARM) 2007**

Support was provided for the facilitation of the ninth ESDP Annual Review Meeting (ARM) that took place in Bahir Dar from March 26-28, 2007. The ARM was instrumental in bringing stakeholders together to review progress in the implementation of ESDP and discuss plans for the sector. The overall objective of the ARM in 2007 was to strengthen government and other stakeholders' understanding, partnership and commitment to the implementation of the ESDP through dialogue and joint review. The participants of the workshop reviewed performance, challenges, remedial measures and implementation of ARM 2006 recommendations. The participants also reviewed the conclusions and recommendations of Joint Review Mission of 2006, analyzed priority themes and developed appropriate recommendations.

#### **ESDP Joint Review Mission (JRM) 2007**

The pooled fund supported the JRM whose aim was to assess the performance of the education sector and identifying key actions that could contribute to qualitative and quantitative improvements

in the sector. This was undertaken through a review of progress reports along with inputs from 2007 ARM and field visits.

The major achievements of the JRM included the review the overall progress of ESDP implementation during the previous fiscal year, with special emphasis on qualitative (e.g.: teacher/pupil ratio, qualifications, textbook availability in classrooms, mainstreaming of gender equity measures) and quantitative achievements, as well as efficiency. In addition it assessed whether post-primary education (leaving out tertiary education) prepared its graduates sufficiently for the post-school life. In light of this, it examined how far the education system in Ethiopia was demand driven and how it could be improved. In addition, the JRM assessed and reviewed secondary education and TVET (Technical and Vocational Education Training)

### **Programme Implementation Manual (PIM)**

Support was provided to the Ministry of Education to produce the ESDP Programme Implementation Manual (PIM). The manual would help to provide the relevant federal, regional, zonal and woreda offices throughout the country with a user-friendly document in their local working language, which briefly describes the objectives and principles of the ESDP implementation procedures and spells out the tasks to be carried out in the course of executing these procedures, especially at Woreda level. A condensed guide for use by the woreda education offices (WEO) and other stakeholders was prepared. The guideline was enriched by the contribution from stakeholders at the validation workshop.

### **E- Learning Africa**

The participation of five staff members of the MoE on the e-Learning Africa Conference that was conducted in Nairobi from May 27 – 30, 2007 was supported by the pooled fund. The conference was a capacity-building event on ICT for development, education and training whose objective was to enrich the process of Education ICT Policy development by sharing experiences and best practice in other developing countries. It created an opportunity for the Ethiopian delegates to participate in policy related discussions including the introduction of e-learning, quality development and quality assurance. Other themes included the building of ICT infrastructure to provide access and connectivity; localization, customization and content development; designing and delivering online learning.

### **Improving Teachers Utilization**

In order to increase the efficiency with which teachers in Grades 1-12 are used in the Ethiopian education sector, a study was commissioned on Improving Teachers Utilization. The aim of the exercise is to determine the supply and demand for teachers in Ethiopia's 11 regions and outline the trade-offs and public expenditure implications of various regional teacher employment, upgrading and deployment policies.

### **Training and Education for Sustainable Development**

The process of recruiting a consulting firm was carried out to support the MoE in its effort to undertake a policy informing study on how education and training in Ethiopia can most effectively contribute to sustainable development. This would assist in analyzing how education and training systems can most effectively contribute to increased economic growth, drawing from international experience. It is expected that the study will come up with proposals on how the education and

training system in Ethiopia can most effectively contribute to increased economic growth and broader national development goals, and outline a Roadmap for Education and Training for Sustainable Development in Ethiopia.

### **Health and Nutritional Status of School Children in Ethiopia**

Save the Children USA was commissioned to undertake a study on the Health and Nutritional Status of School Children in Ethiopia. The purpose of the study is to create a firm foundation on which to formulate a school health and nutrition strategy that will help resolve school health and nutrition problems.

### **8. The Gender Pooled Fund**

There has been an intensified focus on mainstreaming of gender issues into PASDEP implementation and monitoring. The National Action Plan (NAP) for Gender Equality was adopted as a means of incorporating gender into national development objectives. The Gender Pooled Fund was established in July 2007 to support the operationalization of NAP including empowerment of women and gender equity by providing funding for policy and strategy development as well as capacity building. Activities are anticipated to begin in 2008.

### **9. Management of the DAG Pooled Fund**

#### **9.1. Financial Status of Pooled Funds As at December 31, 2007**

The DAG Secretariat manages four Pooled Funds: General Pooled Fund, Education Pooled Fund, Gender Pooled Fund and Monitoring & Evaluation of PRSP/PASDEP Pooled Funds. As indicated in Table 1 below, a total contribution of USD 1,914,355 was received and total expenditure of USD 1,480,952 was made during the year 2007 under the four pooled funds. A total cash balance of USD 4,962,703 was available as at December 31, 2007.

Summary of contributions received and expenditures made during the reporting period, and balance available as at December 31, 2007 under each pooled fund is indicated in Table 1 below.

#### **9.2. Summary of Contributions Received and Expenditures Made in 2007 by Pooled Fund**

Pooled Fund	Balance from 2006 (USD)	Additional Contributions in 2007 (USD)	Expenditures in 2007 (USD)	Balance Available as at December 31, 2007 (USD)
General	592,747	181,682	499,521	274,908
Education	921,508	1,108,080	483,667	1,545,921
Gender	-	207,916	-	207,916
M & E	3,015,045	416,677	497,764	2,933,958
<b>Total</b>	<b>4,529,300</b>	<b>1,914,355</b>	<b>1,480,952</b>	<b>4,962,703</b>

#### **9.3. Contributions Received in 2007 and Expected Contributions during the Years 2008 and 2009**

As indicated in Table 2 below, a total contribution of USD 1,914,355 was received during the reporting period. In addition to the total remaining balance of USD 4,962,703 (Refer Table 1 above) from contributions made in the previous years, a total of USD 2,743,066 and 416,667 are expected

to be received in the Years 2008 and 2009 in order to support the ongoing and emerging areas of work.

