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The Government of Ethiopia, represented by its Ministry of Agriculture (MoA), and the Food and Agriculture Organization of the United Nations (FAO), represented by its representative in Ethiopia (FAOR) are pleased to jointly launch the FAO Country Programming Framework (CPF) 2012-2015 in Ethiopia.

The FAO-Ethiopia Country Programming Framework (CPF) 2012-2015 is the result of extensive consultations held with a wide range of stakeholders and partners drawn from within Ethiopia as well as experts from relevant technical units of FAO Headquarters including the Regional Office for Africa (RAF), the Sub-Regional Office for Eastern Africa (SFE) and Sub-Regional Emergency Office for Eastern and Central Africa (REOA). The signatories below extend their sincere appreciations to all organisations and individuals for their constructive comments and feedback during the consultative process.

Co-owned by the GoE and FAO, this document represents a reaffirmation of their development partnership. Thus, it represents FAO’s commitment to assisting the development endeavour of the Government of Ethiopia. More specifically, to the degree that its financial resource allows, FAO is determined to support the GoE in its effort to achieve its national development objectives as outlined in the five year Growth and Transformation Plan (2010/11-2014/15) as well as its Agriculture Sector Policy and Investment Framework 2010-2020. It should also be noted that the document is consistent with the strategic objectives of the UN common system as expressed in the current UN Development Assistance Framework (UNDAF) 2012-2015 for Ethiopia. It is, therefore, believed that it will serve as an important source of input in the preparation of the UNDAF Action Plan for Ethiopia. It is also worth noting that, by endorsing the CPF, the GoE has reaffirmed its commitment to provide resources needed to facilitate the achievement of the objectives and actions proposed in this binding document to the fullest possible extent.

The implementation of the CPF 2012-2015 is expected to be based on a policy that encourages broad-based participation and partnership. It is also important that its implementation proceed in a way that ensures CPF’s alignment with the joint efforts of the GoE and its development partners with a view to achieving enhanced coordination and aid effectiveness. The Government of Ethiopia and FAO, therefore, look forward to working in collaborations with, and getting the necessary support from, concerned partners, vis-à-vis the successful implementation of the FAO-Ethiopia CPF 2012-2015.
## Acronyms and Abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ADLI</td>
<td>Agricultural Development Led Industrialization</td>
</tr>
<tr>
<td>AGDP</td>
<td>Agricultural Gross Domestic Product</td>
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<tr>
<td>BoARD</td>
<td>Bureau of Agriculture and Rural Development</td>
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<tr>
<td>CAADP</td>
<td>Comprehensive Africa Agriculture Development Program</td>
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<td>CPF</td>
<td>Country Programming Framework</td>
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<tr>
<td>DRRU</td>
<td>Disaster and Risk Reduction Unit</td>
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<tr>
<td>EIAR</td>
<td>Ethiopian Institute of Agricultural Research</td>
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<tr>
<td>EPA</td>
<td>Environment Protection Agency</td>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organization</td>
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<td>FAOR</td>
<td>FAO Representative</td>
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<td>GAFSP</td>
<td>Global Agriculture and Food Security Program</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GIEWS</td>
<td>Global Information and Early Warning System</td>
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<tr>
<td>GoE</td>
<td>Government of Ethiopia</td>
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<tr>
<td>GTP</td>
<td>Growth and Transformation Plan</td>
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<tr>
<td>HRF/OCHA</td>
<td>Humanitarian Relief Fund/ Office for the Coordination of Humanitarian Affairs</td>
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<tr>
<td>IFPRI</td>
<td>International Food Policy Research Institute</td>
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<tr>
<td>IGAD</td>
<td>Inter Governmental Agency for Development</td>
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<tr>
<td>ILRI</td>
<td>International Livestock Research Institute</td>
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<tr>
<td>IPC</td>
<td>Integrated Phase Classification</td>
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<tr>
<td>M &amp; E</td>
<td>Monitoring and Evaluation</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MoA</td>
<td>Ministry of Agriculture</td>
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<td>MoFED</td>
<td>Ministry of Finance and Economic Development</td>
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<td>MoH</td>
<td>Ministry of Health</td>
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<tr>
<td>MoT</td>
<td>Ministry of Trade</td>
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<tr>
<td>PASDEP</td>
<td>Plan for Accelerated and Sustained Development to End Poverty</td>
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<tr>
<td>PIF</td>
<td>Policy and Investment Framework</td>
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<td>RAF</td>
<td>FAO Regional Office for Africa</td>
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<tr>
<td>RARIs</td>
<td>Regional Agricultural Research Institutes</td>
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<tr>
<td>REDFS</td>
<td>Rural Economic Development and Food Security</td>
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<tr>
<td>REOA</td>
<td>Regional Emergency Office for Africa</td>
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<tr>
<td>SDPRP</td>
<td>Sustainable Development and Poverty Reduction Program</td>
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<td>SFE</td>
<td>FAO Sub-Regional office for Eastern Africa</td>
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<td>SO</td>
<td>Strategic Objective</td>
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<tr>
<td>SSA</td>
<td>Sub-Saharan Africa</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNDAF</td>
<td>United Nations Development Assistance Framework</td>
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<td>UNDP</td>
<td>United Nations Development Program</td>
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Executive Summary

FAO has been working closely with the Government of Ethiopia (GoE) and other development partners in the fight against poverty in the country. More specifically, FAO has been supporting the Government’s efforts at combating hunger and malnutrition and will continue to provide such assistance with a view to achieving the primary goal of freeing Ethiopia from such food-related problems. FAO’s work is aimed at creating a situation where agriculture significantly contributes to the improvement of the livelihood of farmers, in general, and the living conditions of the poorest small holder farmers, women, children, youth and other marginalized segments of the society, in particular. FAO maintains the view that the agriculture sector can and should be used in an economically, socially and environmentally sustainable manner to help improve the life of such vulnerable groups. The value of the present Country Programming Framework (CPF) document, which is co-authored by FAO and the GoE, lies in its role in sharpening FAO’s focus and guiding its efforts for the next four years (2012-2015).

The CPF represents the outcome of a series of extensive discussions the donors, NGOs, private sectors, UN agencies involving a wide range of stakeholders, notably the Ministry of Agriculture (MoA), and other partners drawn from within Ethiopia. In addition, the development of the CPF required the participation of relevant technical units of FAO-Headquarters, and other FAO decentralized offices. It is believed that such a broad-based participation of key stakeholders is of great value in terms of ensuring national ownership of the document.

As a joint programme involving the partnership of GoE and FAO, the CPF identifies the areas of priority agreed upon by both parties. Moreover, it defines FAO’s contribution to the achievement of the national agriculture sector objectives as outlined in the five-year Growth and Transformation Plan (2010/11–2014/15) and the Agriculture Sector Policy and Investment Framework (2010–2020). The CPF is also aligned with relevant global, regional and national frameworks that enhance the realization of the country’s transformational growth targets of lifting millions of its people out of poverty and achieving the status of a middle-income country by 2020.

FAO-Ethiopia has identified two core functions and three priority focus areas based on the key policy documents of the GoE, input from the MoA and a number of other development partners and its own vision
and comparative advantage. The two core functions are aimed at boosting the technical and institutional capacity of the country in two key areas: agricultural policy and regulatory framework; and agricultural information and knowledge management. It should also be noted that the three priority focus areas are intended to enhance performance in the areas listed below:

(1) Agricultural Productivity and Competitiveness;
(2) Sustainable Natural Resources Development and Management; and
(3) Improved Food and Nutrition Security.

FAO recognizes the need for mainstreaming crosscutting issues with a view to improving the livelihood of the target population. Such issues include addressing gender concerns and providing direct support to women, children and youth; improving the working conditions through the introduction of Occupational Health and Safety Measures; and promoting standards and rights at work (e.g. rights of rural migrant workers, child labor prevention) in the implementation of the plan.

The CPF also has an in-built system of monitoring and evaluation specifies the means of verification of performance and the scope of the outcome/output to be measured.

The financial resource required to implement the CPF over the four year period (2012-2015) is estimated to be USD 52,500,000, which needs to be mobilized.
1.1 Background

The Food and Agriculture Organisation of the United Nations (FAO) represents one of the large specialized agencies of the United Nations striving to alleviate poverty and hunger by ensuring better agricultural development, food security and good nutrition for all. In Ethiopia, FAO will continue to work with the Government, international donors and other development partners with a view to eliminating hunger and malnutrition from Ethiopia. It will also endeavour to bring about a situation where agriculture contributes to the improvement of the livelihood of the poorest small holder farmers in a way that is economically, socially and environmentally sustainable.

