Ethiopia: Institutional Development Support to the Homegrown Economic Reform Mapping Report 2020/21

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Acronyms

AICS	The Italian Agency for Development Cooperation
AfDB	African Development Bank
CBE	Commercial Bank of Ethiopia
CIRDI	The Canadian International Resources & Development Institute
CRGE	Climate Resilient Green Economy strategy
DPG	Development Partners Group
DBE	Development Bank of Ethiopia
DRM	Domestic Resource Mobilization
EEP	Ethiopian Electric Power
EEU	Ethiopian Electric Utility
EEA	Ethiopian Energy Authority
EIC	Ethiopian Investment Commission
ELSE	The Ethiopia Shipping & Logistics Enterprise
EMAA	Ethiopian Maritime Affairs Authority
FAO	Food & Agriculture Organization
GoE	Government of Ethiopia
GTP	Growth & Transformation Plan
HGER	Homegrown Economic Reform
ICT	Information Communication Technology
IPDC	Industrial Parks Development Corporation
JCC	Job Creation Commission
MDI	Multi-Donor Initiative
MOA	Ministry of Agriculture
MoCT	Ministry of Culture and Tourism
MoF	Ministry of Finance
MoTI	Ministry of Innovation & Technology
MoMP	Ministry of Mines & Petroleum
MOTI	Ministry of Trade & Industry
MDTF	Multi-Donor Trust Fund
NBE	National Bank of Ethiopia
PCU	Project Coordinating Unit
PFM	Public Finance Management
PIM	Public Investment Management
PDC	Planning & Development Commission
PMO	Prime Minister’s Office
PPP	Public-Private Partnership
SOE	State-owned Enterprise
TA	Technical Assistance
TC	Technical Cooperation
VAT	Value-added Tax
YPDP	Young Professional Development Program

Executive Summary

The Government of Ethiopia (GoE) and its development partners are concerned that weak institutional capacity across ministries and other public sector bodies may hinder the rollout of the ambitious set of economic reforms pursued by the Ethiopian government. Against this backdrop, the Swedish Embassy in Ethiopia and the Development Partners Group (DPG) embarked on a process to support the government of Ethiopia's efforts to develop the capacity of government organizations, particularly those with a key role in the economic reforms. At the GoE's request, the Development Partners Group consolidated and shared global lessons learned in supporting institutional development in transitional economies in March 2020. This exercise resulted in the agreement of '10 principles' to guide institutional development in Ethiopia in the future. An additional assessment was done about the impact of COVID-19 on institutional development efforts. This mapping of donors' institutional development support to the key implementers of the Homegrown Economic Reform is a continuation of this work.

The agreed 10 principles for effective institutional development support in Ethiopia
1. Always provide context-specific assistance to support country-owned and locally-led change 2. Understand both formal and informal incentives when devising a public sector reform and planning international assistance. 3. Consider different entry points and multi-actor processes, including both public sector ('supply-side') reforms and external ('demand-side') initiatives to improve public sector effectiveness, as well as its accountability, responsiveness and inclusion. 4. Ensure a prioritized and sequenced approach, while paying attention to both capacity and legitimacy. 5. Facilitate processes of change rather than just providing technical solutions. 6. Consider whether whole-scale reform or 'pockets of effectiveness' are more appropriate objectives and how Problem-Driven Iterative Adaptation can be used. 7. Avoid stand-alone training 8. Consider different types of technical cooperation beyond technical advisers, which is identified, procured and managed by those who will benefit from the assistance. 9. Build flexibility and adaptability into institutional reform. 10. Invest in ongoing monitoring, evaluation and learning based on an explicit theory of change and theory of action.

Institutional development does not occur in a vacuum. To be effective, it should be part of achieving broader development objectives set out in a national development strategy or a prioritised government initiative[1] such as the Homegrown Economic Reform Package. Therefore, the objective of this mapping exercise was to systematically identify: i) the key prioritized interventions / results to be delivered under the Homegrown Economic Reform; ii) the key

[1] UNDP: (2009) Capacity Development: A UNDP Primer

agencies/institutions involved in the Homegrown Economic Reform for Ethiopia; iii) the donors supporting these agencies under different modalities; iv) the level of coordination (within government, within donors and between donors and government); v) key gaps in the support so far. This report is a descriptive mapping document expected to provide a snapshot of support to the HGER "as is" in order to better understand the reform program today and how it might be supported in the future. It provides information on key institutions relevant to the HGER, their roles in the reform, the current level of support, the level of coordination, and suggests the key factors that are critical to the adoption of sustainable institutional development in line with the agreed 10 principles.

This mapping summary is based on the information received during December 2020 and January 2021 from donors and key government bodies. Some 13 donor organizations provided information for the mapping exercise and information from four donors was collected from secondary sources.[2]

Overview of the HGER

While the Growth & Transformation Plan GTP II (2016-2020) was being implemented, the new Ethiopian leadership established the Macroeconomic Committee in 2018 to accelerate economic growth, enhance export earnings and create jobs. The Committee was supported by various sub-committees covering reforms in areas like fiscal reform, the financial sector, the private sector, productive sectors, Ease of Doing Business, and jobs and investment. While these sub-committees were exploring the next generation of reforms, the government of Ethiopia was challenged with a serious external debt burden and had to urgently address macroeconomic imbalances arising from this rapid accumulation of debt. In order to address these macroeconomic imbalances, the preparation of an interim plan, (now known as Pillar I -Macro-Financial Reforms of the Homegrown Economic Reform) was initiated. During the preparation period, the GoE expanded the initial plan, which became known as the Homegrown Economic Reform (HGER) to include complementary reforms under two additional pillars. Pillar II (Structural Reforms) was included in order to intensify the process of creating an enabling environment for investment. Furthermore, five sectors, namely agriculture, manufacturing, mining, tourism, and information and communication technology, were prioritized as having the greatest potential to contribute to macro stability through import substitution and foreign exchange generation and thus were included as Pillar III (Sectoral Reforms) of the HGER. The Homegrown Economic Reform (HGER) package was launched in September 2019 (2019-22) and consolidated the work of all reform sub-committees under three pillars, owned and led by the government.

[2] Donor agencies participating in the mapping exercise comprise the Italian Agency for Development Cooperation (AICS), the African Development Bank (AfDB), Canada, Denmark, the European Union (EU), the Agence Française de Développement (AFD), Germany (KfW Development Bank-Germany and GIZ-Germany), the International Labour Organization (ILO), the International Monetary Fund (IMF) , Japan, the Netherlands, the Norwegian Agency for Development Cooperation (NORAD), Sweden, the United Kingdom, USAID, the United Nations Industrial Development Organization (UNIDO) and the World Bank (IDA and IFC) (17 in total). Input from Netherlands, ILO, UNIDO and NORAD were added from secondary sources and therefore may not represent exhaustive list of projects supporting the HGER.

Overview of key reforms and government institutions under each HGER pillar

Pillar	Reforms Pursued	Key government implementing bodies
Pillar I: Macro-financial reforms	Control inflation, increase domestic resource mobilization, enhance public-private partnerships, improve management of SOEs and modernize the financial sector	Ministry of Finance, the National Bank of Ethiopia, the Ministry of Revenues and the Planning & Development Commission.
**Pillar II: ** Structural reforms	Address key constraints of the private sector in access to finance, land, power, communications, human resources and logistics.	*Ease of Doing Business*: Ministry of Trade & Industry (MoTI), the Ethiopian Investment Commission (EIC), the Ministry of Revenues (MoR), the Customs Commission (CC), the Addis Ababa City Government (AACG), the National Bank of Ethiopia (NBE), the Federal Attorney General, and the federal courts. *Easing trade barriers*: Prime Minister's Office (PMO), Ministry of Trade & Industry and the Customs Commission. *Improving competitiveness of workers and companies*: Ministry of Labor and Social Affairs in collaboration with other stakeholders. *Access to finance*: The National Bank of Ethiopia (NBE) *Logistics*: The Ethiopia Shipping & Logistics Enterprise (ELSE) and the Ethiopian Maritime Affairs Authority (EMAA) *Power sector*: Ethiopian Ministry of Energy, Water & Irrigation (MoEWI), Ethiopian Electric Power (EEP), Ethiopian Electric Utility (EEU) and Ethiopian Energy Authority (EEA). *Telecoms*: Ministry of Finance and the Ethiopian Communications Authority. *Domestic supply value chains:* coordinated by the Ethiopian Investment Commission and the MoTI in collaboration with the relevant sectors
Pillar III: Sectoral reforms	Reforms in five sectors, prioritized for greatest potential to contribute to the macro stability through import substitution and foreign exchange generation: Agriculture, manufacturing, mining, tourism and ICT.	Ministry of Agriculture (MOA), the Ministry of Trade & Industry (MoTI), the Ethiopian Investment Commission, the Ministry of Mines & Petroleum (MoMP), the Ministry of Culture & Tourism (MoCT), Tourism Ethiopia, and the Ministry of Innovation & Technology (MInT) with other stakeholders.

Governance structures for HGER implementation

Whilst several formal structures have already been put in place to streamline government oversight and coordination of the Homegrown Economic Reform, the architecture for coordination and management remains somewhat unclear and awareness of the HGER reforms remains uneven. It is unclear how pillar II reforms are coordinated, and the mechanisms for reviewing and communicating the implementation of reforms both inside the government and with the private sector, civil society, donors and the broader public. Key HGER coordination bodies include:

The Macroeconomic Committee: Chaired by the Prime Minister, is responsible for high-level oversight of the country's economic reform including establishing policy directions and strategies such as the HGER and monitoring the performance of the same.

Ministry of Finance: The MoF is delegated to serve both as macro-financial reforms coordinator under Pillar I and Secretariat for the overall HGER package. For purposes of day-to-day management of the Homegrown Economic Reform, the Ministry of Finance houses the *Economic Reforms Office* that is mandated to work closely with all implementing agencies of the HGER and submits periodic reports to the Macroeconomic Committee.

The Planning and Development Commission: The PDC is mandated to guide, monitor and support the preparation and implementation of the sectoral reforms under Pillar III.

The Ethiopia Investment Commission: The EIC continues to coordinate the Ease of Doing Business reforms and together with the *Jobs Creation Commission* serve as Co-Secretariat for the Job Creation and Investment Reform Steering Committee.

Currently, there is no entity that is mandated to coordinate the different aspects of Pillar II and there is no platform for periodic participatory review of the change process involving key stakeholders including Government, private sector, civil society and development partners that promote learning by doing and promote demand for institutional change.

On the donor side, while development partners use a variety of ways to share information and coordinate between themselves and government, the apex platform for donor coordination is the Development Partners Group and its sector working groups.[3] Coordination between donors and the government is facilitated through the joint-government donors sector working groups, steering committees on a wide range of topics, and project coordinating units established for the purpose of monitoring programs. The mapping exercise reveals that there is a need to find ways of bringing renewed focus on how donors can support the implementation of the HGER and better coordinate support to all key institutions under the HGER.

[3] The following SWG are most important for the HGER: Macroeconomic, Public Financial Management, Private Sector Development and Trade, Rural Economic Development and Food Security, Energy, and Monitoring and Evaluation.

Mapping of Donor Institutional Development Support to the HGER

This mapping exercise revealed that donors are supportive of the government's economic reform agenda and responded quickly in 2018 to help the new leadership in its transition to a more private sector-led development model. Complementary to the funds donors provided in budget support and balance of payment modalities, institutional development support has been provided in at least 115 projects in relation to Ethiopia's HGER objectives.

Data from the donors who participated in the mapping exercise suggest that donors have already allocated[4] over $4 billion since 2011 towards ongoing or planned projects that contribute to the HGER agenda in both grants[5] and loans. Approximately $1.9 billion in grants and $1.5 billion in loans have been disbursed to active projects. An additional estimated $126 million in grants and $700 million in loans is in the pipeline for proposed planned projects. The three largest grant funders to HGER objectives are the U.K., Germany and USAID. The World Bank's loan funding represents 95 percent of the total estimated loan spending. Collectively, donors channelled their funds through 100 bilateral projects and 15 multi-donor initiatives.

The major donors supporting reforms under **Pillar I (macro-economic reforms)** are AfDB, France, Germany, the IMF, the United Kingdom, USAID and the World Bank. A total of 22 (19 active and 3 planned) projects reported supporting reforms under Pillar I. Out of these, 14 active projects exclusively support pillar I activities with a total estimated spending of $64m in grants and $33m in loans.[6] Projects with an estimated cost of $503m (500m in Loans and 3m in Grants) are under preparation. The Ministry of Finance, the National Bank of Ethiopia, Ministry of Revenues, and the Planning & Development Commission are the key beneficiaries of projects supporting Pillar I.

All donors whose data is included in the mapping exercise reported that they are supporting some aspects of **Pillar II** (**structural reforms).** Overall, the Pillar II structural reforms also collectively attracted the highest number of projects across the three pillars. A total of 64 projects (60 active and 4 planned) indicated supporting at least one of the five sub-pillars of Pillar II. The spending for the 35 active projects constitutes $359m Grants and $944m in Loans. Two projects with an estimated cost of $38m in grants are in planning stage. Beneficiaries include a wide variety of government bodies, in addition to the private sector.

The **Pillar III (sectoral reforms)** pillar prioritizes five sectors, namely agriculture, manufacturing, mining, tourism, and information and communication technology. Donors supporting the sectoral reforms include AfDB, Canada, Denmark, EU, France, Germany, Italy, Japan, MDI[7]), U.K., USAID, and the World Bank. Overall, the sectoral reforms collectively attract the second highest number

[4] Already disbursed or plan to disburse

[5] A grant in this case covers financial or in-kind assistance given to government or implementing partner (s) for a specific purpose. Unlike a loan, the receiver does not have to pay back the money.