Summary of contributions received during the reporting period and contributions expected to be received in the Years 2008 and 2009 are indicated in Table 2 below.

#### 9.4. Summary of Received and Expected Contributions (2007-2009) by Donor and by Pooled Fund

Pooled Fund	Donor	Contribution Received (USD) 2007	Expected Contributions (USD)		Total Received & Expected (USD)
			2008	2009	
General (Project Code 0057806)	Ireland	28,782			28,782
	Italy		52,192		52,192
	DFID		49,702		49,702
	Germany		77,761		77,761
	Netherlands		50,000		50,000
	Spain		25,000		25,000
	SIDA	152,900	250,000	250,000	652,900
<b>Sub-Total General Pooled Fund</b>		<b>181,682</b>	<b>504,655</b>	<b>250,000</b>	<b>936,337</b>
Education (Project Code 00057863)	Netherlands	200,000	200,000		400,000
	DFID	545,848	656,382		1,202,230
	Ireland	71,956			71,956
	EC		760,665		760,665
	SIDA	290,276			290,276
<b>Sub-Total Education Pooled Fund</b>		<b>1,108,080</b>	<b>1,617,047</b>		<b>2,725,127</b>
Gender (Project Code 00057864)	Ireland	71,956			71,956
	Netherlands	135,960			135,960
	SIDA		235,849	166,667	402,516
	Italy		52,192		52,192
<b>Sub-Total Gender Pooled Fund</b>		<b>207,916</b>	<b>288,041</b>	<b>166,667</b>	<b>662,624</b>
M & E (Project Code 00057873)	Netherlands	416,677	333,323		750,000
<b>Sub-Total M &amp; E Pooled Fund</b>		<b>416,677</b>	<b>333,323</b>		<b>750,000</b>
<b>Total Contributions</b>		<b>1,914,355</b>	<b>2,743,066</b>	<b>416,667</b>	<b>5,074,088</b>

### 9.5. Expenditures made in 2007 by activity under each pooled fund

A total expenditure of USD 1,480,952 was made during the year 2007 under the four pooled funds. Detailed breakdown of the expenditures made by activity under each pooled fund is shown below:

**Table 1. DAG General Pooled Fund (UNDP Project Code 00057806)**

Description	Amount (USD)
<b>Expenditures by Activity</b>	
<b>DAG Secretariat Coordination (Non-Trust Fund)</b>	
National Staff Salary	30,334
International Staff Salary	110,059
Support to TWGS	14,526
DAG Web-hosting & Registration	1,100
DAG Meetings & TWGs Retreat	11,401
Office Equipment & Furniture	5,264
Miscellaneous Expenses	9,715
<b>Sub-total</b>	<b>182,399</b>
<b>Harmonization (Non-Trust Fund)</b>	
Aid Management Platform	1,691
<b>Sub-Total</b>	<b>1,691</b>
<b>Total Direct Expenses</b>	<b>184,090</b>
<b>Service Fee</b>	<b>9,140</b>
<b>Total Expenditures (Non-Trust Fund)</b>	<b>193,230</b>
<b>DAG Secretariat Coordination (Trust Fund)</b>	
Support to TWGs	79,567
Miscellaneous	1,357
<b>Sub-total</b>	<b>80,924</b>
<b>Harmonization (Trust Fund)</b>	
Technical Advisor's Salary	72,918
Aid Management Platform	137,869
<b>Sub-total</b>	<b>210,787</b>
<b>Total Direct Expenses</b>	<b>291,711</b>
<b>Service Fee</b>	<b>14,580</b>
<b>Total Expenditures (Non-Trust Fund)</b>	<b>306,291</b>
<b>Total Expenditures (Non-Trust and Trust Funds)</b>	<b>499,521</b>

**Table 2. Monitoring & Evaluation Pooled Fund (UNDP Project Code 00057873)**

Description	Amount (USD)
<b>Expenditures by Activity</b>	
<b>Institutional Strengthening (Non-Trust Fund)</b>	
National Staff Salary	5,153
Poverty Analysis	26,309
PASDEP Awareness Creation	135,394
Office Equipment	72,549
Miscellaneous Expenses	2,426
<b>Sub-total</b>	<b>241,831</b>
<b>Statistical Work (Non-Trust Fund)</b>	
Long-term Training-Central Statistical Authority Staff	18,266
<b>Sub-Total</b>	<b>18,266</b>
<b>Support to CSOs</b>	
Support to PANE	91,493
<b>Sub-Total</b>	<b>91,493</b>
<b>Total Direct Expenses (Non-Trust Fund)</b>	<b>351,590</b>
<b>Service Fee</b>	<b>13,152</b>
<b>Total Expenditures (Non-Trust Fund)</b>	<b>364,742</b>
<b>Statistical Work (Trust Fund)</b>	
Long-term Training-Central Statistical Authority Staff	125,749
Miscellaneous	565
<b>Sub-total</b>	<b>126,314</b>
<b>Support to CSOs</b>	
Support to HelpAge	40
<b>Sub-total</b>	<b>40</b>
<b>Total Direct Expenses (Trust Fund)</b>	<b>126,354</b>
<b>Service Fee</b>	<b>6,668</b>
<b>Total Expenditures (Trust Fund)</b>	<b>133,022</b>
<b>Total Expenditures (Non-Trust and Trust Funds)</b>	<b>497,764</b>

**Table 3. Education Pooled Fund (UNDP Project Code 00057863)**

Description	Amount (USD)
<b>Expenditures by Activity (Non-Trust Fund)</b>	
<b>Strategic Support to Education Sector Development Program</b>	
Annual Review Meeting	20,706
Joint Review Mission	108,430
Strategy for Capacity Development	5,039
National School Health & Nutrition Survey	89,006
Program Implementation Manual	10,076
Course on Accountability, Governance & Decentralization	(7,623.40)
Textbook & Learning Materials Policy & Strategy	51,798
Medium of instruction	78,770
Education Sector HIV/AIDS Policy	56,010
Symposium on Better Education in Ethiopia	30,452
Intl. Conference on ICT for Dev't, Education & Training	9,042
Miscellaneous Expenses	8,878
<b>Total Direct Expenses (Non-Trust Fund)</b>	<b>460,584</b>
<b>Service Fee</b>	<b>23,083</b>
<b>Total Expenditures (Non-Trust Fund)</b>	<b>483,667</b>

**Gender Pooled Fund (UND Project Code 00057864)**

As this fund was newly set-up during the reporting period for Mainstreaming Gender Issues, no expenditures were made from this pooled fund.