FAO will continue to support Ethiopia in its efforts to realize its vision for development. More specifically, FAO is committed to helping the country progress towards achieving the following Millennium Development Goals:

- Increased productivity and production as well as enhanced rural development and sustainable livelihood capable of driving economic development and eliminating poverty;

- Sustainable management and utilisation of natural resources, including land, water, climate and genetic resources for the benefit of the present and future generations of Ethiopians;

- A progressive reduction in the number of people suffering chronic hunger, and ensuring that all Ethiopians have access to sufficient, safe and nutritious food that meets their dietary needs for a full, active and healthy life.
FAO has been working in Ethiopia for more than forty years and will work harder to consolidate and build on its legacy in both longer-term agriculture development assistance and short-term agriculture-based disaster response.

Ethiopia’s Agriculture Sector Policy and Investment Framework 2010-2020 provides ‘a strategic framework for the prioritisation and planning of investments that will drive Ethiopia’s agricultural growth and development’. The Framework is ‘anchored to, and aligned with, the national vision of becoming a middle income country by 2020 together with a number of key policy and strategic statements’ and aims to ‘sustainably increase rural incomes and national food security’ (GoE, 2010)¹. The development objective embodies the concept of ‘producing more, selling more, nurturing the environment, eliminating hunger and protecting the vulnerable against shocks’. These are expressed in four strategic objectives outlined below:

- Achieving a sustainable increase in agricultural productivity and production;
- Accelerating agricultural commercialisation and agro-industrial development;
- Reducing degradation and improving productivity of natural resources;
- Achieving universal food security and protecting vulnerable households from natural disasters.

With the modest resources at its disposal, FAO-Ethiopia will focus on supporting the strategic objectives of the PIF.

1.2 Developing the Country Programming Framework

The Country Programming Framework (CPF) defines FAO’s contribution to the achievement of national agriculture sector objectives in terms of the joint GoE and FAO medium-term assistance priorities and results to be achieved in Ethiopia over the four year period (2012-2015). Thus, it is informed by the nationally defined sector priorities and objectives, expressed in the key Government policy documents, particularly, Ethiopia’s “Growth and Transformation Plan (GTP) 2010/11 – 2014/15” and the Agriculture Sector Policy and Investment Framework (PIF) 2010 – 2020.

Having been prepared after a broad and inclusive dialogue with pertinent government agencies such as the Ministry of Agriculture as well as donors, and development partners, the CPF ensures national ownership.

The dialogue has also helped sharpen the focus of FAO’s planned support to the agriculture sector by identifying areas where it has a comparative advantage and where it can help make sustainable and demonstrable impact. It is, thus, expected that, the CPF will be useful in guiding FAO programming and resource mobilization efforts in Ethiopia. Its potential values include the following:

- It can serve as a framework for the development of the FAO Country Work Plan.
- It can be used by FAO, the government and stakeholders as a valuable reference that can be monitored and reviewed.
- It may provide a useful tool for mobilizing resources in required for the achievement of national sector objectives.

This document consists of eight sections. Section 1 provides some introductory remarks in terms of the overall goals of FAO in striving to contribute to the agricultural development in Ethiopia. Section 2 provides a brief description of the context in which the country’s macro-economic features, in general, and the agricultural sector, in particular are highlighted and gaps and opportunities for development are identified. An overview of relevant global, regional, sub-regional and national agricultural frameworks guiding development endeavours in the sector are presented in Section 3. This is followed by a section that outlines the comparative advantages of FAO and discusses issues of harmonization and alignment of CPF with global, regional and national frameworks. Section 5 represents a brief account of the potential areas of intervention and leverage for FAO and argues that, the organisation, by virtue of its comparative advantages, is capable of contributing to and addressing the overall challenges facing agriculture, natural resources, food and nutrition security. Finally, Sections 6, 7, and 8 deal with the following three areas respectively: the estimates of financial resources that FAO would require to implement the CPF, the management arrangements to be assumed and elements of the Monitoring and Evaluation scheme it would adopt.
2.1 Macro-economic profile

Ethiopia is one of the top performing economies in sub-Saharan Africa (SSA). This country has been able to register an average growth rate of 11 percent over the last seven years. Agriculture is the mainstay of the economy; and exports are almost entirely composed of agricultural commodities. Coffee fetches the largest foreign exchange. Other agricultural products that earn foreign exchange include oil seeds, dried pulses, hide and skin as well as live animals. The young flower industry is also becoming another source of foreign revenue. Ethiopia’s export of coffee represents about one percent of the global export while oil seeds and flowers each contribute 0.5% to the world market.

Projections both by the Government and the World Bank envisage continued impressive growth rates over the period of CPF which, if realized, will reduce the head-count of Ethiopians living in poverty. However, the Government of Ethiopia recognizes that, despite impressive growth rates, measures of human development remain unacceptably low. For example, with an annual per capita income of USD 170, life expectancy at birth is only 54.7 years. Moreover, infant and maternal mortality and child malnutrition rates are among the highest in the world; and adult literacy has remained at around 40 percent. Furthermore, only 58 percent of the population has access to potable water, and around 12 million people suffer from chronic or transitory or acute malnutrition. Ethiopia is ranked 171st out of 182 countries on the UNDP Human Development Index (UNDP, 2009).

There are marked differences between rural and urban areas with poverty being concentrated in rural areas where most households continue to live on less than 0.50 USD per day. Not surprisingly, many rural households find it impossible to survive without access to seasonal wage employment or aid from the Productive Safety Net and related social protection programs.

2.2 The Agriculture Sector

The agriculture sector plays a central role in the life and livelihood of most Ethiopians, where about 12 million smallholder farming households account for an estimated 95 percent of agricultural production and 85 percent of all employment. Of the total number of farming households, 25 percent are women-headed. Moreover, 40 percent of the farming households operate on less than 0.5 hectares, 64 percent on less than 1 hectare, and
87 percent on less than 2 hectares (Gebreselassie, 2007). As under rain-fed agriculture, an average family of 6 persons requires around 2.5 to 2.8 hectares to meet annual household food requirements. Thus, it can be seen from the size of farms that the vast majority of Ethiopia’s small-holder farmers are dependent, at least for a certain period of the year, on purchased food.

Despite the production challenges, agriculture accounts for 43 percent of GDP and 90 percent of exports. Cereal production which dominates Ethiopian agriculture has increased significantly over recent years, and production estimates for 2010 stand at 18.8 million metric tonnes, which is more than double the production averages in 2000 and 2003 (GIEWS, 2011). Official figures for the livestock sector estimate that livestock production accounts for about 32 percent of agricultural GDP. However, research carried out by FAO for IGAD suggests that the real figure is believed to be closer to 45 percent of agricultural GDP as other livestock functions including the value of draught power to crop production were not captured (IGAD, 2010).

During the period covering 2004 – 2010, the agriculture sector expanded by an estimated 13 percent with per capita cereal production rising from below 150 kg in 2004 to more than 213 kg in 2007, and 235 kg in 2010. Despite impressive improvements in yields, between 9.5 and 14 million people continue to depend on safety nets and humanitarian assistance each year. There are more challenges ahead as population is estimated to be growing at about 2.5 percent per annum, a rate at which the population of Ethiopia is predicted to grow to around 100 million in 2020 and double after about 28 years.

There are other challenges related to the increase in food production. One such problem has to do with the fact that approximately 70 percent of the increase is the result of an expansion in the area of land which is cultivated and small-holder farming in food-deficit areas continues to be dominated by subsistence, low input-low output and rain-fed farming systems. In addition, the size of the farmland held by a single household in food-deficit areas is generally small with 50 percent of holdings being less than 0.4 hectares and 30 percent less than 0.3 hectares; average cereal yield is 20 percent below the national average; and only 29 percent of the cereal land is supplied with fertilizer compared to the national average of around 45 percent (Gebreselassie, 2007).

The Ministry of Agriculture estimates Ethiopia as having one of the highest rates of soil nutrient depletion in sub-Saharan Africa with losses from the use of dung as fuel for domestic purposes estimated to be equivalent to the annual use of phosphorous and nitrogen fertilizers. Land degradation is further exacerbated by deforestation and poor forest and rangeland management practices, inappropriate land use planning and periodic droughts (GoE, 2010).
2.3 Agricultural Sector Gap Analysis

The PIF has identified policy, strategy and extension-related shortcomings which will need to be addressed if Ethiopia is to continue to record impressive growth rate in the agricultural sector, and thereby reduce the overall poverty head-count, achieve household food security and safeguard its environmental resource-base. Examples of emerging priorities include the need for the following:

- Improved management and utilization of water and soil;
- Commercialization of smallholder farmers;
- Improved access to agricultural inputs including improved seed and increased involvement of the private sector in the production and supply of fertilizer;
- Improved livelihood for pastoralists; improved handling and storage of post harvest crop; a strengthened livestock sub-sector;
- Improved access to financial services;
- Improved conservation and utilisation of forest and biodiversity resources and other forest products such as non-timber products such as incense, resin, bamboo, honey, fruits and nuts, etc.

