

Ministry of Foreign Affairs – (Embassy Addis Ababa)

Meeting in the Council for Development Policy 31 October 2017

Agenda item 3.a.

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| 1. Overall purpose | For discussion and recommendation to the Minister |
| 2. Title: | Opportunities for refugees and host-communities in Ethiopia (2018-2020) Comprehensive Refugee Response Framework (CRRF) for Ethiopia |
| 3. Presentation for Programme Committee: | 14 September 2017 |

Opportunities for refugees and host-communities in Ethiopia (2018-2020) Comprehensive Refugee Response Framework (CRRF) for Ethiopia

Key results:

- Improved access to secondary and tertiary education opportunities to allow for improved livelihood opportunities.
- Increased ability to obtain civil status documentation that will support the right to work, access to social services and economic opportunities.
- Key institutions have strengthened capacity to support the roll-out of the CRRF for Ethiopia.

Justification for support.

- Ethiopia takes on significant responsibility in the region by hosting one of Africa's largest refugee populations (880,000+). Ethiopia has increasingly sought a long-term and more sustainable refugee response.
- Ethiopia has made nine pledges to provide more opportunities for refugees in the country. Ethiopia is one of the first countries to initiate the implementation of the CRRF.
- The Programme is consistent with the Danish priorities for development cooperation (*The World 2030*). In particular, the emphasis is on strengthened protection and improved livelihoods, education, and employment opportunities for refugees and local communities, thereby countering refugee pressures on Europe's borders.
- The Programme enhances coherence between humanitarian responses and development cooperation.

How will we ensure results and monitor progress

- Emphasis on ensuring strong national ownership, structures, and systems. A comprehensive coordination structure for the roll-out of the CRRF is under preparation.
- Participatory monitoring and evaluation will be an integral part of implementation through participation by all pertinent stakeholders, including refugee communities.
- An external inception review with the aim of assessing implementation and, where relevant, suggest possible changes in direction of the Programme after one year.

Risk and challenges

- Humanitarian response severely stretched by further large influx of refugees due to insecurity/natural disasters.
- Coordination structure might not be effectively run and managed.
- Ethiopia's policy regarding out-of-camp, right to work and possibility for local integration might change and thus limit opportunities for durable solutions.

Strat. objective(s)

Ethiopia is a better and more inclusive host-country for refugees.

Thematic Objectives

To contribute to the implementation of the pledges under the Comprehensive Refugee Response Framework (CRRF) for Ethiopia, providing more opportunities for refugees and host-communities, thus making Ethiopia a better and more inclusive host-country for refugees.

File No.	2017-38727					
Country	Ethiopia					
Responsible Unit	Addis Ababa					
Sector	Education, documentation, humanitarian					
	<i>Mill.</i>	2017	2018	2019	2020	Total
Commitment		85				85
Projected ann. Disb.			29	31	25	85
Duration	2018-2020					
Finance Act code.	06.32.01.05 (Etiopien)					
Desk officer	Åge Sandal Møller					
Financial officer	Mister Sahlesellassie Yirdaw					

SDGs relevant for Programme



Budget

Opportunities for refugees and host-communities in Ethiopia

Engagement 1: UNHCR 84.5

Programme Support	0.5
Total	85.0

List of Engagement/Partners

- UNHCR

Opportunities for refugees and host-communities in Ethiopia (2018-2020)

Support to the roll-out of the Comprehensive Refugee Response Framework (CRRF) for Ethiopia

Thematic Programme Document

**Version for Council for Development Policy
13 October 2017
F2: 2017-38727**

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Acronyms

ARRA	Administration for Refugee and Returnee Affairs
CRRF	Comprehensive Refugee Response Framework
DAFI	Albert Einstein German Academic Refugee Initiative
DKK	Danish Kroner
DfID	Department for International Development (UK)
EIC	Ethiopian Investment Commission
EIB	European Investment Bank
GoE	Government of Ethiopia
GTP II	Growth and Transformation Plan II
M&E	Monitoring & Evaluation
MoE	Ministry of Education
MoFEC	Ministry of Finance and Economic Cooperation
MFT	Multi-Functional Team
OCP	Out-of-Camp Policy
PDES	Policy Development and Evaluation Service in UNHCR
RTF	Refugee Task Force
SGD	Sustainable Development Goal
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations International Children's Emergency Fund
VERA	Vital Events Registration Agency

1. Introduction

With Ethiopia being a poor but stable country taking on significant responsibility in the region by maintaining an open-door policy for refugees and by hosting one of Africa's largest refugee populations, Denmark has a clear interest in supporting refugee management systems in the country. Currently, Ethiopia hosts more than 880,000 refugees from the neighbouring countries, mainly South Sudan, Somalia, and Eritrea.