## **10. Summary of Activities and Results of DAG TWGs in 2007**

The DAG has 11 Technical Working Groups (TWGs) that support Governmental institutions and other stakeholders in the formulation and implementation of policies. The TWGs work in the following sectors and areas: Education; Health, Population and Nutrition; Rural Economic Development and Food Security, Gender Equality, Governance; Transport, Private Sector Development and Trade; Monitoring and Evaluation; HIV/AIDS; Water; and Public Finance and Management Committee. What follows is a brief summary of the major activities and results of the TWGs in 2007.

### **1. Education**

The DAG Education TWG monitors and provides technical support to policy dialogue and the design and implementation of education programs in line with the country's Education Sector Development Programme (ESDP). It facilitates multi-stakeholder dialogue between Government, bilateral and multilateral development partners and civil society on current education policies and programmes. The main objectives of the Education TWG are promoting long term capacity building for all education stakeholders in response to identified needs; mapping, coordinating and sharing; improving sector division of labour amongst development partners and other stakeholders; promoting predictability of adequate financing to the sector aligned as far as possible with government systems; engaging in technical dialogue through different fora, including education task forces, annual and joint review missions, M&E etc; and promoting evidence based policy making in the sector, including dissemination of key international thinking.

#### **Key Activities and Results in 2007**

- Co-organized and participated actively in the IX Education Sector Development Programme (ESDP III) Annual Review Meeting in March 2007, held in Bahir Dar.
- Started dialogue with the Ministry of Education to develop a GEQIP (General Education Quality Improvement Project). Work on this started in March 2007 and will be finalized mid 2008.
- Participated actively in the Joint Review Mission of Education Sector Development Programme (ESDP III) in November 2007. TWG members participated in the different Task Forces and helped to define the relevant TOR.
- In close collaboration with the Ministry of Education (MoE), the TWG made a request to the Fast Track Initiative (FTI) Catalytic Fund for a contribution to fill the Education sector financing gap. The amount requested was US \$168 million. During the FTI CF meeting, an initial contribution of US \$ 70 million was granted to Ethiopia.
- The TWG was involved in reviewing ToRs for different studies launched and undertaken in the year through the different taskforces and financed the activities through the Education Pooled Fund, managed by UNDP. The specific studies and activities supported by the TWG can be referred in the Education Pooled Fund section of this report.
- Compiled information and studies for the Education TWG web page on the DAG website.

### **2. Gender Equality**

The Donor Group on Gender Equality (DGGE) was established in late 2003 with the purpose of the achievement of gender equality and women's empowerment in Ethiopia. Since then, the Gender Group has evolved into a technical group with the key mandate to strengthen the mainstreaming of gender into national policies and strategies, with strengthened implementation of the PASDEP at the thrust of the Group's functions. With Gender (*Unleashing the Potential of Women*) being one of

the key pillars of the PASDEP, the establishment of the Ministry of Women Affairs in 2005 and the launch of the National Action Plan for Gender Equality (NAP-GE), the TWG's mandate has broadened to establish a Gender Pooled Fund, in which support to national gender machineries and the CSO sector has become a priority.

### **Key Activities and Results in 2007**

- The Gender Pooled Fund (GPF) was endorsed by the DAG and officially established in January 2007. Donors started transferring money to the fund
- However, difficulties were encountered in getting in touch and coordinating with the Ministry of Women's Affairs (MoWA) for the organization of GPF launching workshop and other GPF related activities.
- Coordination and information sharing activities undertaken with World Bank including Gender and Poverty Study, Gender Budgeting Exercise.
- Road Map to End Gender Based Violence (GBV) Strategy was developed and the TWG is awaiting response of MoWA to finalize it.
- The TWG identified and developed core indicators for gender from the PASDEP Policy Matrix
- ToR was developed for the establishment of a National Steering Committee on gender
- A strategic plan was developed and consultations were held with Network of Ethiopian Women's Associations (NEWA) and the International Institute of Rural Reconstruction (IIRR) to identify appropriate CSO representative institutions in gender issues
- Networks were established with some TWGs to strengthen linkages and technical support on gender issues to the DAG Technical Working Groups

### **3. Governance**

The DAG Governance Technical Working Group (GTWG) monitors and provides technical support to policy dialogue and the design and implementation of governance programmes in Ethiopia. The GTWG optimizes the benefits of donor coordination to ensure greater harmonization of development assistance and alignment to national priorities in the governance sector. It facilitates multi-stakeholder dialogue between Government, bilateral and multilateral development partners and civil society on current governance policies and programmes. The GTWG provides support to and engages in dialogue with stakeholders through its seven Sub-Groups (Access to Information, Civil Society, Conflict, Democratic Decentralization, Democratic Representation, Human Rights and Justice).