These issues were frequently raised during the stakeholders’ workshop as the overriding problems and challenges of agricultural development in Ethiopia. Clearly, addressing such problems demands a co-ordinated effort by the government, FAO and other stakeholders.
The agricultural sector has been the priority of Ethiopia since the early 1990s, when the Agricultural Development-led Industrialization (ADLI) and related policy frameworks were adopted. Subsequently, the GoE’s development policies and strategies included in the Sustainable Development and Poverty Reduction Program (SDPRP) provided the basis for the Plan for Accelerated and Sustainable Development to End Poverty (PASDEP 2005 – 2010), which also adopted the goals and targets laid out in the Millennium Development Goals. Based on the lessons learned and the country’s new long-term vision the GoE’s Growth and Transformation Plan (2010/2011 – 2014/2015) has been adopted to provide the overarching framework guiding development endeavours. The GTP’s vision for the economic sector is “to build an economy which has a modern and productive agricultural sector with enhanced technology and an industrial sector that plays a leading role in the economy; to sustain economic development and secure social justice; and, increase per capita income of citizens so that the country reaches the level of middle-income by 2020”.

The Agriculture Sector Policy and Investment Framework (PIF 2010 – 2020) provides a strategic framework for the prioritization and planning of investment that will serve as an engine for driving Ethiopia’s agricultural development. It is designed to operationalize the CAADP Compact signed by the Government of Ethiopia and its development partners in line with the GTP. The CAADP Compact and PIF are critical in terms of policy alignment and securing the finance needed for sector development both from domestic and international sources. Ethiopia has already surpassed CAADP’s targets of 6 percent average annual agricultural growth and 10 percent public expenditure share for the agriculture sector with the result that the Global Agriculture and Food Security Program (GAFSP) approved USD 51.5 million for Ethiopia in 2011. PIF seeks to consolidate and build on the progress made including the adoption of different approaches to agriculture in Ethiopia’s different agro-ecological zones: i.e., adequate soil moisture, moisture deficit and pastoral areas. For each zone, it is planned that regional agricultural bureaus, research institutions, extension services and rural finance institutions will play an active role not only in enhancing agricultural productivity and production but also in protecting natural resources and addressing natural and man-made hazards.

The UN agencies engaged in development activities as well as emergency humanitarian operations in Ethiopia have now adopted the UN-Development Assistance Framework (UNDAF), which is a strategic planning framework designed jointly by the United Nations Country Team and the Government for a better coordination and harmonization of their activities in the country. FAO’s contribution to UNDAF is, thus, defined by the CPF which is consistent with the above mentioned global, regional and national development frameworks (see Annex 4 for more on information about the harmonization of CPF with the different Frameworks).

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2 To become a country where democratic rule, good governance and social justice reign, upon the involvement and free will of its peoples; and once extricating itself from poverty and becomes a middle-income country
Following the process of renewal and decentralization, FAO has adopted a new strategic framework (2010-2015) for achieving three global goals through eleven strategic and two functional objectives, all of which are served through eight core functions (see Annex 2). The CPF, therefore, contributes to the organization’s strategic objectives for the achievement of its global goals as they pertain to the Ethiopian context. The comparative advantages of FAO for attaining its objectives at global and country levels are reflected in many ways. As a global intergovernmental organization, it possesses multidisciplinary professional expertise virtually in every discipline of agriculture with the capacity to respond to the needs of Member Countries. Therefore, FAO-Ethiopia is entrusted with the responsibility of providing pertinent and timely responses to demands for its services and inputs.

FAO has a worldwide networking with Member states, RECs and other partners. Besides, it has access to the decentralized capabilities at regional, sub-regional and country levels. Ethiopia is host to the FAO East African Sub-regional Office and representation to AU and ECA. Therefore, the Country Program Framework has the advantage of tapping the knowledge base of its experts as well as that of its technical officers at FAO Headquarters. In Ethiopia, FAO can lend expert support to development projects in a range of areas in the agricultural sector. These areas, among others, include policies and strategies, Crop and Livestock development, land use and planning, agriculture information systems, agribusiness and enterprises, sustainable land management, and forestry climate change adaptation, livestock systems including pastoralism and fisheries.

FAO’s involvement in the RED/FS platforms to support the government lead coordination program in agricultural development for the realization of the Transformation Agency has gained momentum.

The CPF will be implemented in partnership with stakeholders including the lead institution, namely, the Ministry of Agriculture (MoA), donor working groups, private sector, UNDAF members and relevant national and international organizations (e.g. BoARDs, EIAR, RARIs, IFPRI, ILRI, etc.).
As outlined above, apart from drawing on FAO’s own vision, FAO-Ethiopia’s strategic priorities for the period of 2012 to 2015 are informed by relevant key policy documents ranging from the Government of Ethiopia’s Agriculture Sector Policy Investment Framework, to review reports on the draft document of the CPF by the Ministry of Agriculture and development partners. FAO’s own vision has been informed, in part, by the Evaluation of the Country Program carried out in 2010 which covered all aspects of FAO Ethiopia’s work including the Country Office for Ethiopia, Disaster Response and Rehabilitation Unit (DRRU) and the sub-Regional Office for Eastern Africa (SFE).

Over the last ten years, FAO-Ethiopia has implemented more than 100 projects valued at more than US$ 55 million. Projects have been implemented in three main agro-ecological areas identified by the Government; i.e., adequate soil water moisture, moisture deficit and pastoral areas. However, it should be noted that the main emphasis has been on moisture-deficit and pastoral areas, the drier areas of Amhara, Oromiya, SNNPR and Tigray and the pastoral areas of Afar and Somali National Regional States. The projects cover a wide range of technical interventions ranging from policy support through livestock and crop production, to natural resource management and value chain/ marketing, agribusiness and land administration. The on-going technical areas of intervention are presented in Annex 5.

The Evaluation Mission has noted the difference in scale, time-lines and size between Development and Risk reduction-led projects. The Mission Team found out that such differences reflect differing funding streams with development projects able to access longer-term funding while the Risk Reduction/management tend to rely on shorter-term humanitarian funding streams. Among other things, the Evaluation Mission recommended that FAO-Ethiopia should develop pillar-specific strategies under a common vision, complemented by management structures for sector and thematic team-work in planning, implementation, monitoring and evaluation.
5.1 CPF Core Functions
In light of the capacity and experience of FAO in agricultural policy and regulatory frameworks, two core functions and three priority areas have been identified as main components of the CPF (Figure 1). The two core functions relate to (1) agricultural policy and regulatory frameworks, and (2) information systems and knowledge management.

5.1.1 Agricultural Policy and Regulatory Framework
These core functions are overarching to all FAO interventions in the country and are mainstreamed within the strategic priority areas. Policy dialogue, advocacy and institutional strengthening represent the key areas of FAO’s comparative advantage.

5.1.2 Agricultural Information and Knowledge Management
Agricultural information and knowledge management core function will focus on the collection, analysis and dissemination of agricultural information and strengthening of knowledge management. The core functions are important for attaining the specific outcomes outlined below. These two core functions are crosscutting and pave the way for enabling conditions for achieving stated objectives of each and every component of the three priority areas.
The two FAO’s Overarching core functions and three priority areas of intervention identified for 2012-2015

**Overarching FAO Core Functions**

### Agricultural Policy and Regulatory Frameworks
- Capacity Development of national agricultural institutions
- Support the agricultural policy dialogue

### Agricultural Information and Knowledge Management
- Coordination of agricultural information system
- Strengthening knowledge management

**Priority Focus Area 1**
**Agricultural Productivity and Competitiveness**
- **Outcome 1.1** - Crop Production and Productivity Improved
- **Outcome 1.2** - Livestock Production and Productivity Improved

**Priority Focus Area 2**
**Sustainable Natural Resources Development and Management**
- **Outcome 2.1** - Sustainable Land and Integrated Watershed Management Enhanced
- **Outcome 2.2** - Small-holder Adaptation to Climate Change Enhanced

**Priority Focus Area 3**
**Improved Food and Nutrition Security**
- **Outcome 3.1** - Institutional and Technical Capacities of Government and Communities in Early Warning, Preparedness and Mitigation to Improve Resilience Against Disaster and Shocks Improved
- **Outcome 3.2** - Integration of Agricultural Production and Food-based Nutrition Improved
5.2 Priority Areas, Planned Outcomes and Outputs

5.2.1 Priority Area 1: Agricultural Productivity and Competitiveness

The Government of Ethiopia’s main economic policy documents recognize the key role of increased small-holder productivity and production in achieving the planned economic growth rates. As a specialized UN agency for food and agriculture, FAO is committed to supporting Ethiopia in its efforts to increase agricultural productivity and realizing agriculture’s potential to become the engine of economic growth. The focus is not only on producing more, but also, through the adoption of a value chain approach, on selling more both within and outside the country, and thus, contributing to the overall economic development.