At the Leaders' Summit on Refugees in New York in September 2016, 193 states committed to strengthen their response to refugee situations in a comprehensive manner through the adoption of the Comprehensive Refugee Response Framework (CRRF). Following the adoption of the CRRF, the Ethiopian Prime Minister, Hailemariam Desalegn, made nine pledges to provide more opportunities for refugees in the country, in essence with a view to making Ethiopia a better and more inclusive host-country for refugees. Ethiopia is a CRRF roll-out country.

The overall objective of the Thematic Programme ('the Programme') is:

To contribute to the implementation of the pledges under the Comprehensive Refugee Response Framework (CRRF) for Ethiopia, providing more opportunities for refugees and host-communities, thus making Ethiopia a better and more inclusive host-country for refugees.

The Programme is consistent with the Danish priorities for development cooperation as outlined in Denmark's strategy for development cooperation and humanitarian action, *The World 2030*. In particular, the emphasis is on strengthened protection and improved livelihoods, education, and employment opportunities for refugees and local communities, thereby countering refugee pressures on Europe's borders. Further, the Programme enhances coherence between humanitarian responses and development cooperation. The Programme aligns with relevant Sustainable Development Goals (SDGs), including SGD1 (no poverty) and SDG16 (peace, justice, accountable institutions), as well as to the overall objectives of the CRRF and the Government of Ethiopia's (GoE) nine pledges. The pledges are aligned with the GoE's Growth and Transformation Plan (GTP II).

2. Thematic context

2.1. Ethiopia as a host-country

Ethiopia is a large and diverse country with an estimated population of approximately 100 million people with an annual population growth rate of 2.5% (2015). Few African countries have developed as fast as Ethiopia has over the past few decades. The country has made significant progress across economic, social, and human development indicators. Nonetheless, Ethiopia is still one of the poorest countries in the world and access to basic services is still among the lowest in Africa and the world.

Ethiopia has a long history of hosting refugees and currently hosts more than 880,000 – the second largest refugee population in Africa. Most refugees are located in the frontier regions of Afar, Benishangul-Gumuz, Gambella, Somali, and Tigray Regional States. These are some of the least developed regions in the country, characterised by harsh weather conditions, poor infrastructure, high levels of poverty, and poor development indicators.

Despite growing challenges of its own, including continuous severe drought in many refugee-hosting regions with significant socioeconomic implications, and political and

social tensions, which in October 2016 led to the declaration of a nationwide State of Emergency (discontinued from August 2017), the GoE maintains open borders for the increasing number of refugees seeking protection in the country. The Eritrean, Sudanese, and Somali crises are protracted and refugees are likely to remain in Ethiopia for long durations of time. In 2004, a national Refugee Proclamation was enacted based on the international and regional refugee conventions to which Ethiopia is a party. A new Refugee Proclamation is under preparation, reflecting the pledges made by the Ethiopian Prime Minister.

So far, 2017 has seen the arrival of more than 100,000 refugees from neighbouring countries (including 66,000+ from South Sudan, 17,000+ from Eritrea, and 6,000+ from Somalia). Most are granted refugee status *prima facie*¹, and the majority are accommodated in camps, whilst only a smaller percentage is permitted to reside in urban areas for medical and/or protection and humanitarian reasons. In addition, about 16,000 Eritrean refugees reside in Addis Ababa under an Out-of-Camp Policy (OCP). The total number of South Sudanese refugees in Ethiopia is more than 415,000. Further, Ethiopia hosts more than 250,000 Somali refugees and more than 160,000 Eritrean refugees in the country.

The continued influx of refugees into Ethiopia puts pressure on local communities, in particular related to sharing of resources, impact on the environment, and provision of basic services. While relations between refugees and host communities are generally peaceful, the influx of large numbers of refugees from a different ethnic group than their host community is to be considered carefully. This is most pressing in Gambella where the refugee population surpassed the local population in numbers earlier this year.

At the same time there is often good interaction between refugees and host communities, including through commerce, sharing of basic services (water provision, roads, electricity), as well as shared education and health services in many locations.