### **Key Activities and Results in 2007**

- A DAG-GTWG Governance Advisor was recruited in July 2007 for an initial period of one year. The advisor, located with the Chair in DFID, initiated work on 23 July 2007.
- Donor mapping exercises for strengthening and ensuring alignment with the PASDEP Governance matrix was finalized and used as input for updating the Governance Strategy. A validation exercise was conducted during the GTWG Retreat (4-5 December 2007) that would inform revisions to the Strategy expected to be finalized by the end of January 2008.
- The GTWG initiated consultations via the Neway Group mechanism in May and November 2007. It also provided feedback on the GoE's PASDEP Progress Report, which was discussed at the November 2007 meeting with key government interlocutors. During this meeting, the Neway Group agreed to improve the effectiveness of the dialogue by

- delegating detailed discussion on progress and governance indicators to the technical and operational level, and confine future Neway Group meetings to key strategic issues.
- The indicators under the PASDEP Governance matrix were reviewed and revised through extensive consultations within the GTWG and its Subgroups. This was tabled at the Neway Group Meeting on 27<sup>th</sup> November 2007, and agreement was reached on the GTWG submitting a proposal at the next Neway Group meeting in 2008, for refining and reducing the current indicators under the PASDEP Governance matrix.
  - A GTWG Retreat was held at ECA, from 4<sup>th</sup> to 5<sup>th</sup> December 2007 with the main objective of reviewing and refocusing TWG priorities and ways of working to achieve greater efficiency and effectiveness and reducing opportunity cost for members. A summary of key recommendations, including best practices and more efficient ways of working, was circulated to and endorsed by GTWG members.
  - A Conflict Subgroup was established during the third quarter of 2007, with USAID and UNDP, serving as Chair and Co-Chair, respectively. The Subgroup was instrumental in facilitating and sharing information on a study tour on the national conflict policy in Kenya, led by the Minister of Federal Affairs. This was a good development regarding the relationship between Government and civil society actors.
  - As an outcome of the discussions at the GTWG Retreat in December 2007 a thematic Task Team on Corruption was established.
  - The GTWG established Ogaden Sub-group (Somali region) that reports directly to the EPG.
  - Intensive dialogues were held with the government concerning the press law, local election and the human right situations in Ogaden.
  - Work was started to introduce Governance activities of donors in the 'Blue Book', a standardized database for project information.

#### **4. Health, Population and Nutrition**

The Health, Population and Nutrition (HPN) Technical Working Group was created after the launch of the first Ethiopian Health Sector Development Programme (HSDP) in 1998. The HPN TWG supports the activities of the Federal Ministry of Health (FMOH) under the framework of the HSDP. The main objectives of the TWG are to represent donor partners in all health sector discussions and dialogue with FMOH, other public agencies, private organizations and the DAG; to provide coordinated financial and technical support to the health sector including advocacy for generating additional resources; to create a joint forum for active interaction and dialogue with the Government and particularly with FMOH on emerging health and health related issues; and to support FMOH in assessing and identifying major constraints impeding the achievement of better health status in Ethiopia by providing technical financial and management support.

#### **Key Activities and Results in 2007**

- HPN worked with FMOH to develop a proposal to the Global Alliance for Vaccines and Immunization (GAVI) for support to Health System Strengthening. The proposal for \$76.6 million was approved and funding began in April.
- A second phase of the Health Pooled Fund (HPF) was established, and the number of bilateral donors to HPF increased from three to five.
- HPN worked with FMOH to develop an innovative Harmonization Manual for the health sector. The Health Harmonization Manual was launched in April under the chairmanship of H.E the Minister of Health and in the presence of Heads of Missions and HPN Group.

- The International Health Partnership was launched in September and many HPN partners signed the global IHP Compact. HPN began working with FMOH to develop a roadmap for the IHP in Ethiopia with the support of national and international experts.
- The TWG participated in a review of adherence to the Code of Conduct for harmonization in the health sector.
- HPN partners participated actively in the HSDP Annual Review Meeting in October.
- The Group helped to draft and refine the TOR for a Mid-Term Review of HSDP3.
- The HPN Group compiled information and documents for the new HPN web page on the DAG website.

## **5. HIV/AIDS**

The HIV/AIDS Donors Forum was established in July 2003 in response to the formation of the National Partnership Forum for the Fight Against HIV/AIDS in Ethiopia (NPFFAE). In 2005 the Forum assumed also the function of HIV/AIDS Technical Working Group of the DAG. The HIV/AIDS Donors Forum is now constituted as an independent body that seeks to represent HIV/AIDS donors in all joint processes, disseminates information, achieve consensus and provide a basis for collective action. The TWG coordinates donor assistance to the national response to HIV/AIDS, including the provision of support to the HIV/AIDS Prevention and Control Office (HAPCO) and the Ministry of Health, according to the principles of harmonization and alignment stated in the Paris Declaration and the “Three Ones”<sup>2</sup>. The Donors Forum meets regularly with Government counterparts. It provides a joint donor response to multi-stakeholder processes, including PASDEP and MDGs as well as consolidated responses to other joint processes, including reviews of programs such as the Ethiopian Multi Sector AIDS Program (EMSAP), the US President’s Emergency Plan For AIDS Relief (PEPFAR) and the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM).

### **Key Activities and Results in 2007**

- Quarterly joint meeting with HAPCO has been institutionalized since January 2007. HIV TWG members provided substantial technical contribution for the preparation of the HIV Proposal for the Global Fund Round 7 (February - June 2007). HIV TWG members have actively participated (as part of the Expert Core Group) in the activities of the Health Impact Evaluation (Global Fund 5 Year Evaluation) going on in the country.
- The HIV TWG is actively represented in the National Partnership Forum (NPF) as member of the Steering Committee. HIV TWG members contributed to the revision process of the NPF.
- The Group provided substantial contribution to the definition of the ToR for Health, Education and HIV/AIDS Resource Mapping as well as in the planning and definition of the National AIDS Spending Assessment (NASA) exercise.
- The HIV Group is making efforts to set up the HIV-Governance Pooled Fund.

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<sup>2</sup> A landmark agreement promoting universal coordination in the fight against AIDS was adopted at a meeting held by UNAIDS, the UK and the US on 25 April 2004 in Washington D.C.