[6] A project with an estimated cost of $500m in loans is under preparation to support the financial sector and financial access sub-pillars, and another project is in the pipeline to support secondary cities in public financial management with an estimated $3m grant

[7] Consisting of Canada, the IFC, Italy, the Netherlands, Norway, Sweden and US

of projects (60 – 54 active and 6 planned) across the three pillars. Currently active projects' spending constitutes some $520m Grants and $63m in Loans. Three projects with an estimated cost of $28m in Grants and $200m in loans are under preparation. The main beneficiaries are the implementing agencies of the sectoral reforms and the private sector.

The most supported sectors under Pillar III, by number of projects, are agriculture and manufacturing. The interest to support ICT and Tourism seems to be slowly increasing, as indicated by the number of new and planned projects (six and four, respectively.) The mining sector, supported by only one project, seems to draw the least attention from the donors.

In addition, 30 active projects with an estimated spending of $835m in Grants and $472m in Loans are **supporting two or more pillars**.

Types of institutional development support provided by donors

The majority of the donor-funded projects include elements of support to public institutions, using a variety of institutional strengthening approaches. These include diagnostic studies and policy analysis that inform policies, development of implementation frameworks for policies and programs, embedded technical advisers, support to skills development institutions, benchmarking, South to South cooperation, training and mentoring/coaching. Unique approaches such as the accelerated delivery model that include establishment of delivery units with small and high-capacity embedded advisors as well as the Young Professional Development Program have also been financed to reinforce the government's capacity. In addition, investment projects also support the procurement of goods and civil works as needed. The report does not look into each project's approach in detail, but notes that a key tension across all pillars has been the struggle to balance the legitimate need to achieve quick-wins (requiring support from external technical advisors) with longer-term strengthening of key Ethiopian institutions, and ensuring that one does not undermine the other.

Key Challenges for institutions implementing the HGER reforms.

Overall, the data on active and proposed planned projects confirms continued donor interest in supporting the priorities under the HGER. The country is making notable progress in delivering quick-wins in strengthening its legal and policy frameworks using the institutional development support provided by donors. However, given the scope of the reform agenda and some key challenges encountered in its first years, including the unexpected difficulties related to COVID-19, the desert locust invasion and the internal conflict, it seems unlikely that all the goals will be achieved by the intended completion date of 2022. Despite this, the economic reforms and key institutions in the HGER will remain critical to long-term poverty reduction in Ethiopia and therefore deserve renewed efforts from all stakeholders to ensure that they succeed. The table below summarizes the factors that could derail both the HGER and sustainable institutional development more broadly, and suggests recommendations that could be considered by both government and donors.

Summary of Challenges and recommendations

Key Challenges /Factors	Recommendations for Government	Recommendations for Donors
1. Lack of clarity about and awareness of the full details of the HGER reforms. This includes a lack of clarity about the results expected under each pillar, how the different pillars are aligned, sequenced and integrated, the monitoring and evaluation system, the required resources, donor support etc.	1.1 Lead a participatory process to fully develop a more comprehensive HGER strategic framework. This should also include details of its management, coordination, implementation and communication. 1.2 Ensure that participating HGER management, coordination and implementation institutions simultaneously use this strategic framework to reorient their institutional focus and annual work plans and budgets. 1.3 Lead an effort to develop and implement a comprehensive HGER communication strategy that reaches out to all implementing agencies and other key stakeholders.	1.4 Support the HGER strategic framework development, implementation and institutional reorientation efforts as needed, keeping in mind the 10 principles of effective institutional development support.
2. Insufficient systems and strategy for sustainable institutional development of key HGER Institutions.	2.1 Empower the key HGER implementing agencies to start networking to share experiences of institutional strengthening to help develop holistic institutional development solutions in line with the 10 principles and within the HGER framework and /or 10 year development plan. 2.2 Promote a process of experimenting with, learning from and adapting the different types of technical cooperation customized to each institution's needs. 2.3 As a pilot, conduct impact evaluations on the accelerated delivery model under Pillar I and the Young Professional Development Program under Pillar	2.4 Make sustainable institutional development of key HGER implementing agencies a core part of policy dialogue with government 2.5 Explore ways to streamline the 10 principles in respective donors' institutional development support provided to HGER implementing agencies including through provision of operational framework on managing TA in line with the 10 principles 2.6 When providing short-term gap-filling support, include capacity enhancement of local staff as an explicit objective of the technical

Key Challenges /Factors	Recommendations for Government	Recommendations for Donors
	II to maximize learning and inform further use of these approaches.	experts contracts through use of change agents, coaching, mentoring, on the job training, empowering staff to work on assignments. Also, have an exit strategy to allow effective hand-over to the national counterparts. **2.7 Facilitate awareness creation sessions on good practice in institutional development support, including the agreed 10 principles (perhaps through the SWGs)**
3. Weak institutional capacity to lead, coordinate and follow-up on the reforms	**3.1 Identify key government leaders responsible for leading and implementing the HGER reforms and provide them support in change management.** **3.2 Designate a coordinating body for Pillar II reforms, and clarify roles of all the coordinating bodies.** 3.3 Revamp coordination and follow-up through more frequent interaction with the implementing institutions. 3.4 Publish Annual Progress Reports and widely disseminate to promote access to information and demand side accountability 3.5 Establish a platform for periodic participatory review of the change process involving key stakeholders including Government (coordinators and implementers); private sector, civil society and development partners to promote learning and demand for institutional change.	3.8 Explore ways of integrating HGER priority institutions into SWGs to improve donor alignment with HGER. 3.9 Effectively use the SWGs as platforms for sharing information on missions, reviews, analysis, new projects, experimental learning on institutional development under the HGER. **3.10 Support the key coordinating bodies as an important objective by itself to help improve coordination and management of HGER and adoption of agreed principles**. 3.11 Explore opportunities to pool funds for improved harmonization. 3.12 Explore ways to support key government leaders in change management and leading reforms.

Key Challenges /Factors	Recommendations for Government	Recommendations for Donors
	3.6 As the main Secretariat for the HGER, capacitate the Economic Reform Office at the MoF to formulate change management strategies for the HGER and serve as a hub that captures, analyzes, curates and disseminates knowledge generated from the experience of implementing the HGER. 3.7 Streamline the 10 agreed principles within the Institutional Transformation Pillar of the 10 year Development plan.	

1 Section 1: Introduction

1.1 Context to the Assignment

The new leadership of Ethiopia has been advancing a broader economic and political liberalization reform agenda since 2018. The Macroeconomic Committee, chaired by the Prime Minister, was established in 2018 to accelerate economic growth, enhance export earnings and create jobs. The Committee established several sub-committees covering fiscal reforms, the financial sector, the private sector, productive sectors, Ease of Doing Business and jobs and investment. The Homegrown Economic Reform (HGER) package launched in September 2019 (2019-22) consolidated the work of these reform sub-committees. The HGER sought to urgently address macroeconomic imbalances while serving as a springboard to rebalance growth and productivity and build confidence, which in time will lead to inclusive development, jobs and poverty reduction. However, the Government of Ethiopia (GoE) and its development partners are concerned that weak institutional capacity across ministries and other public sector bodies may hinder the rollout of the ambitious economic and political reforms pursued by the new Ethiopian leadership.

Against this backdrop, the Swedish Embassy in Ethiopia and the Development Partners Group (DPG) embarked on a process to support the government of Ethiopia's efforts to develop the capacity of government organizations within the economic reform context. At the GoE's request, the Development Partners' Group (DPG) consolidated and shared global lessons learned in supporting institutional development in transitional economies in March 2020. Based on that assessment, the Ministry of Finance and the Development Partners Group adopted an approach that:

I) Defines *Capacity* as the ability of people, organizations and society as a whole to manage their affairs successfully; *Capacity Development* as the process whereby people, organizations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time; and *Promotion of Capacity Development* as the things that outside partners can do to support, facilitate or catalyze capacity development and related change process.

II) Incorporates the agreed 10 principles to guide institutional development efforts in the context of the HGER (see table in executive summary)

The principles in the adopted approach are to guide institutional and capacity development efforts within the HGER context. This mapping exercise is a continuation of the dialogue between the government and donors to maximize donor support to HGER by having a better understanding of the HGER "as is" including the key institutions relevant to the HGER, their roles in the reform, the current level of support, and the level of coordination, and suggest the key factors that are critical to the adoption of sustainable institutional development approach in line with the agreed 10 principles.

1.2 Objectives of the assessment

The objective of this mapping exercise from the Swedish Embassy in Ethiopia and the DPG Ad-hoc Working Group is to systematically identify i) the key prioritized interventions / results to be delivered under the Homegrown Economic Reform; ii) the key agencies/ institutions involved in the Homegrown Economic Reform for Ethiopia; iii) donors supporting these agencies under different modalities; iv) level of coordination (within government, within donors and between donors and government); and v) key gaps in the support so far. This mapping will provide information on the key institutions relevant to the HGER, their roles in the reform, the current level of support, and the level of coordination, and suggest the key factors that are critical to the adoption of sustainable institutional development approach in line with the agreed 10 principles.

1.3 Methodologies

The mapping exercise started with a desk review to gather secondary data and information relevant to the assignment. Some of the documents reviewed include:

- FDRE: (2019) A Homegrown Economic Reform Agenda: a Pathway to Prosperity. (PowerPoint presentation) Office of the Prime Minister
- FDRE: (2019) A Homegrown Economic Reform Agenda: A Pathway to Prosperity (accompanying concept note)
- FDRE: (2019) Ethiopia: Draft Civil Service Reform Roadmap
- FDRE: (2020) Ethiopia 2030: The Pathway to Prosperity Ten-Year Perspective Development Plan (2021 – 2030) (PowerPoint presentation)
- FDRE: (2019) Improving Ease of Doing Business –Medium-Term Reform Roadmap. (PowerPoint presentation) Office of the Prime Minister
- International Monetary Fund (IMF) Article IV Consultation and Request for Three-Year Arrangement under the Extended Credit Facility and an Arrangement under the Extended Fund Facility – Press Release and Staff Report
- World Bank: Growth and Competitiveness Programmatic Development Policy Financing (I and II)
- Embassy of Sweden: Piron, Laure- Hélène (2020), Institutional Capacity Development in Ethiopia: A Rapid Assessment Report
- DPG Draft Work Plan for the DPG Ad-hoc Group on Institutional Development
- World Bank: Ethiopia Reform Support Multi-Donor Trust Fund (MDTF)
- Donors Websites

The desk review was complemented with interviews with representatives of organizations responsible for coordinating and implementing HGER interventions, including the Ministry of Finance (MoF), the Planning & Development Commission (PDC) the Ethiopia Investment Commission (EIC), the Ministry of Agriculture (MOA), the Ministry of Trade &Industry (MoTI), the

Ministry of Mines & Petroleum (MoMP), the Ministry of Innovation & Technology (MoIT), and the Ministry of Culture & Tourism (MoCT). The data gathered through the desk review and key informant interviews was organized into an excel sheet and sent to donors for review and validation. Therefore, the majority of the information presented in this report has been validated by the donors.[8]

This same data informed this document, which provides information on the scope of Ethiopia's HGER and its implementation arrangements; which donors are currently supporting what; and how the support is delivered. The information collected during the mapping exercise is not exhaustive, but it provides an overview of the HGER interventions, key implementing agencies, and insights into donor technical cooperation support to the HGER. However, it does not extensively evaluate the institutional development approaches employed in each of the projects, instead summarising the broader approaches employed.

1.4 Limitations

The mapping exercise is limited in its scope and does not explore donors' support to the Homegrown Economic Reform through the budget support modality. Investment programs are included only if they have a significant institutional development component to them. The exercise was based on voluntary participation and is thus limited by lack of responses from some agencies. In addition, since many donor-funded programs support multiple parts of the HGER, which sometimes overlap, it has not been possible to extract precise disaggregated information about the level of financial support to different pillars and reforms. Instead, the report analyzes the number of individual programs that support different aspects of the reform and provide some aggregated financial figures.

1.5 Structure of the Report

This report proceeds as follows: Section 2 provides an overview of HGER reforms and key implementing institutions. Section 3 presents the key findings of the mapping exercise; and Section 4 draws some preliminary conclusions and recommendations.

[8] Except, at the time of writing, Netherlands, ILO, NORAD andUNIDO

2 Section 2: Overview of HGER reforms and key institutions

There are two key documents guiding Ethiopia's long-term economic reforms – the 10-Year Plan, which is the broader National Development Plan, and the HGER, which focuses on the first set of economic reforms that were expected to be implemented over three years (2019-2022). Although this paper focuses on the support to the HGER reforms in particular, the 10-Year Plan includes many of the reforms pursued under HGER and the findings are therefore relevant for both.

2.1 Ethiopia: The Pathway to Prosperity Ten-Year Perspective Development Plan (2021– 30)

The government of Ethiopia recently endorsed its next development plan that succeeds the second Growth and Transformation Plan (GTP II -2016-2020). The new development plan, entitled "Ethiopia 2030: The Pathway to Prosperity Ten-Year Perspective Development Plan (2021 – 2030) constitutes six core pillars: 1) ensuring quality growth; 2) improving productivity and competitiveness; 3) undertaking institutional transformation; 4) ensuring the private sector's leadership in the economy; 5) ensuring equitable participation of women and children; 6) guiding the transition to a climate-resilient green economy. The main coordinating and monitoring body for the 10-Year Development Plan is the Planning and Development Commission. The plan is expected to be implemented by the whole government. However, the main focus areas include agriculture, manufacturing and mining from the productive sectors; tourism from the service sector; and energy, transport, sustainable finance, innovation and technology, urban development, irrigation and human capital development from the enabling sector. It covers a full range of interventions for the next 10 years including the HGER which constitutes prioritized initial reform measures that are expected to serve as building blocks to address long-term macroeconomic imbalances and in extension to safeguard a stable macro economy that can sustain a more rapid and inclusive economic growth led by the private sector.