The GoE's Administration for Refugee and Returnee Affairs (ARRA) is leading the overall refugee response in Ethiopia with UNHCR in charge of operations.

2.2. CRRF and the nine pledges

The CRRF should not be considered as a project or as a programme, but more as an approach to strengthen refugee responses with strong emphasis on implementation of sustainable interventions and solutions allowing refugees to live lives that are more independent with improved access to basic services and rights. Long-term sustainability is a key in this approach.

The broad objectives of the CRRF are to:

- (1) Ease pressure on host countries through a whole of society approach, including development partners;
- (2) Increase self-reliance of refugees; and host communities;
- (3) Increase third party solutions, including resettlement and family reunification; and
- (4) Support countries of origin, to create conducive conditions for sustainable voluntary repatriation.

¹ Refugees from countries other than Somalia, South Sudan, Eritrea, Yemen, and exceptional cases from Sudan have to go through the Refugee Status Determination (RSD) process. In addition, certain criteria might trigger and exclusion from acceptance on *prima facie* basis and require refugees to undergo RSD procedures, such as involvement in committing crimes against humanity and criminal acts.

The pledges made by the Ethiopian Prime Minister (see box below) reflects the objectives pursued by the international community through the CRRF and will provide opportunities for increased freedom of movement, explicit recognition of refugees' right to work, as well as possibilities for local integration. UNHCR, in collaboration with the GoE, other humanitarian organisations, development partners, donor agencies, and private sector, has been working on a number of initiatives in this regard.

Out of Camp Pledge:

- Expansion of the “Out-of-Camp” policy to benefit 10% of the current total refugee population.

Education Pledge:

- Increase of enrolment in primary, secondary and tertiary education to all qualified refugees without discrimination and within the available resources.

Work and Livelihoods Pledges:

- Provision of work permits to refugees and to those with permanent residence ID.
- Provision of work permits to refugees in the areas permitted for foreign workers.
- Making available irrigable land to allow 100,000 people (amongst them refugees and local communities) to engage in crop production.
- Building industrial parks where a percentage of jobs will be committed to refugees.

Documentation Pledge:

- Provision of other benefits such as issuance of birth certificates to refugee children born in Ethiopia, possibility of opening bank accounts and obtaining driving licenses.

Social and Basic Services Pledges:

- Enhance the provision of basic and essential social services.

Local Integration Pledge:

- Allowing for local integration for those protracted refugees who have lived for 20 years or more in Ethiopia.

3. Thematic programme summary

3.1. Strategic considerations and justification

The challenges of hosting Africa's second largest refugee population combined with the opportunities for action under the CRRF and the GoE's nine pledges together with the priorities in *The World 2030* form the basis for the strategic considerations for the Programme.

In Ethiopia, the CRRF can be considered as a vehicle to accompany the implementation of the nine pledges. The GoE has increasingly sought a long-term and more sustainable response that goes beyond care and maintenance of refugees to promote their self-reliance. This approach combines wider support to host communities, fostering peaceful coexistence, and greater inclusion of refugees in national development plans. Ethiopia became one of the first countries to initiate the implementation of the CRRF.

Denmark will be one of the first donors to provide direct support to the roll-out of the CRRF for Ethiopia. The funding made available under the Programme will act as a catalyst allowing for necessary national systems to be put in place, including technical capacity to support the CRRF for Ethiopia (at the level of ARRA, relevant line ministries, and UNHCR), improved data collection, integration of refugee data in the national system,

and mainstreaming of refugee education into the national system. Further, the Programme and the partnership between Denmark and UNHCR in this regard will contribute to advancing a thematic initiative where Denmark has special interests.

Other donors have also pledged support to the implementation of the pledges under the CRRF for Ethiopia through UNHCR, including the Netherlands, Australia, and the EU. Moreover, other donors will be supporting the implementation of the pledges through different partnership constellations/modalities outside the remit of UNHCR e.g. the so-called Jobs Compact (EU, World Bank, EIB, DfID) but still under the overall umbrella of the foreseen governance structure for the CRRF for Ethiopia. UNHCR works closely with other partners to ensure alignment of programmes and objectives.