- The Group made consistent links with the HPN TWG (through cross-participation and consistent sharing of documents). Ad hoc links were also made with other DAG TWGs (Education, Gender).

## **6. Monitoring and Evaluation**

The M&E TWG provides support to the Monitoring and Evaluation of the PASDEP, based on the policy matrix of outcomes and indicators. It works with the main Government counterparts of the Development Planning and Research Department (DPPRD) and the Central Statistics Agency (CSA) under MoFED. The TWG advises the DAG on M&E issues, conducts structured dialogue with MoFED (DPPRD and CSA), and reports to the DAG and the authorities on the conclusions and recommendations from the dialogue. The TWG supports and monitors the establishment and running of a robust and effective M&E system.

### **Key Activities and Results in 2007**

- The M&E TWG facilitated the review of PASDEP and its policy matrix by all DAG TWGs and produced a summary report titled "*Ethiopia: A Plan for Accelerated and Sustained Development to End Poverty (PASDEP) – Comments from the Development Assistance Group*" in March, 2007. The review included assessment of the incorporation of early DAG inputs in the PASDEP design, identification of policy gaps, and adequacy of the indicators/ performance measurement framework of PASDEP.
- The TWG has subsequently compiled a Briefing Note on PASDEP M&E which was discussed at a High Level Forum in June 2007. The TWG was instrumental, therefore, for getting key consensuses on the part of GoE for joint monitoring mechanism of PASDEP.
- The TWG has taken the lead in compilation of the PASDEP Core Performance Indicators (CPI) for joint GoE-DAG focused and regular assessment of the performance of PASDEP. The M&E TWG has prepared a Guide Note and Format for compilation of the CPIs by various DAG TWGs. The M&E TWG has also formed a small group that visited and discussed individually with the different TWGs about their M&E plans with respect to PASDEP. Almost all DAG TWGs have now submitted their respective core indicators.
- The M&E TWG has played a crucial role in identifying PBS M&E issues and consequent steps for strengthening PBS result orientation and M&E linkage with PASDEP. The TWG has consequently participated and coordinated the M&E component of PBS JRIS missions. Currently, the M&E TWG is stockpiling and mapping existing sectoral M&E processes which will feed into the design of the PBS II performance measurement framework.

## **7. Rural Economic Development and Food Security**

The Rural Economic Development and Food Security (RED & FS) TWG was established in 2004 particularly to address the critical area of rural growth. Its main objective is to improve the efficiency and effectiveness of donor support to agriculture and rural development through improved cooperation of the donor community with Government on its RED&FS agenda, both at policy dialogue and implementation levels. The TWG's main Government counterparts are the Ministry of Agriculture and Rural Development (MoARD) and the Disaster Prevention and Preparedness Agency (DPPA).

### **Key Activities and Results in 2007**

- The TWG organized a retreat in Debre Zeit (12-14 June 2007) that brought together senior members of the Ministry of Agriculture and Rural Development and donor representatives, to discuss the rural economic development and food security elements of PASDEP. The overall aim was that a government-led strategy to deliver on aspects of rural economic development and food security of PASDEP will be effectively supported by donors—i.e. aligned, harmonised, and adequately resourced.
- A follow up meeting in Addis Ababa was conducted which enabled to agree a framework for looking at RED&FS issues in PASDEP; to conduct a SWOT analysis for the contribution of donor support to RED&FS elements in PASDEP; to map out vision for donor support to RED&FS within the framework; and agree on a process through which to take this agenda forward.
- The retreat helped identify three focal areas of engagement for the TWG and the Government (Agricultural growth, food security and natural resource management).

### **8. Transport**

The DAG Transport Thematic Working Group was formally established on October 30<sup>th</sup> 2007 to work within the framework of PASDEP and the Road Sector Development Programme (RSDP) as its guide for this sub-sector which is the main focus of the Group. The main objectives of the Group include coordinating and streamlining donor interventions in the sector, providing technical support to the main Government counterpart-The Ethiopian Roads Authority (ERA)- as well as leading dialogue with Government regarding the policy and legal framework for the sector and progress in PASDEP implementation.

### **Key Activities and Results in 2007**

- Mission and main activities of the Group were agreed at the first meeting of the TWG in October 2007. Donors then received a briefing from the ERA on priorities for the Road Sector before each providing a short presentation of their individual agencies' work. Agreement was reached to use the EU Blue Book to map the sector and that members would submit details of planned analysis and missions.
- The Group discussed National Transport Master plan Study and fed comments from donors to the Government. Government briefed donors regarding the establishment of the new Railway Corporation.
- A project proposal for the rural roads sub-sector was presented by the UN, which Group members discussed before agreeing that DFID would follow up the possibility of funding under the Ethiopian Rural Travel and Transport Programme.
- The Transport TGW held extensive discussion and provided input to the EC's presentation on the review of its sector policy support programme to the road sector.

### **9. Water**

The DAG Water Technical Working Group was established in 2002. The Group focuses on the following four thematic areas: 1) water supply, sanitation and hygiene (WASH); 2) hydropower; 3) irrigation and 4) integrated water resource management (IWRM). The TWG provides technical support to the Government in the implementation of Ethiopia's Water Sector Development Program (WSDP) and the PASDEP Water Policy Matrix as well as in the appraisal of water supply and sanitation projects in response to the MDGs. Key functions of the Group are to coordinate donor

activities by sharing information among donors and mapping donor interventions in the sector and to Promote and engage in active dialogue with the government on a quarterly basis at senior and technical levels and discuss key water resources development and management issues with the government.