To contribute to the achievement of the above mentioned objectives, FAO will focus its efforts on improving productivity and competitiveness of both the crop and livestock sub-sectors as defined under the following outcomes and outputs.

5.2.1.1 Outcome 1.1: Crop Production and Productivity Improved

Key issues and challenges
Ethiopian agriculture is generally dominated by smallholder, rain fed, low-input-low-output mode of production. Fewer than 5 percent of farmers have access to improved seed which, coupled with annual soil losses estimated to be two tonnes per hectare, low levels of fertilizer use and limited access to irrigation, impacts negatively on small-holder productivity in moisture- and food-deficit areas. Shortage of improved seed supply is caused, interalia, by the following two factors: (1) inadequate policy and legal framework coupled with lack of institutional and technical implementation capacity; and, (2) shortage of initial seed material due mainly to limitations in seed multiplication capacities. In addition, technical and institutional coordination among key stakeholders is needed for improving production and distribution of seed.

Evidences indicate that investment in irrigation may increase land productivity by at least 50%, and when this is associated with soil fertility improvement, productivity can reach up to 300%. However, only 3% of the cultivable land of Ethiopia is hitherto covered with irrigation. Major contributing factors for the low water productivity of small-scale irrigation systems include: (1) inadequate management of water (harvesting, storage, distribution) and irrigation schemes (poor design, construction, maintenance and operation,
low capacity and poor knowledge of users), (2) inefficient utilization of water resulting from inadequate application of irrigation techniques and lack of technologies including those that involve using renewable energy sources; (3) weak institutional setup, weak policy and regulatory frameworks; (4) weak linkages between and among the existing Water Users’ Cooperatives and government institutions; (5) nonexistence of Water Users’ Associations mainly due to the absence of enabling legal framework; and (6) lack of enforcement of the existing policies and regulations.

Despite the capacity to produce sufficient food and surplus for export, Ethiopia is a net importer of basic food necessities. Crop losses from pests and diseases especially pre- and post-harvest losses are estimated at 45% (30% and 15% for pre and post harvest, respectively). The challenges facing agricultural export are multifaceted. For instance, there is a great need to embrace quality, safety and phytosanitary standards. Meeting the standard requirements of the importing countries demands the establishment of a well-structured and functioning regulatory system. Because of lack of regulatory standards and inadequate capacity of implementation, Ethiopia often faces rejections and bans of its agricultural export commodities including coffee which the country’s major export commodity.

Over the last five years, FAO-Ethiopia has been contributing to the improvement of crop production and productivity in Ethiopia by addressing these challenges. FAO has been able to do this through agricultural policy dialogue and advocacy with the government in the areas of improved agricultural information and seed supply systems. More specifically, FAO’s has been involved in assisting smallholders to engage in improved seed production and supporting government efforts in securing availability of improved seeds. FAO Ethiopia has also been actively engaged in supporting the government and farming communities through construction, upgrading and rehabilitation of small scale irrigation and production of high value crops. Farmers are organized into groups and water communities for efficient and sustainable water utilization. FAO is also working closely with the Government to establish a model of water audit and water monitoring system.

In the next five years, FAO will continue addressing the issue of crop productivity and competitiveness by delivering the following outputs.
Output 1.1A: Conducive policy and legal framework to stimulate private and community based seed production developed

With respect to this, FAO envisages that:

- The national capacity to review, update, harmonize and implement seed policies, laws and regulatory systems will be further strengthened:
- The capacity of the formal and informal seed producers will be further strengthened:
- The link between research, extension and farmer (including the private sector) with respect to production and supply of improved seed will be further strengthened.

Output 1.1B: National phytosanitary system to meet the international trade requirements Improved

In the area of phytosanitary, FAO envisages that the:

- Technical capacity required for reviewing, upgrading and enforcing regulating safety and phytosanitary systems and procedures related to exports of high value crops will be reviewed and upgraded;
- Technical guidelines and manuals for phytosanitary and quality control and certification will be further developed and upgraded;
- Capacity necessary to meet international and/or specific standards, norms and other requirements related to phytosanitary and quarantine stations and inspection services will be further strengthened.

Output 1.1C: Capacity in water management Improved

- FAO hopes to be able see a situation in which: A model scheme of sustainable irrigation and water management system is established;
- Water harvesting and utilization technologies for small holder farmers are identified and expanded;
- The capacity of service providers and community level institutional structures for effective and efficient water management is further strengthened;
- Relevant government institutions are supported to be able to prepare appropriate technical guidelines/ manuals and standards for promotion and best practices in water harvesting and utilization systems are scaled up.
Output 1.1D: Crop diversification and commercialization of small-scale farming with value addition and agri-business development expanded

In connection with this area of output, FAO envisages:

- Strengthened technical capacity for re-examining the problems and constraints that have continued to plague this sector (e.g. inconsistent, poor quality, insufficient raw materials and post-harvest handling; poor trained personnel and weak or non-existent market structure);
- Strengthened capacity to establish a reliable National Agricultural Market Information System at federal, region and woreda levels;
- Increased support to the government and the community to reduce pre and post harvest losses through different ways including by supporting group cooperation and producers’ organizations and by collaborating with extension services;
- Increased support to the development of rural micro and small-scale enterprises in the agricultural sector as well as those in other sectors linked to agriculture with priority being given not only to rural businesses owned by women and youth but also to business models that provide opportunities for small-scale producers and progress towards aggregation of produce and developing backward and forward linkages.
5.2.1.2. Outcome 1.2: Livestock production and productivity Improved

Key issues and challenges
As noted above, the livestock sub-sector would be as high as 45 percent of agricultural GDP if the value of animal traction to the crop sector were included. It is worth noting that livestock contributes to rural livelihoods, employment and poverty reduction through the rapid growth in demand for livestock products. Despite impressive levels of local production, the livestock sub-sector cannot keep pace with the growth in consumption with the result that Ethiopia currently imports between USD 8 to 10 million of dairy products annually. The PIF recognizes the historic lack of focus on the livestock sub-sector and the need for an enhanced livestock sub-sector strategy to address key constraints to livestock productivity. Priority issues highlighted for inclusion in the strategy include the following: improved livestock feed in both the highlands and lowlands through improved rangeland management; improved breeds; expanded animal health services including private veterinary pharmacies and community-animal health care systems in the pastoral lowlands; and improved marketing of livestock and livestock products for both domestic and export markets, particularly, the Gulf States.

In order to address some of the challenges, the GoE has established the Ethiopian Meat and Dairy Technology Institute to help provide assistance in capacity building, market promotion/linkage and investment support to the growing commercial livestock operators. The institute has as yet limited capacity to provide the sub-sector with the full range of intended services.
Over the last five years, FAO Ethiopia has supported the government as well as highland mixed farming and lowland pastoral communities with policy advocacy in the areas of livestock export market. The technical support ranges from the organization of small-holder dairy farmers into producer groups for the improved collection of milk through community-based animal health and disease surveillance and reporting to sustainable livestock feed production. In addition, in response to pastoral drought, FAO has supported the delivery of livestock relief interventions including commercial and slaughter destocking, livestock feed supplementation, animal health, livestock water provision. In addition, following the drought restocking, FAO has been the co-organizer of the National Dairy Forum.

In the coming five years, FAO will continue to support the development of the livestock sub-sector in both highland mixed farming and lowland pastoral systems with a specific focus on strengthening meat and dairy value chains with a view to increasing productivity and household income from livestock and livestock products. The following intermediate outputs from the FAO assistance are, therefore, expected:

**Output 1.2A:  Capacity of the value chain actors of meat and dairy production, productivity value addition and marketing improved**

FAO envisages that:

- Livestock sub-sector policies and strategies will be reviewed and the importance given to the sector including public spending will be increased;
- Partnerships, networks and coordination amongst the dairy and meat value chain actors and their institutional capacities including the capacity to meet international safety and sanitary standards will be strengthened;
- The national and regional livestock market information system will be strengthened;
- Value chain analysis and market-oriented livestock production system will be promoted.
- The technical and management skills of actors in the livestock value chain will be strengthened.
Output 1.2B: Production, productivity and availability of quality animal feed improved

It is envisaged that:

- Quality animal feed production systems in pastoral and highland areas will be enhanced;
- Improved feeding practices improving milk and meat production will be introduced;
- Pastoral livestock systems to improve livelihoods, household food security and economic growth will be enhanced;
- The capacity to prepare national cattle breeding policy and strategy will be strengthened.

Output 1.2C: Effective livestock disease control measures established

FAO foresees that:

- An information system concerning cross-border animal diseases will be established;
- The capacity in the area of livestock extension services and disease surveillance will be strengthened;
- The diagnostic and analytical capacity of veterinary laboratories will be strengthened;
- The capacity to formulate policy on livestock quarantine and control procedures to respond to global requirements, importance of quality, certification, and registration will be strengthened.