2.2 The Homegrown Economic Reform

Ethiopia has achieved notable results in building human capital and infrastructure as well as in reducing poverty. However, continuous efforts to finance public investment programs through the rapid accumulation of debt, directing domestic financial resources to public and priority sectors coupled with poor project execution and poor export performance adversely affected the county's balance of payments and the availability of foreign exchange to service the country's debt and import needs.

Shortly after the appointment of the new Prime Minister in 2018, the Macroeconomic Committee was established to accelerate economic growth, enhance export earnings and create jobs. The Committee was supported by various sub-committees covering reforms in areas including fiscal reform, the financial sector, the private sector, productive sectors, the Ease of Doing Business, and jobs and investment. While these sub-committees were exploring the next generation of reforms, the new leadership of Ethiopia was increasingly challenged by the serious external debt burden and felt the urgency of addressing the macroeconomic imbalances arising from the rapid accumulation of debt.

To immediately counter this trend and address the macroeconomic imbalances, the preparation of an interim plan, now known as Pillar I (Micro-Financial Reforms) of the Homegrown Economic Reform, was initiated. Over the preparation period, the GoE broadened the scope of the initial HGER (Pillar I) and consolidated the work of other complementary reform sub-committees to initiate the development of a comprehensive framework that included three pillars:

- **Pillar I:** Macro-financial reforms that encompass efforts to control inflation, increase domestic resource mobilization, enhance public-private partnerships, improve management of SOEs, and modernize the financial sector;
- **Pillar II:** Structural reforms that were already underway to address key constraints of the private sector in finance, land, power, communication, human resources, and logistics;
- **Pillar III:** Sectoral reforms in five sectors, namely agriculture, manufacturing, mining, tourism and information and communication technology. These sectors were prioritized as having the greatest potential to contribute to the macro-economic stability through import substitution and foreign exchange generation.

The Homegrown Economic Reform package that was launched in September 2019 (2019-2022), therefore, consolidated the work of these other reform sub-committees.

As an initial reform package to be implemented out of the 10-Year Development Plan, it is expected to serve as a springboard for more ambitious medium to long-term reforms. It aims to urgently address macroeconomic imbalances and lay the foundation for rebalancing growth and productivity, as well as build confidence in time to lead to inclusive development, generate jobs and poverty reduction.

A concept note entitled, 'A Homegrown Economic Reform Agenda: A Pathway to Prosperity' was produced to accompany the PowerPoint used to launch the Reform Agenda. While the concept note for HGER indicated the key policy directions across the three pillars and the mechanisms for coordination and oversight, important aspects including detailed activities, the results framework that will show how each pillar contributes to the overall HGER objectives, the monitoring and evaluation system, the risks and mitigating measures, as well as the institutional development framework for the HGER, were missing from the document. These were to be elaborated shortly after the launch. The process started off with lots of energy, but the complexity and scope of the reform package, weak capacity in the HGER coordinating bodies, and exposure to shocks (COVID-19, locust invasion, and internal conflict) seem to have adversely impacted the speed of developing a fully-fledged program. The rapid responses required for the shocks seem at times to move attention away from the long-term aspirations of the two documents and the longer-term purview of institutional development. As a result, the full program document that consolidates all three pillars with all the relevant details and streamlines some observed duplications – under Pillars I and II and in areas like domestic resource mobilization and telecom reforms, as well as under Pillars II and III in the manufacturing sector – has not yet been produced.

While the effort to produce a more comprehensive program document continued, the Pillar I Macro-financial reforms were separately further developed with detailed action plans and robust result frameworks under World Bank and International Monetary Fund (IMF) financed programs. Simultaneously, interventions under Pillar II, which had largely started earlier under different projects, intensified their implementation under the revamped higher-level commitment and follow-up. These include programs supporting improvements in the Ease of Doing Business Index, private sector development, investment promotion, the logistics sector, and the power sector. Government agencies implementing Pillar III reforms tried to identify new priorities related to the HGER and started to implement some of these reforms using both domestic and donor funding despite the absence of the full program document. Overall, reforms under pillar III seem to be the least developed, although there is considerable variation between the different sectors.

Overall, the process that led to the formulation of both the 10 year Development Plan and the Homegrown Economic Reform was largely owned by government. Government has demonstrated its ownership by establishing the high-level Macroeconomic Committee to oversee the process and use of its own sub-committees that were mandated to explore the next set of reforms even while integrating generic reforms recommended by financial institutions. These were complemented by collaboration between government and donors in contributing to the joint analysis to understand the context.

It is reasonable that some aspects of the HGER moved slowly in the first year because of the challenge the reforms pose in terms of both content and implementation management, as well as the internal and external shocks in 2020. The experience so far seems to suggest that donors are showing flexibility and continue to support government as it learns by doing.

2.3 Key reforms of the HGER and its Implementing Agencies:

The following section will elaborate on key interventions and the implementing agencies under each pillar of the HGER as reflected in the White Paper.

2.3.1 Pillar I - Macro-financial Reforms

The *Macro-financial* pillar makes up the lion's share of the of the Homegrown Economic Reform and consists of fundamental reform measures to address macroeconomic imbalances, ease structural bottlenecks, and lay the foundation for sustainable, inclusive growth led by the private sector. Major reform measures include:

i) Strengthening public sector finance by raising government revenue through tax policy and tax administration reforms; reviewing subsidies such as tax holidays to improve expenditure efficiency; further prioritization of public projects; and strengthening the governance of State-Owned Enterprises;

ii) Addressing the foreign exchange imbalances by gradually moving toward a market-based exchange rate regime. The deliberate transition is expected to be achieved through gradually reducing direct advances from the NBE to the budget and containing the growth of reserve money; introducing market-based monetary policy and liquidity management instruments; strengthening the National Bank of Ethiopia's capacity to effectively carry out its mandate; and transitioning to interest rate based monetary policy;

iii) Reforming the financial sector through a series of institutional reforms to modernize and strengthen the public financial agencies such as the Commercial Bank of Ethiopia (CBE) and the Development Bank of Ethiopia (DBE);

iv) Enhancing financial access by proposing and implementing a workable course of action to revoke the NBE bill, operationalizing a competitive Treasury bill market, facilitating the development of inter-bank money markets, establishing a stock exchange and a secondary bond market, building analytical capability at NBE's Credit Reference Bureau, and promoting financial inclusion.

These interventions were further elaborated to include key milestones and expected results along with robust follow-up mechanisms in the different donor-government program documents, such as the World Bank Growth and Competitiveness Programmatic Development Policy Financing (I and II) and the International Monetary Fund (IMF) Program.

The key implementing agencies of Macro-financial reform measures are the Ministry of Finance, the National Bank of Ethiopia, the Ministry of Revenues and the Planning & Development Commission.

Table 1: Summary of Reforms under Pillar I and Key Implementing Entities

Sub-Pillars	**Key Government Implementing Agencies**
Strengthening Public Sector Finance	The Ministry of Finance, Ministry of Revenues, and the Planning & Development Commission
Reducing Inflation	Ministry of Finance and National Bank of Ethiopia
Addressing Foreign Exchange Imbalances	The Ministry of Finance and the National Bank of Ethiopia
Reforming the Financial Sector	The National Bank of Ethiopia in collaboration with stakeholders such as the Commercial Bank of Ethiopia and the Development Bank of Ethiopia
Enhancing Financial Access	The National Bank of Ethiopia , the Ministry of Finance, the Ministry of Trade & Industry, and the private sector (in relation to the stock market)

2.3.2 Pillar II: Structural Reforms

The *Structural Reforms* pillar intends to improve business regulations and policies, address market failures, and enhance the efficiency of key enabling sectors to fully unleash the potential of the private sector in driving growth and transformation. This is expected to be achieved through the following activities:

1. Continuing efforts to speed up ongoing reforms to ease constraints to doing business, improving the governance and capacity of public agencies, reforming the existing mechanisms for private-public sector dialogue. These reforms are now consolidated under 'streamlining bureaucratic and regulatory procedures';
2. Easing tariff and non-tariff barriers to international trade;
3. Promoting transfer of knowledge and technology and creating a skilled population;
4. Addressing constraints related to finance;
5. Ensuring efficient logistics services;
6. Improving power reliability and access;
7. Implementing telecom sector reforms to modernize telecom services and enhance the efficiency, reliability and affordability of services;
8. Addressing obstacles to domestic supply value chains.

The interventions to increase private sector involvement and address key constraints to the private sector were already under implementation before the launch of the HGER. Consolidating them within the HGER, however, was critical in amplifying their importance and intensifying efforts and outcomes through high-level political commitment and follow-up. Both international indices and project specific results and milestones are being used to measure performance of different aspects of these large-scale reform activities.

Table 2: Pillar II - Summary of Reforms and Key Implementing Entities

Sub-Pillars	**Key Government Implementing Agencies**
Streamlining bureaucratic and regulatory procedures • continuing efforts to speed up ongoing reforms to ease constraints to doing business, • improving the governance and capacity of public agencies, • reforming the existing mechanism for private-public sector dialogue	The Ministry of Trade & Industry (MoTI), the Ethiopian Investment Commission (EIC), the Ministry of Revenues (MoR), the Customs Commission (CC), the Addis Ababa City Government (AACG), the National Bank of Ethiopia (NBE), the Federal Attorney General, and the federal courts.
Easing tariff and non-tariff barriers to international trade	The Prime Minister's Office (PMO) with close collaboration with the Ministry of Trade and Industry and the Customs Commission.
Promoting the transfer of knowledge and technology and creating a skilled population	The Ministry of Labor & Social Affairs, the Job Creation Commission , the Industrial Parks Development Corporation, the Ethiopian Investment Commission,

	and the Federal Small & Medium Manufacturing Industry Development Agency
Addressing constraints related to finance	The National Bank of Ethiopia, the Development Bank of Ethiopia, the Federal Small & Medium Manufacturing Industry Development Agency, the Ethiopian Investment Commission, and the Ministry of Trade & Industry
Ensuring efficient logistics services	The Ethiopia Shipping & Logistics Enterprise (ELSE) and the Ethiopian Maritime Affairs Authority (EMAA)
Improving power reliability and access	The Ethiopian Ministry of Energy, Water, Irrigation (MoEWI), Ethiopian Electric Power (EEP), Ethiopian Electric Utility (EEU) and the Ethiopian Energy Authority (EEA)
Implementing telecom sector reforms	The Ministry of Finance and the Ethiopian Communications Authority
Addressing obstacles to domestic supply value chains	The Ethiopian Investment Commission and the Ministry of Trade & Industry in collaboration with the relevant sectors

2.3.3 Pillar III: Sectoral Reforms

The *Sectoral Reforms* pillar is expected to supplement macroeconomic stability by tackling sector-specific institutional and market failures to enhance productivity in the agriculture, manufacturing, tourism, mining, and information and communication technology sectors. Sector specific policies and regulations, access to improved inputs, finance, and market systems, and skills and technology are needed to drive diversification of both products and markets across sectors. In addition to enhancing sectoral productivity, efforts will be geared towards encouraging private sector participation to augment public sector development.

The **agricultural sector** reform focuses on:

i) Developing legal frameworks to enhance land use and administration and allow farmers to lease land use rights;
ii) Enhancing the productivity of small-holder farmers and pastoralists through the provision of modern inputs and services;
iii) Modernizing livestock production by way of improving veterinary infrastructure and establishing linkages with other industries;
iv) Establishing effective linkages between agricultural producers and commodity markets, as well as within the commercial value chain;
v) Accelerating growth in agricultural production with a focus on strategic crops for import substitution and exports;
vi) Developing a legal framework for agriculture-focused financial services.

The **manufacturing sector** reform measures include:

i) Enhancing the role of industrial parks in manufacturing sector development;
ii) Strengthening the backward linkage of emerging manufacturing value chains and promoting import competing industries to leverage the large size of the domestic market;
iii) Enhancing the productivity of firms and workers;
iv) Deepening ease of doing business initiatives for industrial parks;
v) Developing an industrial relations framework to achieve fair pay and minimize disruptions;
vi) Strengthening manufacturing sector support agencies such as research institutes.

The **mining sector** reforms aim at:

i) Formalizing and supporting artisanal and small-scale mining;
ii) Developing policies and institutional capacities to create a sustainable and inclusive mining sector;
iii) Strengthening geological information accessibility and promotion of the sector;
iv) Enhancing local community engagement;
v) Reducing incentives for contraband trade.

Tourism reform measures include:

i) Developing new and upgrading existing infrastructure, support services and products;
ii) Promoting tourist sites through marketing, branding and packaging based on customer segmentation;
iii) Modernizing the standards for tourism and related services;
iv) Promoting stop-over and meetings tourism;
v) Strengthening the linkage to the agricultural and other creative sectors.

Unlocking the potential of **ICT services** in the economy is pursued through:

i) Promoting e-government to enhance public service delivery;
ii) Introducing e-commerce and the digitization of the financial and logistics sectors;
iii) Expanding ICT infrastructure throughout the country to ensure accessibility;
iv) Investing in ICT literacy and advanced trainings;
v) Promoting pro-innovation in ICT regulatory and business environment;
vi) Promoting the export of IT-enabled services.