### **Key Activities and Results in 2007**

- The water and sanitation (WASH) sector successfully carried the first multi stakeholders' forums under the auspices of the temporary European Union Water Initiative (EUWI) Dialogue task force and the forum was handed over to National WASH Steering Committee during the second Multi Sector Forum (MSF) forum in December 2007.
- A financing strategy was conceived and agreement was reached to establish a coordinated capacity building pooled fund. A capacity building stake taking study was undertaken as part of the preparations for the Capacity Building Pooled Fund (CBPF).
- The TWG prepared 5-6 consolidated position papers on various issues and shared them with partners. In addition it provided consolidated comments at Government's request for review of various documents such as the water sector development programme.
- Two Joint Technical Reviews for the WASH sector were conducted in October 2006 and May 2007. The TWG members participated in the mid term review of the WB supported Water Supply and Sanitation Project which resulted in major steps forward for humanizations.

### **10. Private Sector Development & Trade**

The DAG Private Sector Development & Trade Technical Working Group (PSD&T-TWG) monitors and provides technical support to policy dialogue and the design and implementation of private sector and trade related issues and programs in Ethiopia. The PSD&T-TWG optimizes the benefits of donor coordination to ensure greater harmonization of development assistance and alignment to national priorities in the economic development sector. It facilitates multi-stakeholder dialogue between Government, bilateral and multilateral development partners and private sector institutions (e.g. chambers and associations) on current economic policy and PSD promotion issues and programs. The PSD&T-TWG provides support to and engages in dialogue with stakeholders through its nine Sub-Groups based on the extensive Joint Roadmap Exercise completed in 2007 (Public-Private-Dialogue-PPD, Economic Governance, Legal and Judicial Framework, Trade and Regional Integration, Financial Services (including Microfinance), Support to Business Membership Organizations-BMOs, Value Chains/Clusters, Firm Level Support and Privatization).

### **Key Activities and Results in 2007**

- The TWG has developed – supported by an international consultant and financial resources from the DAG General Pooled Fund and based on consultations with the private sector and Government – a strategy paper called *Joint Roadmap to a More Effective Donor Support for PSD in Ethiopia*. The objective is to accelerate growth of a competitive, vibrant private sector through the optimal use of donor resources on policies, actions and programs that have the highest impact and are most achievable in a medium-term timeframe. The roadmap exercise is therefore meant to help donors work in a more harmonized way and focus efforts on a more limited number of high priority programs.
- An exhaustive Donor mapping exercise was the basis of the Roadmap, with the objective to identify support gaps and strengthening and ensuring alignment with the PASDEP PSD

matrix. A validation exercise was conducted during the several meetings with DAG Head of Missions and planned for a HLF in January 2008 that would generate revisions to the Roadmap expected to be finalized by the end of February 2008.

- Working relations with the overall, UK-based Donor Committee for Enterprise Development (DCED) was significantly enhanced by two visits of the coordination unit to Ethiopia. Extensive support was provided in terms of international best practices in PSD-related donor harmonization.
- CGAP from the offices in Paris and the US visited the TWG twice in 2007 in order to support coordination in the area of microfinance.
- A part-time secretariat was set-up with the financial support of the Netherlands Development Organization SNV in order to support the follow-up of activities and be complementary to the administrative support provided by the DAG secretariat.
- In December 2007 the Government of Ethiopia decided the establishment of a Private Sector Working Group. The PSD&T-TWG would hold dialogue with MoTI on the drafting of the TOR and the way forward.
- The PSD&T-TWG initiated consultations with private sector institutions in November 2007. It also provided feedback on Government's PASDEP Progress Report (APR) which was discussed at several occasions. During these meetings, it was agreed to make Government aware of the discrepancy between the PASDEP main text and the complex set of indicators. It was decided to make a proposal on a more tangible and workable set of PASDEP indicators for PSD and Trade.
- The indicators under the PASDEP PSD matrix were repeatedly reviewed and revised through extensive consultations within the PSD&T-TWG and its Subgroups. This was tabled at the Head of Missions/DAG ExCom Meeting in November 2007, and agreement was reached on the PSD&T-TWG submitting a proposal at the HLF meeting in 2008, for refining and reducing the current indicators under the PASDEP PSD matrix.
- The TWG participated in the National Private Sector Conference and shared information.

## **11. Public Finance and Management Committee**

The PFMC is a Government-Donor joint committee, which focuses on issues related to analysis of the Government's budget (allocation and execution, and issues arising from the financial architecture supporting decentralization); analysis of the Macro Economic Fiscal Framework; and review of findings of the Fiduciary Assessment and related reforms in public finance management such as EMCP. The expected outcomes are enhanced predictability of aid flows, and increased transparency of the Government finance flows and public finance management systems.

- In May 2007, the Government and donors discussed how to improve the content and process of the Government donor dialogue on public finance managed by the PFMC.
- The PFMC meetings have been structured around four core components (although not all need to be discussed each time): (i) Macro; (ii) Budget; (iii) Aid; and (iv) Fiduciary.
- The PFMC group agreed that it should be made clear what the expectations of both government and donors are in advance of these meetings. These include agreeing on plan at the beginning of the FY, identifying the information expected from both sides and the analytical topic that need to be focused on.

- Government and donors jointly identified priority area of analytical work and a study focusing on the cost of basic service delivery at Woreda level has been done by the WB in collaboration with the Government. The study has been reviewed during the May 2008 pre-appraisal mission of PBS II.
- As per the agreement there were four quarterly meetings on public finance in which two of the meetings (October and April/May) took place during the JRIS missions. Thus, in EFY 2000 the PFMC managed two Joint Budget and Aid Reviews (JBARs) as part of due diligence requirement for the quasi-budget operation (PBS). APFMC review was also administered during July, 07.