Output 1.2D: Fisheries and aquaculture development increased

It is expected that:

- The capacity for the transfer and adoption of appropriate technology in fishery and aquaculture especially in parts of the country with rich water resources will be strengthened;
- Fish production will increase in a sustainable and gender-sensitive manner through the introduction of appropriate technology providing leverages of proper care for the existing lakes as well as production of fish without causing any risk to the natural balance of fish population.
5.2.2. Priority Area 2: Sustainable Natural Resources Development and Management

It is estimated that as high as 80 percent of Ethiopia’s natural resource base is suffering some level of degradation with indigenous tropical forest disappearing at an estimated 3.6 percent in the highlands and 1.2 percent over the whole country. Increased land degradation is caused by poverty, population pressure, inappropriate use and management, inadequate inputs including nutrient recycling, unsuitable farming and grazing practices, absence of appropriate technologies and land use plans, inefficient markets and other barriers. Land tenure insecurity which is related to policy failure of past governments is also considered responsible for the land degradation problem in Ethiopia. It undermines land users’ incentives to invest in sustainable land management practices. Land degradation and low level of soil fertility have had severe negative effects on over 75 percent of the population that depend on it. The minimum estimated annual cost of land degradation in Ethiopia ranges from 2 to 3 percent of agricultural GDP.

5.2.2.1 Outcome 2.1: Sustainable land and integrated watershed management Improved

Key issues and challenges

In the highland mixed farming systems, long years of agricultural production, coupled with deforestation, inappropriate land use and the expansion of farmland to meet the demands made by ever-increasing human and livestock population has led to both severe land degradation and low level of soil nutrient. The inherently fragile soil, undulating terrain and the highly erosive nature of the rains make the highlands of Ethiopia highly vulnerable to soil erosion. The farming system in the highlands is dominated by cereal crops which often require frequent working or pulverization of the soil with very little ground cover when the long rains fall makes the land more susceptible to erosion. In general, studies indicate that up to 400 tonnes of fertile soil per ha is lost annually in areas where no soil conservation work has been done, or areas with little or no vegetation cover. The soil lost is mainly from farmlands constituting around 13 percent of the country’s total area.

Over the last five years, FAO Ethiopia has assisted the government and communities in the development of sustainable land management policy and strategy framework. The FAO -Ethiopia has also contributed to the implementation of participatory forestry management, soil conservation and proper soil improvement techniques, and water harvesting. FAO -Ethiopia has also been involved in the introduction of integrated watershed management in the high and lowland areas.
In the coming five years, FAO will continue to take active part in the Sustainable Land Management platform and hopes to be able to do this through, for instance, enhanced links with the PSNP public work program. FAO will work with the government and the community to safeguard and protect natural resource for future generations and to assist in efforts to arrest and reverse the degradation of farmland through the adoption of an integrated watershed-based approach, forests and rangelands. In addition, support will be given to smallholder farmers to carry out on-farm soil and water conservation including promoting conservation agriculture. FAO will undertake different activities to safeguard soil, improve soil health, reverse bio-diversity losses and increase soil water moisture retention and infiltration to support both increased crop production and productivity and restore stream and river flows. The intermediate outputs from the FAO assistance have been outlined in the following sub-sections.

Output 2.1A: Sustainable land management expanded

As a result of the FAO assistance, it is expected that:

- Integrated watershed development and management entrenching sustainable land management practices and technologies for smallholder farmers will be expanded;
- Building capacity in community-based approaches, scaling up of successful models and innovations of land use planning and sustainable land management will be strengthened;
- Farmland and homesteads productivity through water use efficiency and conservation measures, and restoring and sustaining soil fertility and mapping will be improved;
- Technical assistance needed to sustainable agricultural land use and administration will be made available;
- Support needed for improved grassland management in both mixed farming and pastoral areas to help arrest and reverse grassland degradation and increase livestock productivity will be made more accessible.
Output 2.1B: Sustainable management of Forest Resources increased

FAO assistance is expected to lead to improved:

- National capacity of surveying and mapping of forests for better understanding of their extent and spatial distribution as well as to implement a sustainable management plan;
- Capacity to put in place forest management frameworks and guidelines especially improving the involvement of the private sector;

Output 2.1C: Preservation of biodiversity increased

- Technical as well as institutional capacities for conserving and availing biodiversity resources and global conventions.

Output 2.1D: Efficiency of Forest Resource Utilization increased

- Technical capacity building and establishment of standard tree nurseries;
- Capacity for availing and adoption of appropriate technology in the production of honey, silk, spices, gum, incense, myrrh and other non-timber products;
5.2.2.2. Outcome 2.2: Small-holder adaptation to climate Improved

Key issues and challenges

The Government has assigned the Environmental Protection Agency to coordinate Ethiopia’s response to climate change. Various models circulating in the region suggest that the impact of climate change will be significantly less in Ethiopia than in southern Africa, where it is crop yields are predicted to be reduced by as much as 50 percent (IPCC, 2009). While this is good news for Ethiopian small-holder farmers, it must be noted that rainfall will become more intense which in turn means an increased likelihood of imminent agricultural problems associated with flooding and water-logging. It has also been the case that synergies in mitigation, adaptation and sustainable food production in a demand-driven, location-specific and participatory manner with small-holder farmers and pastoralists integrating local and scientific knowledge on adaptation and mitigation appear to be particularly low.

Over the last years, FAO- Ethiopia has been engaged in improving the rangeland management in the pastoral areas as part of a strategy for adapting to climate change through the construction of ponds for animals and humans.

In the coming five years, emphasis will be given to minimize the potential threats and build local resilience against climate change. Thus, FAO will promote synergies between international conventions and agreements on climate change, desertification, biodiversity, forestry and grasslands. To attain the above objectives, the following output and intermediate results will be considered:

Output 2.2A: Integration of issues of climate change and adaptation strategies into development plans and programs achieved

FAO envisages that:

- Support the government revive and improve policy issues related to afforestation and reforestation; integrated watershed development; sound land and water management; and early warning, preparedness and mitigation initiatives in flood-prone areas;
- Strengthen farmer-led adoption and promotion of more drought-tolerant crops, varieties and breeds; conservation agriculture and improved water harvesting and utilization technologies;
- Strengthen farmer- and pastoral-led livestock adaptation initiatives including destocking, at seasons of
drought so that vulnerable households benefit from timely sales, and restocking in a way that livestock
numbers better match grassland productivity;

- Help implement water development program aimed at increasing the availability of water for both
irrigation and livestock in the dry low lands.

### 5.2.3 Priority Area 3: Improved Food and Nutrition Security

The PIF recognizes that, despite the good progress being made in the agriculture sector, around 2.5 million
household in Ethiopia suffer from chronic, transitory or acute malnutrition. It is also cognizant of the fact
that, with the already low levels of resiliency, households remain vulnerable to recurrent shocks, particularly
weather-related hazards such as drought and flood as well as the more recent food price fluctuations. FAO
will, therefore, provide technical assistance to the agricultural components of the GoE’s social protection
programs including the safety net program and the Ministry of Agriculture’s Disaster Risk Management Policy
once it is adopted. With regard to the former, FAO will provide food security and nutrition advice and, where
appropriate, draw on the expertise of teams other technical specialists from the crops, livestock and natural
resource management. FAO has a long history of support to the GoE in the areas of early warning, agriculture
sector needs assessments, and more recently IPC. FAO will maintain its support in these areas.

Conscious of the huge resource savings that can be made through disaster risk reduction (DRR), FAO will
work with the international donor community to ensure that increasing levels of resources are invested in
DRR particularly, although not exclusively, in drought and flood prone areas. In addition to working with
crop, livestock and natural resource management specialists, FAO will also integrate nutrition into its DRR
programming.

Globally, FAO is championing the ‘Feed the Cities’ initiative, and in Ethiopia FAO is providing technical support
to development partners involved in urban agriculture. It is planned that this area of work will be expanded in
the period of CPF implementation as part of a wider program of DRR-related food security and nutrition work.

Partnerships with universities, research institutes, international agencies and NGOs will be strengthened. In
addition, FAO will take active part in community-based disaster management forums.

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3 The Disaster Risk Management Policy is in the 10th draft at the time of writing of the PIF.
5.2.3.1. **Outcome 3.1: Institutional and technical capacities of Government and communities in early warning, preparedness and mitigation to improve resilience against disaster and shocks improved**

**Key issues and challenges**
While supporting the increased emphasis given to disaster risk reduction, FAO recognizes that the Horn of Africa region tends to record more emergencies than any other sub-region in Africa. This being the case, FAO will continue to prioritize improved weather-related (droughts and floods) and non-weather related (livestock and crop disease including those with trans-boundary origins and market collapse) disaster response with an emphasis on cost effective interventions which support an early return to normal agricultural production. FAO will continue to support the government in devising programs which help ensure the transition from relief and emergency assistance to reconstruction and development. That is to say, it will assist the government in its effort to build on national and household resilience.