The sectoral reform measures designed to increase productivity in the economic and service sectors rest with the Ministry of Agriculture (MOA), the Ministry of Trade & Industry (MoTI), the Ethiopia Investment Commission, the Ministry of Mines & Petroleum (MoMP), the Ministry of Culture & Tourism (MoCT), Ethiopia Tourism, and the Ministry of Innovation & Technology (MoIT) and others listed below.

Table 3: Pillar III - Priority Sectors and Key Implementing Entities	
Key sectors	**Key Government Implementing Agencies**
Agriculture	The Ministry of Agriculture (MOA) and the Agricultural Transformation Agency, CRGE Facility and Environment Forest & Climate Change Commission
Manufacturing	The Ministry of Trade & Industry (MoTI), the Industrial Parks Development Corporation and the Ethiopian Investment Commission Federal Small & Medium Manufacturing Industry Development Agency
Mining	The Ministry of Mines & Petroleum (MoMP)
Tourism	The Ministry of Culture & Tourism (MoCT) and Ethiopia Tourism
Information and Communication Technology	The Ministry of Innovation & Technology (MoIT) in collaboration with the owner organizations of the IT applications

2.4 Coordination of the HGER

Several of the formal structures that were explored in the concept note have already been put in place to streamline oversight and coordination of the Homegrown Economic Reform. However, the architecture for coordination and management seems unresolved on how pillar II is to be coordinated, and the mechanism for coordination with non-state actors and donors alike. The following are in place:

Macroeconomic Committee*:* The Macroeconomic Committee chaired by the Prime Minister and comprising the Senior Economic Advisers of the Prime Minister's Office (PMO), the Ministry of Finance (MoF), the Planning & Development Commission (PDC), and the National Bank of Ethiopia (NBE) is responsible for high-level oversight of the country's economic reform program including establishing policy directions and strategies such as the HGER and monitoring the performance of the same.

Ministry of Finance*:* The MoF is delegated to serve both as the coordinator of the Macro-financial reforms under Pillar I and Secretariat for the overall HGER package. For purposes of day-to-day management of the Homegrown Economic Reform, the Ministry of Finance houses the ***Economic Reforms Office*** that is mandated to work closely with all implementing agencies of the HGER to ensure proposed detailed action plans are aligned, sequenced and integrated with the priorities set out in the HGER. It is expected to facilitate coordination between the different actors at the preparation stage, continue follow-up and quality assurance during implementation; and consolidate periodic progress reports to be submitted to the Macroeconomic Committee. A Director has recently been assigned and seven posts have been approved. While the office is mobilizing to fill these posts, it is now operating with only one full-time staff member and two seconded advisers contributing part of their time to support the Office temporarily.

Planning & Development Commission: The PDC is mandated to guide, monitor and support the preparation and implementation of the 10-Year Development Plan for the country. In line with this role, PDC provides guidance and support to government agencies responsible to implement the sectoral reforms under Pillar III and reports to the Ministry of Finance. Currently, there is no formal coordination structure at PDC in relation to the HGER and coordination is now undertaken by one of the Commissioner's Advisers.

Ethiopia Investment Commission: The EIC continues to coordinate the Ease of Doing Business and together with the ***Jobs Creation Commission***[9] serve as Co-Secretariat for Job Creation and Investment Reform Steering Committee.

Implementing agencies responsible for other aspects included under Pillar II (addressing constraints related to logistics, power, telecom, and human resources) continued their implementation and report directly to the Ministry of Finance as needed.

[9] The Jobs Creation Commission (JCC) is established with a mandate to lead and drive the job creation agenda in Ethiopia

Figure 1: Homegrown Economic Reform: Coordination and Implementation Arrangements

The HGER is evidently a multi-sectoral reform package, involving a large number of stakeholder organizations. Successful implementation of these reforms requires rigorous coordination, information sharing and continuous support to implementing agencies. On the positive side, the Ministry of Finance in collaboration with the World Bank and the International Monetary Fund successfully coordinated the development and is now advancing implementation and monitoring of the Macro-financial reforms under Pillar I. Notwithstanding this important achievement, the overall coordination of the Homegrown Economic Reform effort has not been consistent in the first year across pillars. The following were observed: i) there is no entity that is mandated to coordinate the different aspects of Pillar II; ii) the coordination function at PDC is not formalized in the structure: iii) the finalization of the comprehensive strategic framework as well as its management across all three pillars which includes details on all key aspects of the program including the institutional development strategy, has lagged behind; iv) there is no platform that ensures periodic participatory review of the change process involving key stakeholders including Government (coordinators and implementers); private sector, civil society and development partners to promote learning by doing and promote demand for institutional change.

2.5 Coordination between donors and with government

While donors use a variety of ways to share information and coordinate between themselves, the apex platform for donor coordination is the Development Partners Group and its sector working groups. Coordination between donors and government is facilitated through joint-government-donor working committees, steering committees on a wide range of topics and project coordinating units established for the purpose of monitoring programs.

DPG donor representatives are typically Heads of donor agencies and are aligned with the Minister of Finance as their counterpart. In addition to the several committees and sub-committees, the DPG provides oversight of the various sector working groups (SWGs), which serve as dialogue platforms for government and development partners at the sectoral level.

There are now 12 joint government-donors SWGs and the following have been identified as relevant to the HGER.

- I) The Macroeconomic and the Public Financial Management sector working groups are aligned with Macro-financial Pillar.
- II) The Private Sector Development and Trade as well as the Energy SWGs are aligned with the Structural Reform under Pillar II and Manufacturing Sector reforms under Pillar III.
- III) The Rural Economic Development and Food Security SWG is aligned with the Agriculture sector reform under Pillar III while the Monitoring and Evaluation SWG is cross cutting to all the pillars.

There is a need to explore ways of integrating all HGER priority institutions into SWGs to improve alignment with HGER and mechanisms for using the SWGs to share information on missions, reviews, analysis, experimental learning on institutional development specifically as it relates to the HGER.

In addition, although currently used modestly, another donor investment coordination mechanism is the Multi-Donor Initiative (MDI). Donors use MDI platforms to pool their resources and monitor progress of the programs they support. Currently, 15 out of 115 projects – are multi-donor initiatives to support the HGER and donors could explore opportunities to pool their funds for improved harmonization.

3 Section 3: Overview of donor support to HGER

The most common form of institutional development support provided by donors to the HGER program may be broadly categorized under the term 'technical cooperation.' 'Technical cooperation' is complementary to the funds donors provide through budget support and Balance of Payments modalities and refers to the transfer of skills and provision of advice to developing countries in various fields, including administrative, scientific, professional, and technical skills. [10] This section elaborates on existing institutional development support which takes a wide variety of forms. The following are used in the HGER context.

3.1 Types of Technical Cooperation (TC) currently used:

1 **Diagnostics in key reform areas and other assessments:** These are analytic reports or other assessments, prepared by donors' expert missions or consulting firms, formulated to either inform or implement policies and programs. These forms of TA are used under all pillars but heavily used by donors supporting the Macro-financial and Structural pillars of the Homegrown Economic Reform.

2 Policy/ Legal Analysis: This involves reviews of existing policies, laws, regulation to identify the strengths and weaknesses and to enable formulation of improved policies and laws.

3 Facilitating Policy Dialogue and Consultations: As part of the policy and decision-making processes, policy dialogues and consultations are intended to contribute to developing or implementing a policy change through evidence-based discussions/ workshops/ consultations on a particular subject. These may be facilitated between government bodies, or between government and other stakeholders such as academia, civil society, business and international expert groups.

4 Technical advisers: A commonly cited form of TA is the use of embedded international advisors (including from the Ethiopian Diaspora) and local technical advisers to reinforce the capacity of HGER implementing agencies in order to achieve the reform agenda. This form of

[10] UNDP: (2009) Capacity Development: A UNDP Primer

TA is used across all three pillars but has been especially critical to implement the fundamentally new reform measures introduced under pillar I.

5 **Training**: These are usually short-term in-service training sessions to develop specific skills needed to achieve specific tasks.

6 **Support to Skills development institutions:** These are support provided to technical universities or other entities to train people in specific skills to, for example, enhance job creation or support SME growth.

7 **Benchmarking**: Benchmarking is research undertaken through donors' expert missions, sharing of international practices in workshops/training programs and exposure visits to understand the evolution and development of laws in other countries to draw relevant lessons.

8 **South to South Cooperation:** It refers to the technical cooperation among developing countries in the Global South. It is a tool used by the states, international organizations, academics, civil society and the private sector to collaborate and share knowledge, skills and successful initiatives in specific areas.

9 **Coaching and Mentoring:** The UNDP defines coaching as a method of directing, instructing and training a person or group of people, to achieve some goal or develop specific skills (UNDP)11. Mentoring is defined as a process for the informal transmission of knowledge, social capital, and the psychosocial support perceived by the recipient as relevant to work, career, or professional development; mentoring entails informal communication, usually face-to-face and during a sustained period of time, between a person who is perceived to have greater relevant knowledge, wisdom, or experience and a person who is perceived to have less (UNDP).

10 **Facilitating Coordination across Institutions** – support to government agencies to help them form alliances through networking or twinning up with implementing agencies with more advanced counterparts elsewhere to improve performance.

11 **Accelerated Delivery Models**: The approach involves the establishment of small delivery units with high capacity embedded advisors and technical support that focus on limited number of key outcome-focused priorities with the visible mandate from top management.

[11] UNDP: (2009) Capacity Development: A UNDP Primer

Box 1: Architecture of a Delivery Approach to Tax Transformation
The approach involves the establishment of delivery units with small and high capacity embedded advisors and technical support that focus on a limited number of key outcome focused priorities with a visible mandate from the top management. An example is the U.K.-financed Tax System Transformation Accelerated Delivery which is currently being implemented in the Ministries of Finance and Revenues. The Ministers of Finance and Revenues are held directly accountable to the Prime Minister who plays a key leadership role. The Tax Transformation Office (TTO) is providing technical leadership and change management roles alongside capacity development support to Ministry of Revenues (MOR) and Ministry of Finance (MOF). The Prime Minister's Delivery Unit (PMDU) is providing up to date information and analytical reports to facilitate informed decision making by the Prime Minister. Prime Minister's Delivery Unit (PMDU) analysts work closely with the TTO, MOR Implementation Teams, and the MoF Tax Policy Directorate reporting to the PM through the PM's Macro-economic Adviser. This ensures an independent, timely, and accurate upward flow of information that is central to the performance dialogue and decision making process between MOR and MoF Ministers and the PM. The program-funded Delivery Adviser will play a catalyst role helping the PM to challenge the status quo and assisting the heads of the agencies in preparing the right actions and responses during monthly meetings with the PM.[12] Source: September 2018 – 2023. U.K. Ethiopia Tax Systems Transformation Program

12 **Young professional development programs**: The approach includes recruiting fresh university graduates for training within an organization and through mentoring and coaching by senior officials, training by instruction, learning by doing, observing and through exposure to the day-to-day tasks that takes place in an organization. The Ethiopia Investment Commission, one of the main implementers of Pillar II reforms, has implemented two rounds of Young Professional Development Program.

Box 2: The Young Professionals Program (YPDP) at the Ethiopia Investment Commission
The objective of the YPDP is to recruit fresh university graduates for training within the EIC through mentoring and coaching by senior officials, training by instruction, learning by doing and observing and through exposure to the day to day investment promotion and facilitation activities that takes place at the EIC. The training program is rigorous and tailored to create highly competent professionals who will enable the EIC to deliver on its mandates and responsibilities. At the same time, the young professionals develop the experience and skills that they require for career progression either within the EIC or other agencies or sectors. The Program was introduced with funding from DFID and the Bill & Melinda Gates Foundation but has now become an integral part of EIC. 2019. Ethiopian Investment Commission. Ethiopian Investment Report

In addition to the above technical cooperation support, the capacity enhancement efforts in the following areas are also observed:

[12] UK: Ethiopia Tax Systems Transformation Program, September 2018 - 2023

1 **Access to finance for the private sector**: support to SMEs, lenders and grantors to increase flow of finances and guarantees through recipient banks and MFIs.

2 **Capital investments**: support to investment-intensive interventions (procurement of goods, IT, infrastructure) to improve the functioning of a public body.

3.2 Analysis of current approaches to technical cooperation

Although weak institutional and implementation capacity is identified as a major risk to delivering the reforms, there was no country-led institutional development framework streamlined within the HGER document to guide how government will address these constraints. As such, mitigating this key risk has been largely left to the specific technical cooperation support, often driven by donors and focussing more on getting things done.

On the positive side, the technical cooperation approaches described above covers a wide variety of support beyond technical advisers and one-off training. The extent to which this support is currently aligned with the agreed 10 principles is difficult to say, but the fact that some 28 percent of the projects are directly managed by government entities which suggests autonomy to identify, procure and manage their own technical assistance. The mapping exercise also showed that donors are increasingly conscious that a variety of different institutional development approaches must be used.

Overall, however, it is clear that there is an inherent tension between implementing the complex HGER reforms quickly – in order to put the country on a stable economic path - and building the long-term capacity of government agencies responsible for the reforms- which takes time. The legitimate need to implement these complex reforms quickly has led to the use of some shorter-term measures- particularly the use of technical advisors as 'gap-fillers' embedded in ministries and agencies to drive reforms. This could be necessary in the short-term to help in the transition from state to private-sector led economic transformation (which is radically new to the Ethiopian public service) and ensure successful implementation of urgently needed and complex reforms. However, it is important to deliberately ensure that these efforts do not undermine developing the long-term capacity and performance of institutions.