**ANNEX 1: Overview of Support Areas and Results Achieved in 2007**

<b>Main areas of work</b>	<b>Support activities</b>	<b>Results achieved</b>	<b>Future Work</b>	<b>DAG Partners</b>
Enhanced donor coordination and support to harmonization and enhanced policy dialogue	<ul style="list-style-type: none"> <li>• Coordination and facilitation of DAG Activities;</li> <li>• Coordination and monitoring the work of TWGs;</li> <li>• Localization of the Paris Declaration for Alignment and Aid Effectiveness (Declaration on Harmonization, Alignment and Aid Effectiveness);</li> <li>• Operationalizing the DAG partnership structures through enhanced policy dialogue</li> </ul>	<ul style="list-style-type: none"> <li>• High level forum held in June and November 2007;</li> <li>• TA recruited in August to support High Level Forum Secretariat;</li> <li>• DAG comments on PASDEP prepared and submitted to Government;</li> <li>• Information sharing and dissemination enhanced;</li> <li>• CSO/DAG dialogue enhanced through consultative meeting.</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly HLF based on mutually agreed agenda between the DAG and Government;</li> <li>• Continued support to the DAG Secretariat</li> <li>• Implementation/ revision of the Harmonization Action Plan</li> <li>• Institutionalizing CSO/DAG dialogue</li> </ul>	<ul style="list-style-type: none"> <li>• Government</li> <li>• Civil Society Organizations</li> </ul>

<p>Support to broad-based formulation, monitoring and evaluation of the PASDEP</p>	<ul style="list-style-type: none"> <li>• Development of data and information management system;</li> <li>• Capacity strengthening of CSA and MoFED;</li> <li>• Support to poverty analysis;</li> <li>• Enhancing public awareness on PASDEP</li> <li>• Technical and financial support for the formulation of PASDEP</li> <li>• Support to the development of economy-wide model for Ethiopia</li> <li>• Support to the engagement of civil society organizations (CSOs) and other non-state actors in the PASDEP implementation, monitoring and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Statistical work for PASDEP monitoring and evaluation developed and data management and dissemination facilities strengthened (HICES completed);</li> <li>• Four thousand copies of PASDEP and policy matrix were distributed</li> <li>• Annual Progress Report of PASDEP for two years (2005/06 and 2006/07) was prepared and distributed to stakeholders</li> <li>• Regional consultations on the progress of PASDEP undertaken;</li> <li>• CSOs supported to strengthen their involvement in PRSP;</li> <li>• Community based poverty monitoring system supported</li> <li>• Development of Economy-Wide Model for Ethiopia in progress</li> <li>• Meeting with Civil Society Organizations conducted</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake woreda and zonal level welfare survey (CWIQ);</li> <li>• Complete the Poverty Analysis</li> <li>• Disseminate PPA , HICES and the final report of Poverty Analysis</li> <li>• Continued support to manpower capacity development of CSA and MoFED</li> <li>• Continued support to the implementation of PANE Strategic Plan</li> <li>• Continued support to Older People's Poverty Monitoring Project</li> </ul>	<ul style="list-style-type: none"> <li>• CSA,</li> <li>• MoFED (DPPRD)</li> <li>• PANE</li> <li>• HelpAge International</li> <li>• EDRI</li> </ul>
<p>Enhancing the efficiency and effectiveness of education development initiatives as well as policy formulation of ESDP</p>	<ul style="list-style-type: none"> <li>• Facilitate studies and research;</li> <li>• Organization of workshops; Study tours</li> </ul>	<ul style="list-style-type: none"> <li>• ESDP II 2007 Annual Review Meeting (ARM) undertaken; ·</li> <li>• Developing Regional Strategies for Improving the Utilization of Teachers in Ethiopia in progress</li> </ul>	<ul style="list-style-type: none"> <li>• Organize ARM 2008</li> <li>• Organize workshop on Medium of Instruction</li> <li>• Complete Study on Teachers Utilization</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Education;</li> </ul>

		<ul style="list-style-type: none"> <li>• Survey of National School Health and Nutritional Status completed</li> <li>• Study on Training and Education for Sustainable Development is initiated</li> <li>• Education Sector Development Programme Joint Review Meeting undertaken;</li> <li>• Programme Implementation Manual (PIM) produced</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct study on Capacity Needs Assessment for New Public Universities</li> <li>• Conduct study on Training and Education for Sustainable Development.</li> <li>• Conduct study on School Health and Nutrition</li> <li>• Conduct study on Teachers Licensing and Re-licensing.</li> <li>• And other activities that will generate from the 2008 ARM.</li> <li>• Finalize ESDP Programme Implementation Manual translation and workshops</li> </ul>	
Ensuring Gender Equality	<ul style="list-style-type: none"> <li>• Support to the design of the Gender Pooled Fund</li> <li>• Follow up the finalization of National Action Plan (NAP) for Gender Equality</li> </ul>	<ul style="list-style-type: none"> <li>• National Action Plan on Gender Equality finalized</li> <li>• Gender Pooled Fund established</li> </ul>	<ul style="list-style-type: none"> <li>• Operationalization of the Gender Pooled Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Women Affairs</li> <li>• CSOs</li> <li>• Women Affairs Department of Ministries</li> <li>• Others</li> </ul>

**Annex 2: Overview of DAG Events in 2007**

Date	DAG Event	Major Issues Discussed	Other Events/Comments
9 January	ADG (now EPG)/DAG informal lunch with Ambassador Teshome Toga, Speaker of the House of Peoples' Representatives (HPR)	<ol style="list-style-type: none"> <li>1. Progress on parliamentary reforms</li> <li>2. Arrangements for parliamentary visits</li> <li>3. Capacity building of members of parliament</li> <li>4. Progress on media law</li> <li>5. Date of local elections and appointment of NEBE members</li> </ol>	The Speaker briefed DAG members on the progress made on each agenda and expressed his desire to work with donors in improving institutional capacity of the HPR.
12 January	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Briefing by DPPA Director General, Ato Simon Mechale, on the recent floods and needs assessment process</li> <li>2. Regional developments (situation in Somalia)</li> <li>3. DAG input to PASDEP</li> <li>4. Update on support to parliament</li> <li>5. Harmonization (Reporting of donor commitments)</li> </ol>	
27 February	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Briefing on USAID pastoralist support initiatives in Somali programme</li> <li>2. PASDEP and next steps               <ol style="list-style-type: none"> <li>a) Review of PAADEP by DAG TWGs</li> <li>b) HLF to discuss PASDEP process</li> </ol> </li> <li>3. Draft Declaration on Harmonization, Alignment and Aid Effectiveness</li> <li>4. Feedback on the PBS JRIS</li> <li>5. Establishment of Gender Pooled Fund</li> </ol>	