Over the last years, FAO-Ethiopia has been providing technical assistance to help improve the assessment and data collection methods involving the Early Warning systems. The Integrated Phase Classification (IPC), which has gained great acceptance across the region, has been piloted in the SNNPR Region and should be further developed and extended to other regions.

Ethiopia has a long and distinguished history in pioneering and improving early warning systems in the region. There is, however, an emerging concern that the current methodology employed in agriculture sector needs assessment under-reports agricultural requirements in both seasonal assessments and early warning systems. There is a clear need to address this problem in order to ensure that agricultural requirement are estimated more accurately and the agricultural sector growth leads rural Ethiopia out of poverty.
Output 3.1A: Early warning information system for natural disaster and food security Improved

FAO envisages to accomplish the following:

- Undertake a study to review existing early warning and food security information in the country from federal, regional and woreda levels of the Government and other concerned stakeholders to identify existing gaps, harmonize analyses, and, finally, propose an improved assessment mechanism;

- Analyze and discuss the results of the study with key partners and present it to the MoA with a view to creating coordinated and improved agricultural early warning information systems;

- Carry out hazard and specific seasonal needs assessments aimed at promoting and, as appropriate, mainstreaming of IPC;

- Strengthen Food Security and agriculture products price information system;

- Conduct an assessment of the existing monitoring systems and support the community and other stakeholders in establishing and implementing a good system for flood early warning, monitoring and mitigation.

Output 3.1B: Capacity to prepare and respond to emergency situation in Agriculture (crop and livestock) improved

FAO envisages to undertake the following:

- Provide technical support to the Government’s coordination structure involved in disaster response and rehabilitation responses in the agricultural sector;

- Promote development and implementation of a standardised food security and humanitarian classification for policy decisions (Integrated Food Security and Humanitarian Classification);

- Strengthen technical coordination of partners.

- Provide Tailor-made animal health and plant protection training;

- Conduct public awareness and vaccination campaign on major epidemic diseases;

- Community-based animal health service delivery through Community-Based Animal Health Workers (CAHW), veterinary para-professionals, and Private-Pharmacy linkages;

- Promote innovative practices such as digital pen technology and weather-based livestock insurance;

- Develop joint partnership projects with NGOs and GOs with a view to ensuring appropriate emergency interventions.

- After major disasters and shocks, identify early recovery and rehabilitation activities that can be collated into a road map and implemented by Government, other partners and FAO.
Output 3.1C: Best practices and innovative DRR approaches expanded

It is expected to:

- Establish Pastoral Field Schools (PFS);
- Promote Community-Managed Disaster Risk Reduction (CMDRR);
- Introduce Multi-Nutrient Blocks to improve the condition of animals;
- Establish sustainable approaches to stabilizing producer and consumer food prices.

5.2.3.2 Outcome 3.2: Integration of agricultural production and food-based nutrition improved

Key issues and challenges
Ethiopia has one of the highest rates of malnutrition. About 47% and 11% of children under five are stunted and wasted, respectively; 38% of children are under weight. Chronic malnutrition is also prevalent among women (27% of women in reproductive age are chronically malnourished). Ethiopia faces the four major forms of malnutrition, i.e., acute and chronic protein and energy malnutrition, and Iron, Vitamin-A and Iodine deficiency disorders. The greatest functional consequences of malnutrition for children are illness and death and for those who survive, mental impairment and reduced capacity to produce and contribute to the economy as stunted less educated, and mentally impaired are less productive.
Based on the 2006 Profile Analysis, malnutrition contributes to approximately 270,000 deaths of children under five each year. It has been estimated that the annual value of the loss in productivity that can be attributed to child stunting is 2.92 billion Birr. Unchanging or unvaried nature of Ethiopian diet and severely limited dietary diversification contribute to deficiencies of micronutrients.

FAO has been working to alleviate malnutrition among children, women and people living with HIV/AIDS in selected woredas of Amhara and Tigray. Promotion of essential nutrition actions at community level, building capacity of experts working in areas such as health, agriculture, women’s affairs and school communities through the provision of training on Essential Nutrition Actions, dietary diversification (fruits, vegetables and animal sources) and iodized salt distribution, nutrition demonstrations as well as small-scale local production of complementary food.

FAO, therefore, seeks to expand its nutrition programming under CPF with a particular focus on promoting its food-based approach. Under this outcome, FAO will work closely with a number of national (Agriculture, Health, Education, Water and Women’s Affairs) and UN (UNICEF, WHO and WFP) agencies.

**Output: 3.2.A Nutritional status through food-based dietary diversification, production and consumption of nutritious food Improved**

It is expected that the CPF will lead to a situation where:

- Capacity building on nutrition policies and programs is strengthened;
- Locally prepared complementary food production is enhanced;
- Accelerated Stunting Reduction Strategy including in areas of food surplus is strengthened;
- Capacity to increase the diversity and supply of nutritious food production including animal proteins and micro-nutrients is strengthened.
5.3 Crosscutting Issues

In addition to supporting the two overarching core functions and three focus areas, FAO recognizes the need for adopting a people-centred approach which, among other things, involves mainstreaming gender concerns both in the design and in the implementation of interventions and directly supporting women’s active participation. In fact, 25 percent of small-holder farming families are women-headed and, therefore, appropriate recognition and support needs to be given to women-headed household farmers. In view of the time constraints facing women, activities specifically aimed at ensuring female farmers’ access to material and extension services including special training programs will be carried out. Increasing the breadth and “women-friendliness” of financial services in rural areas is also considered to be a key strategy for providing capital for women-led rural businesses and farms through gender sensitization and support schemes specially designed for rural financial institutions.

The economy of Ethiopia is based on agriculture, which accounts for 46.3% of gross domestic product (GDP), 60% of exports, and 80% of total employment. Many other economic activities depend on agriculture. These include marketing, processing, and export of agricultural products. Production is overwhelmingly of a subsistence nature, and a large proportion of commodity exports are provided by the small agricultural cash-crop sector.

The national labor force survey conducted in 2005 by the Central Statistical Authority indicates that approximately 2,000,000 people in the age range of 15-64 were unemployed. Out of this, 67% were youth. The number of female unemployed youth was 71.4% and the figure for their male counterpart was 28.6%. The fact that the majority of the unemployed youth constitute females is indicative of the magnitude of the disadvantage to which young women are exposed compared to young men.

In addition to gender, rural employment and the promotion of decent work represents another key crosscutting issue. While the ILO leads the Global Employment and Decent Work Agenda, FAO has a crucial complementary role in promoting decent and productive employment in agriculture and rural areas. In collaboration with the ILO, FAO promotes rural employment and decent work, with its primary focus being on promoting fairer and more gender-equal rural employment, enhancing youth employability and preventing child labour. This builds on FAO’s comparative advantage in supporting agricultural and rural development and strong focus on and expertise in small-scale, self-employed and informal agricultural occupations in which the majority of workers in Ethiopia are currently found. While the quantity of jobs produced is an indicator of enhanced
economic growth, the quality of employment also needs to be addressed. Addressing and foreseeing the employment impacts of all CPF interventions is likely to have important impacts on the livelihood of farmers and the outcome of the whole programme.

FAO, in collaboration with the Ministry of Labour and of Trade as well as the ILO, can also contribute to the national capacity building effort by providing technical support aimed at ensuring that well structured and functioning regulatory systems are in place to enforce core labour standards in high value crop production. Support to socially responsible agricultural production, eventually leading to private voluntary standards and certification, could indeed have long-term pay-offs in the export market. Given the specificities of agricultural production and of rural labour markets, innovative mechanisms for monitoring and enforcing labour standards should be developed. This, of course, will require bringing together labour inspectorates and extension services, the Ministry of Agriculture, Labour and Trade, producers and workers organizations, the private sector and rural community leaders.

The issue of HIV/AIDS and environmental protection will be directly addressed in the FAO support framework through the direct involvement of women and youth in the early warning, response and development programs.
6.1 Resource Mobilization

As mentioned above, one of the objectives of the CPF relates to its function as a tool for financial resource mobilization. In this regard, the required financial resource will be mobilized jointly by FAO and the Government. Through the joint fund mobilization mechanism, development partners and donors will be contacted and are expected to finance programs and projects that could be presented to them. For the implementation of the projects, it is expected that FAO will contribute in terms of technical assistance while donors will involve in financial resource provision.