The accelerated delivery model under Pillar I and the young profession development program under pillar II are examples of unique efforts to reinforce capacity. In line with the principles of problem-driven iterative adaptation, it is encouraging to see implementing agencies like the Ethiopian Investment Commission and Ministry of Revenue are provided flexibility to adopt different type of support to solve their capacity constraints. Implementing agencies piloting and experimenting with new initiatives should be encouraged to also use evidence to evaluate and maximize learning on what works and what doesn't work.

3.3 Mapping of Donor Institutional Development Support to the HGER

This mapping summary is based on the information received during December 2020 and January 2021. Donor agencies participating in the mapping exercise comprise the Italian Agency for Development Cooperation (AICS), the African Development Bank (AfDB), Canada, Denmark, the European Union (EU), the Agence Française de Développement (AFD), Germany (KfW Development Bank-Germany and GIZ-Germany), the International Labor Organization (ILO), the International Monetary Fund (IMF) , Japan, Netherlands, the Norwegian Agency for Development Cooperation (NORAD), Sweden, the United Kingdom, USAID, the United Nations Industrial Development Organization (UNIDO) and the World Bank (IDA and IFC) (17 in total). Input from ILO, UNIDO and NORAD were added from secondary sources and, therefore, may miss important information.

Size of the support to the HGER: Data from the donors who participated in the mapping exercise suggest that donors have already allocated[13] around $4 billion since 2011 toward ongoing or planned projects that contribute to the HGER agenda in both Grants[14] and Loans. Approximately $1.9 billion in Grants and $1.5 in Loans have been disbursed to active projects. An additional estimated $126 million in Grants and $700 million in Loans is in the pipeline for proposed planned projects. The funding from the U.K. constitutes 33 percent of the Grant spending followed by Germany and USAID at 28 and 18 percent, respectively. The World Bank's loan funding represents 95 percent of the total estimated loan spending. See Table 4 for more details.

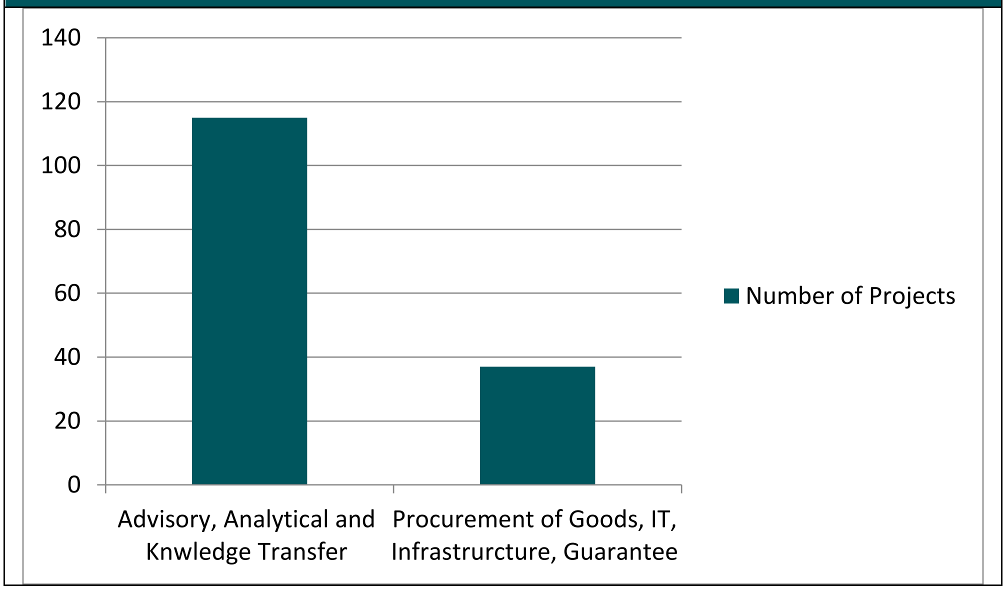
[13] Already disbursed or planned to disburse

[14] A grant in this case covers financial or in-kind assistance given to government or implementing partner (s) for a specific purpose. Unlike a loan, the receiver does not have to pay back the money.

Table 4: Estimated Spending in US$ on HGER Objectives					
Donor	Estimated Spending on Active Projects		Estimated Spending on Planned Projects		Total Spending in ($m)
	Grants ($m)	Loan ($m)	Grants ($m)	Loan ($m)	
AICS	21	73	3		96
AFDB	2				2
CANADA	31				31
Denmark	72				72
EU	14				14
AFD-France	54	49	3		106
Germany (GIZ/KfW)	468		105		573
IMF	12				12
JICA	62				62
NORAD	45				45
Sweden	28				28
U.K.	674				674
UNIDO	7				7
USAID	357		15		372
World Bank	1	1,391		700	2,092
Multi-donor initiative (MDI) - USAID, Sweden)	4				4
Multi-donor initiative (MDI) (Sweden, ILO)	3				3
Multi-donor initiative (MDI) - Canada, France, KfW, UK, World Bank	7				7
Multi-donor initiative (MDI)- (Canada, IFC, Italy, Netherlands, Norway, Sweden, US)	15				15
Total	1,875	1,513	126	700	**4,214**

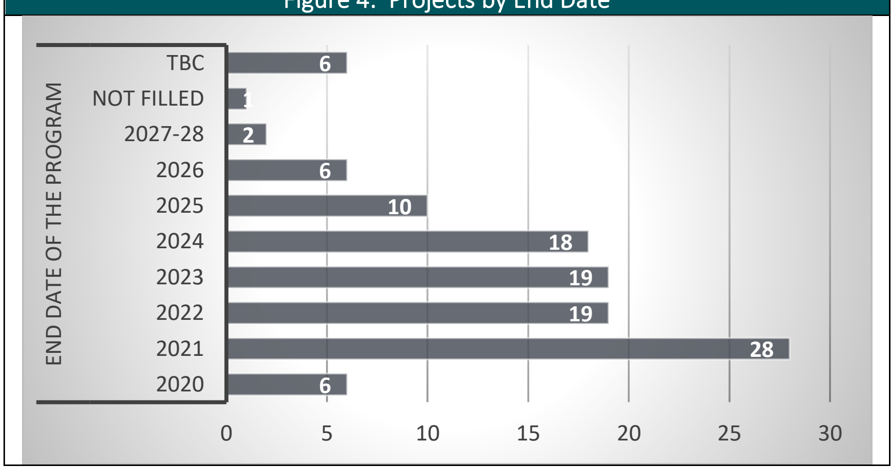
Types of Expenditures Financed under the Projects: The mapping revealed that the projects broadly cover two categories of expenditures in the support. The first category covers expenditures toward analytical, advisory and knowledge transfer activities. The data shows all projects included in the mapping exercise finance the first category of expenditures. The second category refers to capital-intensive expenditures (e.g. procurement of goods, IT, infrastructure, and guarantees). Out of the total 115 projects, 37 of them included the second category of expenditures.

Figure 3: Expenditures Financed under the Projects



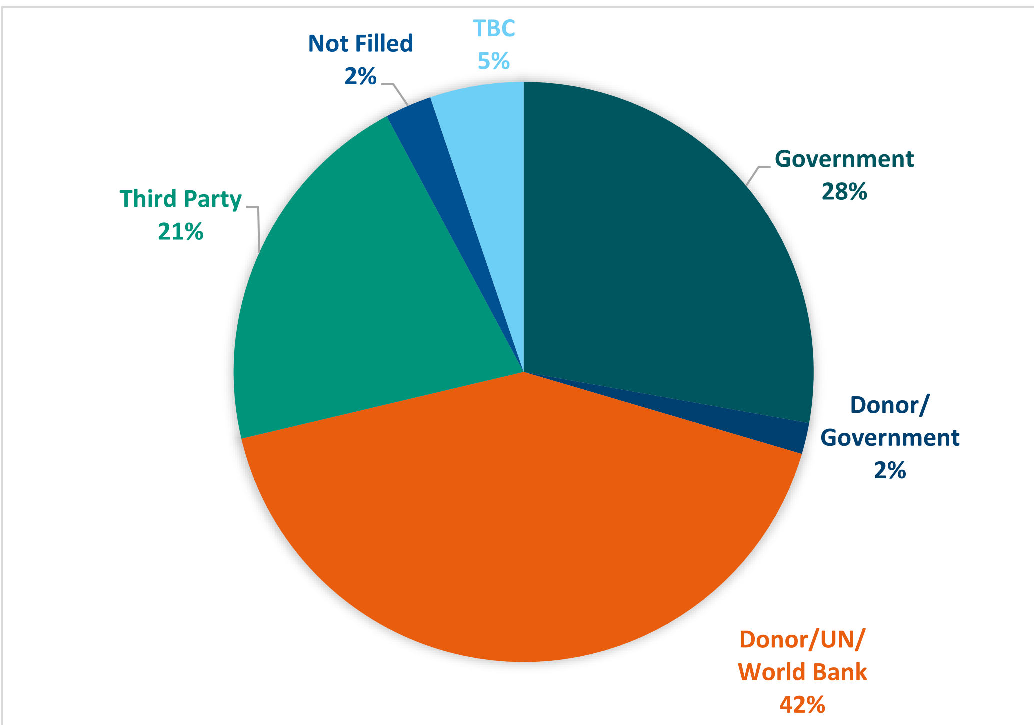
Length of Support: The majority of currently active projects and those in the pipeline are medium term projects with an average duration of 4 years. Out of the total of 115 projects, 19 started in 2020, while those that closed in 2020 and are due to close in 2021 are 6 and 29, respectively. There are an additional 11 projects that are under preparation.

Figure 4: Projects by End Date



Types of implementing partner: Donors either manage their own funds or work with other implementing partners to support the government in delivering the Homegrown Economic Reform package. An implementing partner here refers to the organization that manages the donors' funds. The implementing partner could be the donor itself or government or non-government agencies that receive the funds and manage it on behalf of the donor. Both single agency and a combination of agencies such as donors and governments, a consortium of NGOs, UN Agencies and private sector companies were used in the context of the HGER. Overall, donors (source donors, UN Agencies, World Bank) are implementing approximately 42 percent of the projects. Government Agencies are directly implementing 28 percent of the total projects followed by third party partners implementing 21 percent of the projects.

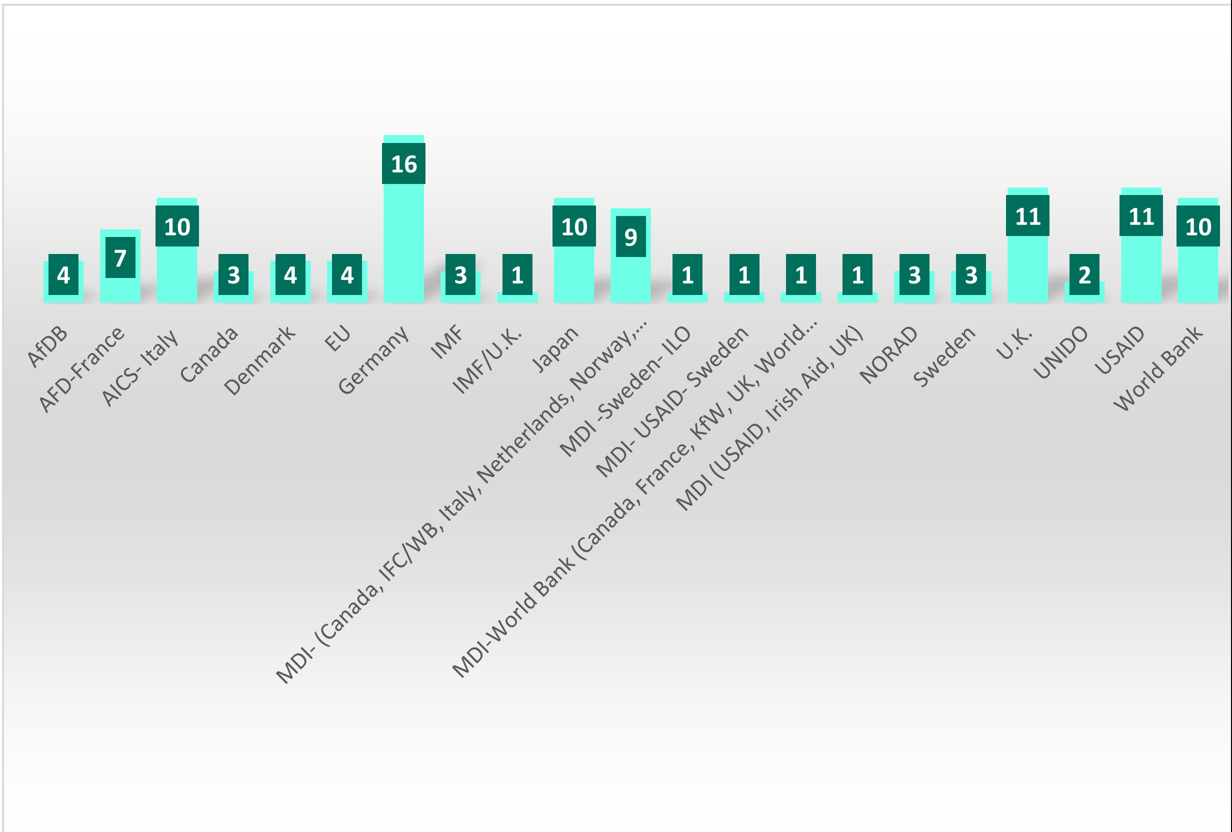
Figure 5: Implementing Partners of the HGER



Support from individual donors on HGER: Collectively, donors channelled their funds through 100 stand-alone or bilateral projects and 15 multi-donor initiatives.