24 March	DAG ExCom-TWG Chairs meeting on challenges related to DAG structure	<ol style="list-style-type: none"> <li>1. Champions</li> <li>2. Linkages between DAG HoA and TWGs</li> <li>3. DAG-CSO links</li> <li>4. Communication and use of DAG website</li> <li>5. DAG pooled fund management</li> </ol>	The meeting was part of DAG's activities to enhance support to and communications with DAG TWGs
28 March	Meeting between CSOs and DAG	<ol style="list-style-type: none"> <li>1. Discussion on the presentation by Union of Ethiopian Civil Society Organizations, an umbrella network of local CSOs, on ongoing initiatives by CSOs</li> <li>2. Update on planned DAG support to CSOs</li> <li>3. Discussion on presentation by PANE on the roles of CSOs in development</li> </ol>	The DAG and CSOs agreed to hold regular quarterly dialogue on priority issues to be identified by the DAG ExCom and representatives of CSOs.
23 April	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. PASDEP comments and issues for discussion at the next HLF <ol style="list-style-type: none"> <li>a) Financing of PASDEP</li> <li>b) Identifying key sector for discussion at HLF</li> <li>c) M&amp;E of PASDEP</li> </ol> </li> <li>2. Draft Declaration on Harmonization, Alignment and Aid Effectiveness</li> <li>3. AOB (Poverty analysis studies, DAG challenges and proposed solutions)</li> </ol>	
7 May	DAG Submits PASDEP Comments to MoFED		DAG submitted to MoFED detailed comments on PASDEP, which were prepared by TWGs in each sector.
4 June	DAG Heads of Agency preparatory meeting for the June 5, 2007 HLF	<ol style="list-style-type: none"> <li>1. Preparation for the June 5 High Level Forum (HLF) <ol style="list-style-type: none"> <li>a) Financing of PASDEP</li> </ol> </li> </ol>	The meeting discussed a study on financing of PASDEP commissioned by

		b) Monitoring and Evaluation of PASDEP C) Harmonization	the EC and agreed DAG issues for the HLF
5 June	DAG-Government High Level Forum (HLF)	<ol style="list-style-type: none"> <li>1. Financing of PASDEP</li> <li>2. Monitoring and Evaluation of PASDEP</li> <li>3. Draft Joint Declaration on Harmonization, Alignment and Aid Effectiveness</li> <li>4. Aid Management Platform (AMP)</li> </ol>	
3 July	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Feedback on follow up to the HLF meeting</li> <li>2. DAG challenges and proposed solutions</li> <li>3. AOB (Update on the situation in Somali state, election of DAG Co-chair and ExCom members)</li> </ol>	
15 August	Signing of the Democratic Institution Program (DIP) document		The DAG (represented by UNDP) signed the Multi-Donor Support for the Democratic Institutions Programme (DIP) with the Government (represented by MoFED)
7 September	DAG ExCom meeting with CSO Representatives	<ol style="list-style-type: none"> <li>1. Agenda items for next DAG-CSO meeting</li> <li>2. Date for the next DAG-CSO meeting</li> </ol>	The meeting was held as part of an agenda item of the regular DAG ExCom meeting to agree on agenda items and date for next DAG-CSO meeting.
18 September	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Preparation for the next HLF</li> <li>2. Harmonization</li> </ol>	

		<ol style="list-style-type: none"> <li>3. Division of Labour within DAG</li> <li>4. DAG ExCom composition and rotation of Co-chairs</li> <li>5. Update on the UN Humanitarian Assessment Mission to Somali region</li> <li>6. Replenishment of DAG Pooled Fund</li> <li>7. AOB (DAG Research Agenda, DAG TWG on Transport, China participation in DAG)</li> </ol>	
23 October	Meeting between DAG ExCom and TWG Chairs	<ol style="list-style-type: none"> <li>1. Issues from TWGs for discussion at the next HLF</li> <li>2. GoE participation in TWGs</li> <li>3. Joint research/analytical work and proposed database</li> <li>4. Reflections on DAG Communications Strategy</li> </ol>	
25 October	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Preparation for the next HLF</li> <li>2. Update from the Harmonization Task Force Meeting</li> <li>3. Joint Chairing of TWGs (Briefing on the outcome of ExCom-TWG Chairs meeting)</li> <li>4. Follow up to actions agreed at the last HLF</li> <li>5. Update from the DAG Division of Labour Team</li> <li>6. Update on DAG pooled funds</li> <li>7. DAG Communications Strategy and website reform</li> </ol>	

		8. AOB (Briefing on EPG meeting)	
20 November	DAG-Government High Level Forum (HLF)	<ol style="list-style-type: none"> <li>1. Rural economic development and food security</li> <li>2. Follow up the last HLF meeting</li> <li>3. AOB (Preliminary briefing on IMF mission, Date and policy focus for next HLF)</li> </ol>	
21 November	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Reflections on and follow up to the November 20 HLF</li> <li>2. Briefing by IMF Ethiopia Representative on latest macro-economic assessment</li> <li>3. AOB (Introduction of new DAG Programme Coordinator and Programme Officer, Date and venue for next DAG retreat, Funding request from Governance TWG to hold retreat)</li> </ol>	
13 December	DAG Heads of Agency Meeting	<ol style="list-style-type: none"> <li>1. Preparation for the January 24 DAG retreat</li> <li>2. Policy focus for the next HLF</li> <li>3. Feedback from the December 12 EPG meeting</li> <li>4. AOB (Briefing about PBS Progress Report, Approval of regular date for monthly DAG meetings, Confirmation of venue for DAG retreat)</li> </ol>	