6.2 Estimated Resource Requirements

The estimated budget requirement of the TCP by priority area is presented in the following table. Of the total budget needed, 8 million USD will obtained from FAO through its Technical Cooperation Program (TCP) and the balance 44,500,000 million USD is expected to come from external financial sources.
## Estimated budget requirement for 2012-2015 in USD by priority focus areas and year

<table>
<thead>
<tr>
<th>Focus area</th>
<th>Total budget for the 4 years</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural Productivity and Competitiveness</td>
<td>20,000,000</td>
<td>4,000,000</td>
<td>5,000,000</td>
<td>5,500,000</td>
<td>5,500,000</td>
<td></td>
</tr>
<tr>
<td>Sustainable Natural Resources Development and Management</td>
<td>10,000,000</td>
<td>2,000,000</td>
<td>2,500,000</td>
<td>2,500,000</td>
<td>3,000,000</td>
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</tr>
<tr>
<td>Improved Food and Nutrition Security</td>
<td>20,000,000</td>
<td>6,000,000</td>
<td>5,500,000</td>
<td>4,500,000</td>
<td>4,000,000</td>
<td></td>
</tr>
<tr>
<td>Sub Total</td>
<td>50,000,000</td>
<td>12,000,000</td>
<td>13,000,000</td>
<td>12,500,000</td>
<td>12,500,000</td>
<td></td>
</tr>
<tr>
<td>Contingencies (5%)</td>
<td>2,500</td>
<td>600</td>
<td>650</td>
<td>625</td>
<td>625</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52,500,000</td>
<td>12,600,000</td>
<td>13,650,000</td>
<td>13,125,000</td>
<td>13,125,000</td>
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</tr>
</tbody>
</table>
In the period covering 2012 – 2015, FAO-Ethiopia will continue to provide support to the Government of Ethiopia’s development plans as outlined in various documents including the Growth and Transformation Plan, Agriculture Sector Policy Investment Framework and Disaster Risk Management Strategic Investment Framework (currently in print). Accordingly, FAO-Ethiopia will support longer-term agriculture sector development and respond to agriculture sector-related shocks including drought, flood, livestock and crop disease and market failure.

In the past FAO-Ethiopia has retained separate development and ‘emergency’ teams. Under the CPF, these teams will be fully integrated into the following four thematic teams: crops, livestock, natural resource management and food security, nutrition and DRM. Each team will not only identify strategic priorities but also establish, implement and manage program portfolios to ensure the transition FAO Ethiopia from a project to program approach within the life of the CPF.

The thematic teams will be accountable to an Operations Unit which will include finance, administration, logistic and monitoring and valuation functions. The Operations Unit will, in turn, report to FAO Ethiopia’s Program Management Team which will be responsible for the overall management of the program including strategic planning, liaison with Government and donors and for policy. The Program Management Team will again be answerable to the FAO-R which will pass on reports to FAO Headquarters in Rome. The government will be responsible for the implementation of the programs identified in the CPF and FAO will be responsible for technical assistance.
Monitoring and Evaluation

Monitoring and evaluation (M&E) will constitute an integral part of all FAO implemented programs and will follow current best practice as outlined in the FAO guidelines. The M&E plan is developed to ensure accountability, transparency and monitor progress and achievements of results against outcomes and related outputs. It is also instrumental in building the capacity of partners to monitor progress towards the achievement of planned objectives, to harmonize data collection systems and analyses tools and improve result disseminations.

The indicators formulated in the log frame matrix along with the respective means of verification of performance and coverage (see Annex 1) will be used to measure progress at the outcome/output level.

Key elements of the monitoring and evaluation framework include the following:

- **Monthly monitoring** of key processes and selected outcome indicators will ensure that comprehensive monitoring information is available to facilitate informed decision-making by field staff and for reporting purposes.

- Based on the monthly monitoring, **quarterly program progress reports** will be drafted and shared with donors and government partners. The quarterly reports will provide updates and analysis of progress made by programs. They will also contain information on obstacles and challenges encountered and summary outcome lessons.

- Annual reviews will be conducted jointly by FAO and Government teams. Such reviews will include a summary of quarterly progress reports and ground-truthing visits to selected communities and associated meetings with local government and other relevant stakeholders.

- **Specific outcome reviews** will be undertaken during the life of the project to address strategic issues that may arise during the course of program implementation. Specific outcome review may include more detailed review of potentially interesting outcome indicators for a better understanding of obstacles and challenges.
- **Joint participatory final evaluations** will be conducted in the final stages of all program and will assess, documents and disseminate the findings on impact pertaining **national development goals**. Joint participatory final evaluations will, therefore, play an important role in developing and strengthening agriculture sector evidence-base which will inform both long-term FAO programming and policy processes.

- In order that lessons learned from implemented field projects of FAO can be shared with the Government, FAO intends to include compatible indicators and create a situation where Program Managers will be supported by FAO Ethiopia’s Monitoring and Evaluation Technical Working Group.

<table>
<thead>
<tr>
<th>RESULTS</th>
<th>INDICATOR, MEANS OF VERIFICATION</th>
<th>RISK AND ASSUMPTION</th>
<th>ROLE OF PARTNERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIORITY FOCUS AREA 1: AGRICULTURAL PRODUCTIVITY AND COMPETITIVENESS</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Outcome 1.1 Crop Production and Productivity Improved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Indicators:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Increase in yield per unit area</td>
<td></td>
<td></td>
<td>– Harmonize with REDFS and CAADP</td>
</tr>
<tr>
<td>• # of farmers institutions supported</td>
<td></td>
<td></td>
<td>– REDFS agencies and donors to provide financial and technical assistance</td>
</tr>
<tr>
<td>• # of public institutions supported in policy and system review</td>
<td></td>
<td></td>
<td>– MoFED to provide overall coordination and guidance and support resource mobilization</td>
</tr>
<tr>
<td>• # of public institutions technically supported in crop diversification and commercialization</td>
<td></td>
<td>– Survey reports, CSA data, MoA reports</td>
<td>– Ministry of Agriculture and respective Bureaus to provide coordination, lead implementation and transfer of knowledge and skills to development agents and farmers</td>
</tr>
<tr>
<td><strong>Risks</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Crop pest and Disease</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Assumptions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Appropriate policy and institutional framework in place</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Rural financial institutions promptly provide services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– All partners and stakeholders will timely deliver responsibilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outcome 1.2 Livestock Production and Productivity Improved</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Indicators:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Revised livestock policies and strategies</td>
<td></td>
<td></td>
<td>– REDFS agencies and donors to provide financial and technical assistance</td>
</tr>
<tr>
<td>• # of public and private actors supported in meat and dairy value chain</td>
<td></td>
<td></td>
<td>– MoFED to provide overall coordination and guidance and support resource mobilization</td>
</tr>
<tr>
<td>• Improved in livestock feed availability</td>
<td></td>
<td></td>
<td>– Ministry of Agriculture and respective Bureaus to provide coordination, lead implementation and transfer of knowledge and skills to development agents and farmers</td>
</tr>
<tr>
<td>• % in Reduction of animal death</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Assumptions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– FAO will get adequate financial resources to implement plans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>– All partners and stakeholders will timely deliver their responsibilities</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
### PRIORITY FOCUS AREA 2: SUSTAINABLE NATURAL RESOURCES DEVELOPMENT AND MANAGEMENT

**Outcome 2.1** Sustainable Land and Integrated Watershed Management Enhanced

<table>
<thead>
<tr>
<th>Indicator:</th>
<th>Means of Verification</th>
<th>Risk and Assumption</th>
<th>Role of Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>• # smallholder farmers engaged in sustainable land management practices</td>
<td>Reports from MoA (surveys CSA bulletin study reports, Back to office reports)</td>
<td>Incompatibility of interventions against traditional practise, land policy drought</td>
<td>- REDFS agencies and donors to provide financial and technical assistance</td>
</tr>
<tr>
<td>• # of public institution received technical support in sustainable land and forest management</td>
<td></td>
<td></td>
<td>- MoFED to provide overall coordination and guidance and support resource mobilization</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Ministry of Agriculture and respective Bureaus to provide coordination, lead implementation and transfer of knowledge and skills to development agents and farmers</td>
</tr>
</tbody>
</table>

**Outcome 2.2** Small-holder Adaptation to Climate Change Enhanced

<table>
<thead>
<tr>
<th>Indicator:</th>
<th>Means of Verification</th>
<th>Assumptions</th>
<th>Role of Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>• # of Institutions supported in climate change adaptation and mitigation</td>
<td>Reports from MoFED, MoA and EPA</td>
<td>- Existence and continuity of global climate change initiatives</td>
<td>- REDFS agencies and donors to provide financial and technical assistance</td>
</tr>
<tr>
<td>• # of households practicing climate adaptation and mitigation strategies</td>
<td></td>
<td>- Availability of funding for climate change initiatives</td>
<td>- MoFED to provide overall coordination and guidance and support resource mobilization</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Ministry of Agriculture and respective Bureaus to provide coordination, lead implementation and transfer of knowledge and skills to development agents and farmers</td>
</tr>
</tbody>
</table>
## Outcome 3.1 Institutional and Technical Capacities of Government and Communities in Early Warning, Preparedness and Mitigation to Improve Resilience Against Disaster and Shocks Improved.