Germany has the largest number of projects with 16 bilateral projects. The U.K and USAID follow with 11 bilateral projects each, and Italy, Japan the World Bank with 10 projects. The multi-donor initiative financed by Canada, IFC/WB, Italy, Norway, the Netherlands, Sweden and USAID ranks next, funding 9 projects. Sweden and USAID hold the highest number of projects channelled through multi-donor initiatives. See Table 1 and Figure 6 below for further details.

Figure 6: Number of Projects supporting HGER - by Donor



The mapping exercise shows that donors support one or more pillars of the HGER depending on their comparative advantage. The next section will elaborate the support to each of the three pillars.

Table 5: Projects Spending by Pillar

Pillar	No. of Projects	Spending in $ for Active Projects		Budget in $ for Planned Projects		Total
		Grant	Loan	Grant	Loan	
Pillar I	14	64	33	3	500	600
Pillar II	37	359	944	38		1341
Pillar III	34	520	63	28	200	811
Pillar I and II	3	11				11
Pillar I and III	2	50				50
Pillar II and III	22	587	472	56		1115
Pillar I, II and III	3	287				287
Total	**115**	**1878**	**1993**	**125**	**700**	**4215**

3.3.1 Support to Macro-financial Reforms (Pillar I)

The major donors contributing to Macro-financial reforms under Pillar I are AfDB, France, Germany, the International Monetary Fund, the United Kingdom, USAID and the World Bank. The themes under Pillar I are largely consistent with the comparative advantages of these donor organizations.

This pillar consists of both historically dominant themes such as public financial management, domestic resource mobilization, public investment management, public-private partnerships, as well as those that are newly emerging like SOEs, privatization and financial sector reforms.

A total of 22 (19 active and 3 planned) projects reported supporting reforms under Pillar I. Out of these, 14 active projects exclusively support pillar I activities with a total estimated spending of $64m in grants and $33m in loans. A project with an estimated cost of $500m in loans is under preparation to support the financial sector and financial access sub-pillars, and another project is in the pipeline to support secondary cities in public financial management with an estimated $3m grant.

The Public Finance sub-pillar, which includes public finance management, domestic resource mobilization, public private partnerships, public investment management, as well as new emerging themes like the state-owned enterprises, is the dominant sub-pillar as determined by the number of projects, 18, indicating engagement in these themes. Some 15 projects are supporting the Financial Sector (12) and Financial Access (5) sub-pillars. Projects supporting efforts to reduce inflation and management of foreign exchange are five and four, respectively. The Ministry of Finance, the National Bank of Ethiopia and the Planning & Development Commission are the key beneficiaries of these projects supporting Pillar I. Please see Annex 1 for the full list of projects and beneficiaries.

Both currently active projects and those in the pipeline show continued interest in supporting priorities under Macro-financial Reforms. The majority of the projects are medium-term with an average duration of 4 years. Only one project closed in 2020 and an additional 4 projects are due to close in 2021. Some 19 projects are active while another three more projects are under preparation.

The technical cooperation under Pillar I is being provided through: i) diagnostic assessments in key reform areas and development of different frameworks to help implement policies and programs; ii) embedded external advisors (including from the Ethiopian diaspora) and local technical advisers; iii) an accelerated delivery model, an approach that includes the establishment of delivery units with small and high capacity embedded advisors and technical support that focus on a limited number of key outcome focused priorities with the visible mandate from top management; iv) advisory support by donor staff; v) training.

Implementing partners for Pillar I: Donors, UN agencies and the WB collectively are implementing 10 out of 22 projects followed by third-party partners implementing four projects. Government implementing agencies are directly implementing two projects, while co-implementing an additional two projects with donors. In addition, implementing partners for four projects are to be determined or not filled.

3.3.2 Support to Structural Reforms (Pillar II)

All donors whose data is included in the mapping exercise reported that they are supporting some aspects of Pillar II. These are AICS/Italy, AfDB, Canada, Denmark, EU, AFD/France, KfW/Germany, GIZ, ILO, International Monetary Fund, Japan, the Netherlands, /NORAD/Norway, Sweden, the United Kingdom, US, UNIDO and the World Bank. The themes under Pillar II are also coherent with the comparative advantages of these donors.

The donors' support to a majority of the themes under Pillar II was initiated under GTP II through both investment and TA. Private sector development, attracting investment and addressing the key bottlenecks in logistics, human resources, access to finance, and power have been themes of interest as the government adopted an export-led industrialization strategy in the past few years. In addition, efforts to improve the rating of the Ease of Doing Business Index were initiated in 2018, a year before the launch of the HGER.

Overall, the structural reforms collectively attracted the highest number of projects across the three pillars. A total of 64 projects (60 active and 4 planned) indicated supporting at least one of the five sub-pillars of Pillar II. Out of the total, some 37 active projects (35 active and 2 planned) exclusively support pillar II activities. The spending for the 35 active projects constitutes $359 Grants and $944 in Loans. Two projects with an estimated cost of $38m in Grants are in planning stages. All five sub-pillars are supported with almost the same number of projects except the logistics sector sub-pillar.

Some 24 activities support the effort to remove constraints of the private sector (land, power, finance, telecom reform) and the support goes to both the government agencies expected to implement the reforms and other stakeholders such as members of the private sector, SMEs, Banks and MFIs who benefited from the increased flow of finance in the form of guarantees. Equally dominant themes under Pillar II, which is supported by 23 out of 66 projects, are consolidated under the sub-pillar "streamlining bureaucratic and regulatory procedures and improving governance". This sub-pillar consolidates dominant themes like improving the rating of the Ease of Doing Business Index, private sector development and investment promotion. The main beneficiaries of this sub-pillar are largely the government agencies mandated to implement reforms in these areas. This is followed by 22 projects supporting themes related to the transfer of knowledge and technology, enhancing worker and company competitiveness and creating a skilled population. The beneficiaries of this sub-pillar are the government agencies implementing the reforms, but significant support goes to Ethiopian unemployed youth (women and men) and refugees as well as micro, small and medium enterprises linked to enterprises in the industrial parks. Efforts to improve access to exports, integration to the global value chain, as well as easing tariff and non-tariff barriers to international trade are being supported by some 19 projects. Beneficiaries include government agencies responsible for international trade, members of the private sector and small-holder farmers. Although only four projects reported supporting the effort to enhance the logistics services, funding provided through these projects is over $150 million in Loans and Grants. Beneficiaries include both the implementers of the reform agenda and relevant members of the private sector.

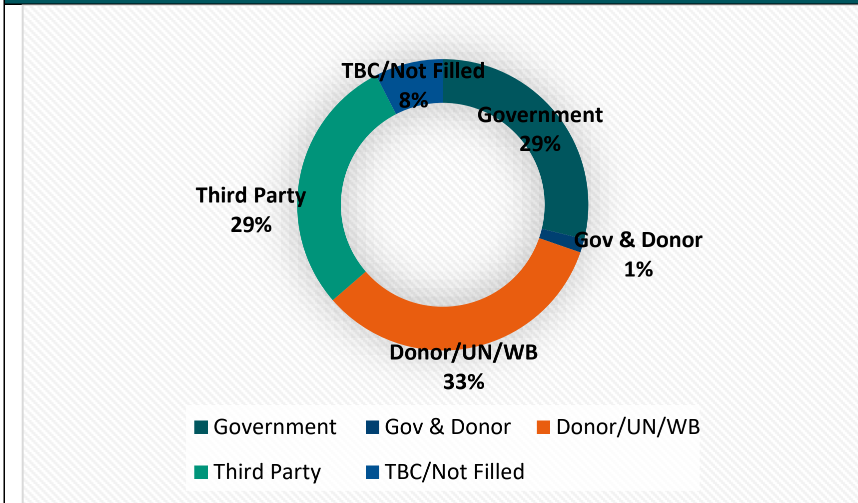
Table 6: Number of Projects Supporting Pillar II Themes					
Sub-Pillars of Structural Reform	Streamlining bureaucratic and regulatory procedures, improving governance (PSD, Investment/ Export promotion, Business environment)	Market access to exports and encouraging integration to GVCs (Industry based economy, integration to global value chain, Easing tariff/ non-tariff barriers to international trade)	Transfer of knowledge and technology, worker/company competitiveness, skilled population	Efficient logistics services	Removing obstacles in Industrial Parks - land, power, finance
Number of projects supporting each sub-pillar	23	19	22	4	24

The data on active projects shows continued interest in supporting priorities under Pillar II. The projects financed both TA and capital-intensive investments such as the purchase of goods, equipment, guarantees, etc.

Pillar II uses a wide variety of methods to transfer the global knowledge to the implementing bodies and includes: i) diagnostic assessments on key reform areas and policy/ legal analysis; ii) development of implementation frameworks to implement policies and programs; iii) embedded external (including from the Ethiopian diaspora) and local technical advisers; vi) Young Professional Development Program v) benchmarking; vi) advisory support by donor staff; vii) training; viii) Skill development training; x) coaching and mentoring through frequent interactions between junior and senior government workers (through the Young Professionals Development Program) and also between government and donor teams as part of providing implementation support and on the job training.

The majority of the projects under Pillar II are medium-term with an average duration of 4.8 years. Out of the 64 projects reporting to support this pillar, only 4 are in the planning stage, and the remaining projects are actively implementing their activities. Six projects were closed in 2020, and an additional 10 projects are expected to close in 2021.

Figure 7: Pillar II Implementing Partners



Implementing partners for Pillar II: Donors/UN Agencies/ WB implement 33 percent of the projects followed by government implementing agencies and third-party partners implementing 29 percent of the projects each.

3.3.3 Support to Sectoral Reforms (Pillar III):

Donors supporting the sectoral reforms include AfDB, Canada, Denmark, EU, France, Germany, Italy Japan, MDI (consisting of Canada, the IFC, Italy, the Netherlands, Norway, Sweden and US), U.K., USAID, and the World Bank. The themes are consistent with what these donors usually support.

The sectoral reform pillar prioritizes five sectors, namely agriculture, manufacturing, mining, tourism, and information and communication technology. Overall, the sectoral reforms collectively attract the second highest number of projects (60 – 54 active and 6 planned) across the three pillars. A total of 34 project (29 active and 5 planned) projects indicated supporting the sectoral reforms exclusively with the total estimated spending of $811m in Grants and Loans. The currently active projects' spending constitutes some $520 Grants and $ 63m in Loans. Three projects with an estimated cost of $28m in Grants and $200m in Loans are also under preparation. The proposed budget for one planned project is yet to be determined.

The most supported sectors under Pillar III are agriculture[15] and manufacturing as determined by the number of projects showing involvement in these two sectors, which stands at 30 and 24 respectively. The support to these two sectors may be explained by the fact that agriculture and export-led industrialization have been the government's priority sectors for the past few years. That trend seems to continue based on the number of active projects and those under

[15] Majority of Agriculture sector projects are part of the Rural Economic Development and Food Security Initiative

preparation. The interest to support ICT and Tourism seems to be slowly picking up, as indicated by the number of new and planned projects, which stand at six and four, respectively. The mining sector, supported by only one project, seems to draw the least attention from the donors. The main beneficiaries of these projects are the implementing agencies of the reforms but also include members of the private sector.

The technical cooperation under Pillar III is being provided through i) diagnostic assessments in key reform areas and the development of implementation frameworks to implement policies and programs, ii) embedded local technical advisers; iii) advisory support by donor staff; and iv) training.

The majority of the projects under Pillar III are also medium-term with an average duration of 4.5 years. Out of the 60 projects reporting to support this pillar, 51 are active, while another six are under preparation. Three projects were closed in 2020 and an additional 15 projects are expected to close in 2021.

Implementing partners for Pillar III: Some 22 of the projects are implemented by Donor/UN agencies/WB; 17 by government implementing agencies; two reported to use a combination of government and donor; and 14 by third-party partners. In addition, three are to be determined or not filled.

3.3.4 Support across Pillars

In addition, 30 active projects with an estimated spending of $835m in Grants and $472m in Loans are supporting two or more pillars. Some $56m is in the pipeline for projects under preparation to support activities across pillars. See Table 5 for details.

4 Conclusions and Recommendations

Whilst the primary purpose of this paper is to identify the key institutions implementing the HGER reforms and to map current support to these institutions, this section draws some preliminary conclusions from the data. It identifies some key factors that are critical to the adoption of sustainable institutional development approach in line with the agreed 10 principles and goes on to suggest some recommendations that may be considered by both government and donors.

The mapping exercise revealed that both government and donors acknowledge that weak institutional capacity in policymaking, service delivery and regulation are a few of the key binding constraints as the country introduces its vision of establishing private sector-led economic transformation through the Homegrown Economic Reform package. It is evident that donors are supportive of the government's new vision and responded quickly in 2018 to help the new leadership in its transition to a more private sector-led development model. Complementary to the funds donors provided in budget support and balance of payment modalities, institutional development support has been provided in at least 115 projects as an essential parts of donor support to Ethiopia's HGER objectives.

Although the mapping exercise was unable to confirm gaps in donors support against an established needs, the mining sector, supported by only one project, seems to draw the least attention from the donors followed by ICT and Tourism which seem to be slowly picking up, as indicated by the number of new and planned projects, which stand at six and four, respectively.

Overall, the country is advancing important quick-wins in strengthening its legal and policy frameworks using the institutional development support provided in the above projects. However, given the scope of the reform agenda and some key challenges encountered in its first year, it appears unlikely that all the goals will be achieved by the intended completion date of 2022, especially in the light of COVID-19, the desert locust invasion and the internal conflict. Despite this, the economic reforms and key institutions in the HGER will remain critical to long-term poverty reduction in Ethiopia and therefore deserve renewed efforts from all stakeholders to ensure that they succeed.