<table>
<thead>
<tr>
<th>Indicators:</th>
<th>Reports from FS, Reports from DRMFSS of MOA</th>
<th>Risk</th>
<th>Assumptions</th>
<th>Role of Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Improved early warning information system for natural disaster and food security in place</td>
<td></td>
<td>- Major disasters and conflict</td>
<td></td>
<td>- Humanitarian donors to provide financial assistance</td>
</tr>
<tr>
<td>- # of public institution received capacity building support in area of preparation and response to emergency situation</td>
<td></td>
<td>- National DRM policy endorsed by parliament</td>
<td></td>
<td>- The Disaster Risk Management and Food Security Sector (DRMFSS) of Early Warning Directorate (EWD) of the Ministry of Agriculture and respective Bureaus to provide coordination, lead implementation and transfer of knowledge and skills to development agents and farmers</td>
</tr>
<tr>
<td>- # of best practices identified and scaled-up</td>
<td></td>
<td>- National disaster incident command systems put in place</td>
<td></td>
<td>- International and national NGOs in coordination with FAO to fully participate in DRM initiatives and activities at all levels</td>
</tr>
</tbody>
</table>

## Outcome 3.2 Integration of Agricultural Production and Food-based Nutrition Improved

<table>
<thead>
<tr>
<th>Indicators:</th>
<th>Reports of MoH, ENRI</th>
<th>Risk</th>
<th>Assumptions</th>
<th>Role of Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>- # of households with improved nutritional status</td>
<td></td>
<td>- Increased population pressure that will increase household nutrition demand</td>
<td></td>
<td>- REDFS agencies and donors to provide financial and technical assistance</td>
</tr>
<tr>
<td>- # of public institutions supported in area of nutrition policies and programs</td>
<td></td>
<td>- No major disaster and epidemics that will jeopardize households food security and vulnerability</td>
<td></td>
<td>- MoFED to provide overall coordination and guidance and support resource mobilization</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Ministry of Agriculture and respective Bureaus to provide coordination, lead implementation and transfer of knowledge and skills to development agents and farmers</td>
</tr>
</tbody>
</table>
Annex B: MDG Goals

1: Eradicate extreme poverty and hunger with a target to cut the proportion of people living under extreme poverty and suffering from hunger by half between 1990 and 2015, including target 1b: Achieve full and productive employment and decent work for all, including women and young people.

2: Achieve universal primary education with the target of ensuring that by 2015, all children will be able to complete a full course of primary schooling.

3: Promote gender equality and empower women with the target of eliminating gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015.

4: Reduce child mortality with a target of reducing the under-five mortality rate by two-thirds between 1990 and 2015.

5: Improve maternal health with a target of reducing the maternal mortality ratio by three quarters between 1990 and 2015.

6: Combat HIV and AIDS, malaria and other diseases with the target of halting incidences and beginning to reverse the spread of HIV and AIDS by 2015.

7: Ensure environmental sustainability with the targets of integrating the principles of sustainable development into country policies and programs; reversing loss of environmental resources; reducing biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss; halving, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation; and achieving, by 2020, a significant improvement in the lives of at least 100 million slum-dwellers.

8: Develop a global partnership for development with the target of developing further an open, rule-based, predictable, and non-discriminatory trading and financial system.
### Annex C: FAO Global Goals and Strategic Objectives

#### I) Global Goals of Members:

- **A)** Reduction of the absolute number of people suffering from hunger, progressively ensuring a world in which all people at all times have sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life;
- **B)** Elimination of poverty and the driving forward of economic and social progress for all, with increased food production, enhanced rural development and sustainable livelihoods;
- **C)** Sustainable management and utilization of natural resources, including land, water, air, climate and genetic resources, for the benefit of present and future generations.

#### II) Strategic Objectives

- **A)** Sustainable intensification of crop production increased
- **B)** Sustainable livestock production
- **C)** Sustainable management and use of fisheries and aquaculture resources
- **D)** Improved quality and safety of foods at all stages of the food chain
- **E)** Sustainable management of forests and trees
- **F)** Sustainable management of land, water and genetic resources and improved responses to global environmental challenges affecting food and agriculture
- **G)** Enabling environment for markets to improve livelihoods and rural development
- **H)** Improved food security and better nutrition
- **I)** Improved preparedness for, and effective response to, food and agricultural threats and emergencies
- **J)** Gender equity in access to resources, goods, services and decision-making in the rural areas
- **K)** Increased and more effective public and private investment in agriculture and rural development

#### III) Functional Objectives

- **A)** Effective collaboration with Member States and stakeholders
- **B)** Efficient and effective administration

#### IV) Core Functions

- **A)** Monitoring and assessment of long-term and medium-term trends and perspectives
- **B)** Assembly and provision of information, knowledge and statistics
- **C)** Development of international instruments, norms and standards
- **D)** Policy and strategy options and advice
- **E)** Technical support to promote technology transfer and build capacity
- **F)** Advocacy and communication
- **G)** Inter-disciplinarily and innovation
- **H)** Partnerships and alliances
### Annex D: Alignment of CPF Priority Focus Areas with Strategic Pillars and Objectives of GTP, PIF/CAADP, UNDAF, FAO and the MDGs

<table>
<thead>
<tr>
<th>No</th>
<th>GTP Strategic Pillars</th>
<th>PIF/CAADP Strategic Objective</th>
<th>UNDAF Strategic Pillars</th>
<th>FAO Strategic and Functional Objectives</th>
<th>MDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sustaining faster and equitable economic growth (CPF Relevant)</td>
<td>Sustainable increase in agricultural production and productivity (CPF Relevant)</td>
<td>Sustainable Economic Growth and Risk reduction (CPF Relevant)</td>
<td>(A) Sustainable intensification of crop production (CPF Relevant)</td>
<td>Eradicate extreme poverty and hunger (CPF Relevant)</td>
</tr>
<tr>
<td>2</td>
<td>Maintaining agriculture as a major source of economic growth (CPF-Relevant)</td>
<td>Agricultural commercialization and agro-industrial development (CPF Relevant)</td>
<td>Basic social services</td>
<td>(B) Increased sustainable livestock production (CPF Relevant)</td>
<td>Achieve universal primary education</td>
</tr>
<tr>
<td>3</td>
<td>Creating favourable conditions for the industry to play key role in the economy</td>
<td>Improve productivity of NR (CPF Relevant)</td>
<td>Governance and capacity Building</td>
<td>(C) Sustainable management and use of fisheries and aquaculture resources (CPF Relevant)</td>
<td>Promote gender equality and empower women (CPF Relevant)</td>
</tr>
<tr>
<td>4</td>
<td>Enhancing expansion and quality of infrastructure development</td>
<td>Food security and protect vulnerable households from natural disasters (CPF Relevant)</td>
<td>Women, youth and children (CPF Relevant)</td>
<td>(D) Sustainable management of forests and trees (CPF Relevant)</td>
<td>Reduce child mortality</td>
</tr>
<tr>
<td>5</td>
<td>Enhancing expansion and quality of social development</td>
<td></td>
<td></td>
<td>(E) Sustainable management of land, water and genetic resources and improved response to global environment challenges affecting food and agriculture (CPF Relevant)</td>
<td>Improve maternal health</td>
</tr>
<tr>
<td>6</td>
<td>Building capacity and deepen good governance</td>
<td></td>
<td></td>
<td>(F) Improved quality and safety of foods at all stages of the food chain (CPF Relevant)</td>
<td>Combat HIV/AIDS, malaria and other diseases</td>
</tr>
<tr>
<td>No</td>
<td>GTP Strategic Pillars</td>
<td>PIF/CAADP Strategic Objective</td>
<td>UNDAF Strategic Pillars</td>
<td>FAO Strategic and Functional Objectives</td>
<td>MDGs</td>
</tr>
<tr>
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</tr>
<tr>
<td>7</td>
<td>Promoting women and youth empowerment and equitable benefit (CPF Relevant)</td>
<td></td>
<td></td>
<td>(G) Enabling environment for markets to improve livelihoods (CPF Relevant)</td>
<td>Ensure environmental sustainability (CPF Relevant)</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td>(H) Improved food security and better nutrition (CPF Relevant)</td>
<td>Develop a global partnership for development</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td></td>
<td></td>
<td>(I) Improved preparedness for and effective response to food and agricultural threats and emergencies (CPF Relevant)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td>(J) Gender equity in access to resources, goods, services and decision-making in the rural areas (CPF Relevant)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td>(K) Increased and more effective public investment in agriculture and rural development (CPF Relevant)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td></td>
<td></td>
<td></td>
<td>(X) Effective collaboration with member states and stakeholders (CPF Relevant)</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td></td>
<td></td>
<td></td>
<td>(Y) Efficient and effective administration</td>
<td></td>
</tr>
</tbody>
</table>