1. **Lack of clarity about and awareness of the full details of the HGER reforms. This includes a lack of clarity about the results expected under each pillar, how the different pillars are aligned, sequenced and integrated; capacity/institutional development framework, the monitoring and evaluation system, the required resources, donor support etc.**

While the concept note for HGER indicated the key policy directions across the three pillars and the mechanisms for coordination and oversight, important aspects were missing from the concept note including: i) detailed activities and resource needs to show what the HGER constitutes and required resources; ii) strategic linkages between the three pillars, iii) outcomes expected to be delivered and the results chain showing how each pillar contributes overtime to the overall HGER objective; iv) monitoring and evaluation framework to help track progress and enable learning; iv) risks and mitigating measures to identified risks; and v) comprehensive HGER management, coordination and implementation strategic framework.

It may be understandable that the preparation of the comprehensive HGER strategic framework moved slowly in the first year because of the huge challenge the reform is posing in terms of content and implementation management. Going forward, producing the comprehensive strategic framework in a participatory manner will be critical to maximize alignment, sequencing and integration of the HGER priorities and bring clarity to both government and donors on what the HGER is and what it intends to achieve. This will key in clarifying the institutional development response to be embedded in the HGER.

Recommendations:

For the GoE:

1.1 Lead an effort to fully develop the comprehensive HGER strategic framework including management, coordination, implementation and M&E ensuring:
- All relevant institutions are identified and involved from the start to help build consensus, cooperation and learning
- The integration of the agreed upon GoE/donor approach to institutional development

1.2 Ensure that participating HGER management, coordination and implementation institutions use the strategic framework to reorient their institutional focus and annual work plans and budgets.

1.3 Lead an effort to develop and implement a comprehensive HGER communication strategy that reaches out to all implementing agencies and other key stakeholders

For donors:

1.4 Support the HGER strategic framework development, implementation and institutional reorientation efforts as needed

2. Insufficient systems and strategy for sustainable institutional development of key HGER institutions

Weak institutional capacity is one of the key risks as the country introduces its vision of establishing private sector-led economic transformation through the HGER. However, institutional development did not seem to be treated as strategic for the achievement of the HGER – perhaps because of the urgency of the reforms. As a result, it is not clear how the institutional development needs of the implementing agencies to deliver the HGER have been established or whether the current scale of support is sufficient to what the reforms require. Therefore, in the absence of institutional development strategy/framework led by key HGER implementing agencies that accompanies the HGER concept note, mitigating the risks of weak institutional capacity was left to technical cooperation that is largely driven by donors. The support appears to focus more on gap filling to compensate for a lack of capacity in implementing agencies in order to deliver agreed upon milestones.

The study acknowledges that there is an inherent tension between implementing the complex HGER reforms quickly – in order to put the country on a stable economic path - and building the long-term capacity of government agencies responsible for the reforms- which takes time. The legitimate need to implement these complex reforms quickly has led to the use of some shorter-term measures- particularly the use of technical advisors as 'gap-fillers' embedded in ministries and agencies to drive reforms. This could be necessary in the short-term to help in the transition from state to private-sector led economic transformation (which is radically new to the Ethiopian public service) and ensure successful implementation of urgently needed and complex reforms. However, it is important to deliberately ensure that these efforts do not undermine developing the long-term capacity and performance of institutions.

Recommendations:

For the GoE:

2.1 Empower the key HGER implementing agencies to start networking to share experiences and good practices in institutional strengthening to help develop institutional development solutions. This may include:

- Identification of relevant stakeholders among state and non-state actors to be involved in the process and establishment of network of HGER implementing agencies to share experiences and good practices.
- Key institutions developing holistic[16] short and medium-term institutional development strategies based on these experiences and in line with the 10 principles to be streamlined within the HGER strategic framework and/or 10 year development plan.

2.2 Promote a process of experimenting with, learning from and adapting the different types of technical cooperation support to customize them to their needs

2.3 As a pilot, conduct impact evaluation on the accelerated delivery model under Pillar I and the Young Professional Development Program under Pillar II to maximize learning and inform use of these endeavors.

[16] Which takes into account, the country's medium to long-term vision, nature of accountability of institutions, nature of the public service/meritocracy, monetary and non-monetary incentives, attracting and retaining staff, and nature of federal-regional relations

For donors:

2.4 Make sustainable institutional development of key HGER implementing agencies as a core part of policy dialogue with government;

2.5 Explore ways to streamline the 10 principles in respective donors' institutional development support provided to HGER implementing agencies including through provision of operational framework on managing TA in line with the 10 principles;

2.6 When providing short-term gap-filling support, include establishing a system of learning and capacity enhancement of local staff as an explicit objective of the technical experts contracts through use of change agents, coaching, mentoring, on the job training, empowering staff to work on assignments and finally have an exit strategy to allow effective hand-over to the national counterparts.

3. Weak institutional capacity to lead, coordinate and follow-up the reform process

Successful implementation of the multi-sectoral reforms like the HGER requires change-focussed leadership, rigorous coordination and follow-up, continuous information sharing and extensive support to leaders in the implementing institutions. Notwithstanding the key achievement in developing, implementing and monitoring the Macro-financial reforms with the IMF and the World Bank, the two main coordinating bodies at the MoF and PDC were operating at sub-optimal levels largely because they were either not streamlined in the formal structure or were managed in an ad-hoc manner. Supporting the key leaders and coordinating bodies is an important objective by itself in multi-sectoral reform initiatives like the HGER, because without it the policy aspirations of the HGER will not be translated into results on the ground.

Recommendations:

For the GoE:

3.1 Identify key government leaders responsible for leading and implementing the HGER reforms and provide them support in change management;

3.2 Designate coordinating body for Pillar II and clarify the roles of all coordination bodies;

- Formalize the PDC's coordinating function within Pillar III to enable it to play its coordinating role effectively for the sectoral reforms

3.3 Revamp coordination and follow-up through more frequent interaction with the coordinators and implementing institutions;

3.4 Publish Annual Progress Report and widely disseminate to promote access to information and demand side accountability;

3.5 Establish a platform that ensures periodic participatory review of the change process involving key stakeholders including Government (coordinators and implementers); the private sector, civil society and development partners to promote learning by doing and promote demand for institutional change;

3.6 As the main Secretariat for the HGER, capacitate the Economic Reform Office at the MoF to formulate change management strategies for the HGER and serve as a hub that captures, analyzes curates and disseminates knowledge generated from the experience gained from implementing the HGER;

3.7 Streamline the 10 agreed principles within the Institutional Transformation Pillar of the 10 year Development plan.

For donors:

3.8 Explore ways of integrating HGER priority institutions into SWGs to improve alignment with HGER;

3.9 Effectively use the SWGs as platforms for sharing information on missions, reviews, analysis, new projects, experimental learning on institutional development specifically as it relates to the HGER;

3.10 Support the key coordinating bodies as an important objective by itself to help improve coordination and management of HGER and adoption of agreed principles;

3.11 Explore opportunities to pool funds for improved harmonization;

3.12 Explore ways to support key government leaders in change management and leading reforms.

Annexes

Annex 1: Projects Exclusively Supporting Pillar I (Macro-economic reform) Activities[17]

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A)/ Proposed (P)	PILLAR I: MACRO-FINANCIAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Public Sector Finance (PFM, PIM, SOE, DRM, PPP)	Foreign Exchange	Inflation	Financial Sector	Financial Access		
AfDB	Capital Markets Development in Ethiopia	In-kind	A						National Bank of Ethiopia (NBE)	
AfDB	Public Private Partnership Institutional Support	$1.7m	A	●					Ministry of Finance (MoF)	
Germany	Support to the Reform Partnership	$2m	A	●					Ministry of Finance (MoF)	
IMF-UK	Strengthening Central Bank Operations and Supporting Government Debt Market Development	$750,000	A	●		●	●		National Bank of Ethiopia (NBE)	Ministry of Finance (MoF)
IMF	Revenue Mobilization Thematic Fund - Capacity Development in Revenue Administration and Tax Policy (HQ)	$2.5m	A	●					Ministry of Revenues (MoR)/Ministry of Finance (MoF)	Other development partners working in strengthening Revenue Administration and Tax Policy including the UK and the World Bank (WB).

[17] Note that more projects supporting Pillar I are including in Annex 4: Support to Multi-pillar Themes

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A)/ Proposed (P)	PILLAR I: MACRO-FINANCIAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Public Sector Finance (PFM, PIM, SOE, DRM, PPP)	Foreign Exchange	Inflation	Financial Sector	Financial Access		
IMF	East African Regional Technical Assistance Center (Regional)	$9m	A	●					Ministry of Revenues (MoR)/Ministry of Finance (MoF)	Other development partners working in strengthening Revenue Administration including the UK and the WB.
IMF	Capacity Development Strategy		A	●	●	●	●		Ministry of Finance (MoF)/National Bank of Ethiopia (NBE)/Planning and Development Commission (PDC)	
UK	Tax Transformation Programme (TTP)	$46.3m	A	●					Ministry of Revenues (MoR)	Prime Minister's Office (PMO)
UK	International Growth Centre (IGC)		A	●			●		National Bank of Ethiopia (NBE)/Prime Minister's Office (PMO)	
USAID	GAO PASA for Fiscal Transparency	$1.3m	A	●					Office of the Federal Auditor (OFAG)	
USAID	Promoting Self-Reliant Secondary Cities	$3m	P	●					Regional Governments/ Municipalities	
World Bank	WBG -SOE reform advisory	In-kind	A	●					Ministry of Finance (MoF), Public Enterprises Holdings and Administration Agency (PEHAA)	
World Bank	Financial Sector Strengthening and Access Project	$500m	P				●	●	National Bank of Ethiopia (NBE)	Private sector
World Bank	Ethiopia Public Financial Management Project	$33m	A	●					Ministry of Finance (MoF)	

Annex 2: Projects Exclusively Supporting Pillar II Activities[18]

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR II: STRUCTURAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Streamlining bureaucratic and regulatory procedures[19]	Market access to exports and encouraging integration to GVCs[20]	Transfer of knowledge and technology, worker/company competitiveness, skilled population	Efficient logistics services	Removing obstacles in Industrial Parks- land, power, finance		
AICS-Italy	Improvement on Skill Development and Job Creation Under TVET PROGRAM in Ethiopia	$12.8m	A			●				
Canada	Accelerating Business Growth	$6.7m	A	●				●	Ethiopia Investment Commission (EIC)	Small and Medium Enterprises (SMEs)
Canada	Innovative Finances for Women Entrepreneurs (IFWE)	$12.5m	A			●		●		Women Entrepreneurs, Micro-Finance Institutions
Denmark	Accelerating Wind Power generation	$5.7m	A					●	Ethiopian Electric Power (EEP) &The Ethiopia Ministry of Energy, Water, Irrigation (MoWIE)	
Denmark	Energy modelling and planning	$1.6m	A			●		●	Ethiopian Electric Power (EEP) &the Ethiopia Ministry of Energy, Water, Irrigation (MoWIE)	
EU	Technical Assistance for Business Environment and Investment Climate, including e-government	$12.1m	A	●					Ministry of Trade and Industry (MoTI); National Bank of Ethiopia (NBE); Ministry of Revenues (MoR), Customs Commission (CC)	MFIs; Competency Certificate Issuing Government Bodies; The Wider Private Sector

[18] Note that more projects supporting Pillar II are including in Annex 4: Support to Multi-pillar Themes
[19] Including improving governance (PSD, Investment/ Export promotion, Business environment)
[20] Industry based economy, integration to global value chain, Easing tariff/ non-tariff barriers to international trade.

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR II: STRUCTURAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Streamlining bureaucratic and regulatory procedures[19]	Market access to exports and encouraging integration to GVCs[20]	Transfer of knowledge and technology, worker/company competitiveness, skilled population	Efficient logistics services	Removing obstacles in Industrial Parks- land, power, finance		
EU	Support to the Ministry of Innovation and Technology (MInT) in its role of guiding digital reforms under the Ease of Doing Business (EoDB) Programme.	$1.5m	A	●					Ministry of Innovation and Technology (MInT)	Institutions implementing the EoDB initiatives and Businesses
AFD-France	National load dispatch centre	$48.5m	A					●	Ethiopian Electric Power (EEP)	
Germany	TVET and higher education	$85m	A			●			Ministry of Science and Higher Education (MoSHE)	
Germany	Basket Financing Education (TVET)	$70.6m	A			●			Ministry of Science and Higher Education (MoSHE)	
Germany	Ethiopia's contribution to the African Trade Insurance (ATI)	$26.25m	P		●				Ministry of Finance (MoF)	
Germany	Sustainable Education and Training Program (STEP)	$48.25m	A			●			Ministry of Science and Higher Education (MoSHE)	
Japan-JICA	Project on Business Development Services Enhancement for Enterprises Growth	$4.93m	A	●						Federal Small and Medium Manufacturing Industry Development Agency
Japan-JICA	Project for Establishing Comprehensive Support System for	$8.63m	A			●				

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR II: STRUCTURAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Streamlining bureaucratic and regulatory procedures[19]	Market access to exports and encouraging integration to GVCs[20]	Transfer of knowledge and technology, worker/company competitiveness, skilled population	Efficient logistics services	Removing obstacles in Industrial Parks- land, power, finance		
	Enhancing Firm Competitiveness									
Japan-JICA	Advisor for Startup Ecosystem	$1.22m	A	●						Ministry of Innovation and Technology (MInT)
NORAD-Norway	Strengthening the Honey Value Chain in Ethiopia	$7.5m	A		●					
NORAD-Norway	Strategic partnership - Honey Value Chain in Sheka Zone	$7.8m	A		●					
NORAD-Norway	Partnership for Sustainable Vegetable Value Chain Dev't	$30m	A		●				Private Sector	
Sweden	Inclusive Private Sector Enabling Environment	$4.8m	A	●						
Sweden	Liway A.A. Livelihoods Improvement for women & Youth	$19.2m	A			●				
Sweden	Volvo Drivers PPP	$3.5m	A			●				
UK	Trade Advocacy Fund (TAF)	$1.5m	A		●					
United Nations Industrial Development Organization (UNIDO)	Capacity and entrepreneurial skills development for sustainable agro-industrialization	$4.2m	A			●				
United Nations Industrial	Capacity-building and job creation for youth	$2.6m	A			●				

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR II: STRUCTURAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Streamlining bureaucratic and regulatory procedures[19]	Market access to exports and encouraging integration to GVCs[20]	Transfer of knowledge and technology, worker/company competitiveness, skilled population	Efficient logistics services	Removing obstacles in Industrial Parks-land, power, finance		
Development Organization (UNIDO)	and women in the textile sector in migration prone areas of Ethiopia									
MDI- (USAID, Sweden)	Development Credit Authority DCA	$4m	A					●		
MDI (USAID, UK, Irish Aid)	Ethiopia Trade and Logistics activity	$12m	P				●			
World Bank	Trade and Logistics Project	$150m	A		●		●		Ethiopian Maritime Affairs Authority (EMAA)	Ethiopia Shipping and Logistics Enterprise (ESLSE)
World Bank	Ethiopia Small and Medium Enterprises Finance Project	$476m	A		●	●		●		
World Bank	Women Entrepreneurship Development Project	$260m	A			●		●	Women Entrepreneurs	Microfinance Institutions (MFI) and Technical Vocational Education and Training (TVET) colleges
MDI (Sweden, US, Netherlands, Canada, Norway, Italy)	Doing Business Reform	$2m	A	●					Ministry of Trade and Industry (MoTI), National Bank of Ethiopia (NBE), Addis Ababa City Administration (AACA), Federal Supreme Court (FSC), Customs Commission (CC), Ministry of Revenues (MoR), Attorney General (AG)	Prime Minister's Office (PMO), Ethiopia Investment Commission (EIC)

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR II: STRUCTURAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
				Streamlining bureaucratic and regulatory procedures[19]	Market access to exports and encouraging integration to GVCs[20]	Transfer of knowledge and technology, worker/company competitiveness, skilled population	Efficient logistics services	Removing obstacles in Industrial Parks- land, power, finance		
WB-IFC-MDTF	Subnational Investment climate	$1.9m	A	●					Amhara Industry and Investment Bureau, Oromia Investment Commission	Oromia and Amhara Regional States Revenue Bureau, Trade Bureau
WB-IFC-MDTF	Trade Facilitation	$2m	A	●						
MDI (Sweden, US, Netherlands, Canada, Norway, Italy)	Leasing	$2m	A	●				●	National Bank of Ethiopia (NBE)	Development Bank of Ethiopia (DBE), 5 regional leasing companies, Ethio-lease
MDI (Sweden, US, Netherlands, Canada, Norway, Italy)	Secured transaction and collateral Registry	$1.4m	A					●	National Bank of Ethiopia (NBE)	Banks, MFIs, Leasing companies
MDI (Sweden, US, Netherlands, Canada, Norway, Italy)	Credit reporting	$645k	A					●	National Bank of Ethiopia (NBE)	Banks, MFIs
MDI (Sweden, US, Netherlands, Canada, Norway, Italy)	Commodity collateralized Financing	$1m	A	●				●	Ministry of Trade and Industry (MoTI), Agricultural Transformation Agency (ATA), Ethiopia Commodity Exchange (ECX), Ethiopia Standards Agency	Banks, Cooperatives, Unions, agro-processors

Annex 3: Projects Exclusively Supporting Pillar III Activities[21]

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	Government body benefitting from support	Other Stakeholders Benefiting from the Support
Agriculture					
AICS-Italy	Inclusive and sustainable value chain development in Oromia and SNNP Regions (ISVCDO-SNNPR)	$36.6m	A		
AICS-Italy	Technical Assistance to ISVCDO-SNNPR	$5m	A		
Denmark	Agricultural Commercialization Clusters	$57m	A		
Denmark	Climate Resilient Forest Livelihoods	$7.3m	A		
AFD-France	Support to Agrihub	$10m	A	Agricultural Transformation Agency (ATA)	
Germany	Programme Sustainable Land Management	$77.5m	A	Ministry of Agriculture (MoA)	
Germany	Increasing agricultural productivity through innovation (Leasing)	$18.75m	A	DBE	
Germany	Sustainable Use of Natural Resources for Economic Development (SURED)	$20m	A	MoA	
Germany	Climate sensitive innovations for land management	$22.5m	P	MoA	
Germany	Green Innovation Centre	$51.25m	A	MoA	
Japan-JICA	Agricultural Growth and Transformation Advisor	$0.78m	A	MoA	
Japan-JICA	Project for Functional Enhancement of the National Rice Research and Training Center (Ethio-Rice)	$7m	A	Ethiopian Institute for Agricultural Research	
Japan-JICA	Index-based Crop Insurance Promotion Project for Rural Resilience Enhancement	$5.66m	A	Ministry of Agriculture (MoA)	Oromia Bureau of Agriculture and Natural Resources
Japan-JICA	Project for Strengthening Climate Resilience through Climate Smart Agriculture, Forestry, and Natural Resource Management in Ethiopia	$6.32m	A	Ministry of Agriculture (MoA)	Oromia Regional Government
Japan-JICA	Project for Supporting Rice Research and Development Project	$7.57m	A	Ministry of Agriculture (MoA)	Ministry of Agriculture (MoA)
USAID	Growth Through Nutrition	$78 m	A		

[21] Note that more projects supporting Pillar III are including in Annex 4: Support to Multi-pillar Themes

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	Government body benefitting from support	Other Stakeholders Benefiting from the Support
USAID	Feed the Future Food Safety Activity	TBC	P		
World Bank	Technical Assistance for Reforming Agricultural Policies and Regulations	$800,000	A	Ministry of Agriculture (MoA)	
Manufacturing Sector					
AICS-Italy	Building integrated agro-food parks in Oromia, Amhara, SNNPR and Tigray	$26.8m	A		
AICS-Italy	Operationalization and sustainability of integrated agro-industrial parks in Ethiopia	$2.5m	A		
AICS-Italy	Phase 2 (Extension) of the Technical Assistance Project for the Up-Grading of the Ethiopian Leather and Leather Products Industry	$3.4m	A		
AICS-Italy	UNIDO Leather Clusters Empowerment in Addis Ababa	$244,000	A		
AICS-Italy	Capacity building and job creation for youth and women in the textile sector in migration prone areas of the FDR of Ethiopia	$3.1m	A		
AICS-Italy	Improvement of the productivity in the textile sector and enhancement of decent working opportunity for youth and women in Tigray	$610,000	A		
AfDB	Industrial Policy Support Programme	In-kind	A	Ministry of Trade and Industry (MoTI)	
AfDB	Improve industrial competitiveness to accelerate recovery of manufacturing exports post-COVID-19	In-kind	A	Ministry of Trade and Industry (MoTI)	
Germany	Special Initiative on Training and Job Creation Cluster Textile	$18.75m	A	EIC	
Japan-JICA	Industrial Promotion Project	$18.25m	A		Prime Minister’s Office

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	Government body benefitting from support	Other Stakeholders Benefiting from the Support
UK	Jobs Compact	$106m	A	Ethiopia Investment Commission (EIC), Agency for Refugees and Returnees Affairs, (ARRA)	Industrial Parks Development Corporation (IPDC), Ministry of Labor and Social Affairs (MoLSA)
Tourism Sector					
AICS-Italy	Restoration and Development of Historical Vernacular Buildings in the World Heritage Site (WHS) of Aksum	$2.5m	P		
AFD-France	Support to the restoration and opening to the public of the National Palace	$24.3m	A	Palace Administration	
AFD-France	Lalibela: Digital exhibition and capacity building in heritage development and management	$5m	A	Authority for Research and Conservation of Cultural Heritage (ARCCH), Ministry of Culture and Tourism (MoCT)	
MDI (Sweden, US, Netherlands, Canada, Norway, Italy)	Tourism Sector Competitiveness	$1m	A	Tourism Ethiopia	Ministry of Culture and Tourism, Hotel Owners Tour Operators and Event Organizers Associations
Mining Sector					
Canada	Supporting the Ministry of Mines	$12.1m	A	Ministry of Mines and Petroleum (MoMP)	Regional Counterparts of Ministry of Mines and Petroleum
Information and Communication Technology					
AFD-France	National Digital ID	$2.5m	P	Ministry of Peace (MOP)	
World Bank	Digital Ethiopia Foundations Project	$200m	P		

Annex 4: Support to Multi-pillar Themes

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR I	PILLAR II	PILLAR III: SECTORAL REFORMS (Agri-culture, Manu-facturing, Mining, Tourism, ICT)	Government body benefitting from support	Other Stakeholders Benefiting from the Support
UK	Land Investment for Transformation (LIFT)	$179m	A	●	●	●	Ministry of Agriculture (MOA)	Regional Rural Land Administrators
UK	Ethiopia Investment Advisory Facility (EIAF)	$139m	A	●	●	●	Industrial Parks Development Corporation (IPDC)	SNNPR, Ministry of Urban Development and Housing
UK	Private Enterprise Programme Ethiopia (PEPE)	$93m	A	●	●	●	Ministry of Trade and Industry (MoTI)	SMEs, FMI
UK	Financial Sector Deepening Africa (FSDA)	$35.1m	A	●	●	●		
USAID	Market Systems for Growth (MS4G)	$55 m	A	●	●	●		
USAID	Feed the Future Food Safety Activity	TBD	P	●	●	●		
MDI -World Bank (UK, KfW, France, Canada)	Ethiopia Reform Support Multi-Donor Trust Fund	$7.4m	A	●	●		Ministry of Finance (MoF), National Bank of Ethiopia (NBE), Ministry of Trade and Industry (MoTI), Planning and Development Commissions (PDC), the Ethiopia Shipping and Logistics Enterprise (ELSE)	
USAID	Advancing Economic Diversification	$3.8m	A	●	●			

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR I	PILLAR II	PILLAR III: SECTORAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
						Agri-culture	Manu-facturing	Mining	Tourism	ICT		
AFD-France	Support to the HGER	$14.6 m	A	●	●			●				
AFD-France	Support to Agrihub	$10m	A		●	●					Agricultural Transformation Agency (ATA)	
Germany	Land Governance	$18.75m	A		●	●					Ministry of Agriculture (MoA)	
Germany	Special Initiative on Training and Job Creation Cluster Agro-processing	$17.5m	A		●	●					Ministry of Trade and Industry (MoTI)	
Germany	Strengthening rural value chains	$56.25m	P		●	●					Ministry of Trade and Industry (MoTI)	
Japan-JICA	Project for Smallholder Horticulture Farmer Empowerment through Promotion of Market-Oriented Agriculture (Ethio-SHEP)	$4m	A		●	●					Ministry of Agriculture (MoA)	
USAID	Land Governance Activity	$11m	A		●	●						
USAID	Feed the Future Livelihoods for Resilience Activities	$60m	A		●	●						
USAID	Feed the Future Resilience in Pastoral Areas (North and South)	$56m	A		●	●						

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR I	PILLAR II	PILLAR III: SECTORAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
						Agri-culture	Manu-facturing	Mining	Tourism	ICT		
EU	Switch Africa Green - Green Tanning Initiative	$1.4m	2021		●		●					
EU	Switch Africa Green - Greening Ethiopian Manufacturing	$1.2m	2021		●		●	●				
Germany	Private Sector Development + SME Credit Line	$31.25m	A		●		●				MoTI	
Germany	Environmental and Social Sustainability in the textile sector	$8.75m	A		●		●				EIC	
MDI- ILO - Sweden	Social dialogue and workers' rights (Sweden, H&M)	$2.7m	A		●		●					
USAID	Worker Wellness Alliance	$32m	A		●		●					
World Bank	Ethiopia Competitiveness and Job Creation Project	$270m	A		●		●				Industrial Parks Development Corporation (IPDC), Ethiopia Investment Commission (EIC)	Ministry of Trade and Industry (MoTI)
World Bank	Economic Opportunity Program	$202 m	A		●		●				Ethiopia Investment Commission (EIC), Agency for Refugees and Returnees Affairs, (ARRA)	Industrial Parks Development Corporation (IPDC), Ministry of Labor and Social Affairs (MoLSA)
UK	Invest Africa	$13.2m	A		●	●	●				Ethiopia Investment Commission (EIC)	

Donor Name	Program Name	Approximate Budget in US$	Status of Project Active (A) / Proposed (P)	PILLAR I	PILLAR II	PILLAR III: SECTORAL REFORMS					Government body benefitting from support	Other Stakeholders Benefiting from the Support
						Agri-culture	Manu-facturing	Mining	Tourism	ICT		
UK	Accelerate	$60m	A		●	●	●					
USAID	FTF Ethiopia Value Chain Activity (VCA)	$60 m	A		●	●	●					
MDI (Sweden, US,Netherlands, Canada, Norway, Italy)	Investment Policy Promotion		A		●					●	Ethiopia Investment Commission (EIC)	

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