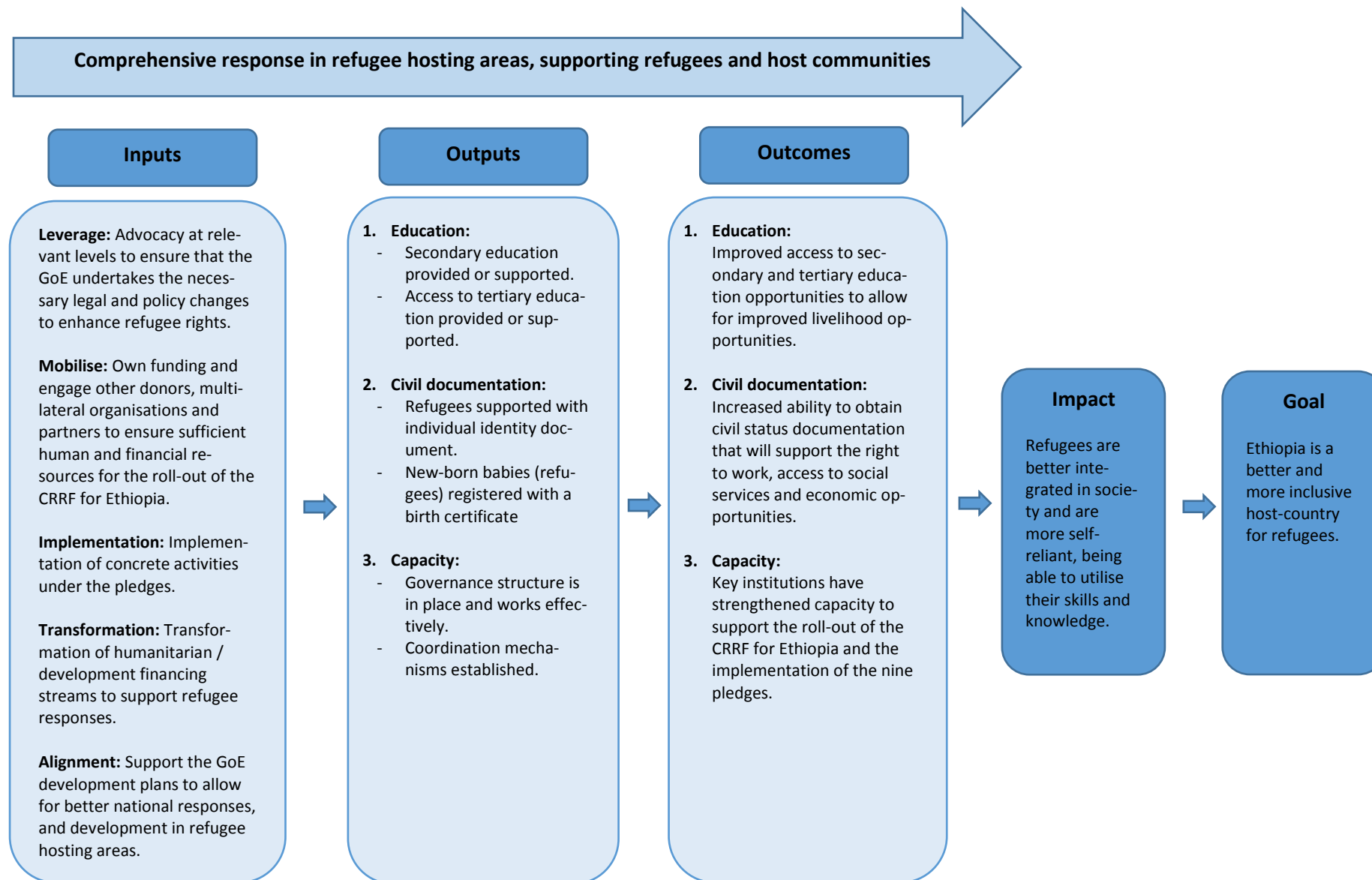
ARRA and UNHCR are collaborating closely in order to prepare a comprehensive roadmap to guide concrete implementation of the pledges. Further, the GoE is incorporating these pledges into a new legally binding comprehensive Refugee Proclamation. The GoE has also prepared a draft implementation plan in collaboration with UNHCR, relevant line ministries, federal agencies, and donors based in Ethiopia. It is the expectation that the CRRF for Ethiopia will go beyond the GoE's pledges made at the Leaders' Summit. It will contribute to a more holistic and predictable response to refugee arrivals, including maintaining access to asylum, guaranteeing safe and dignified reception, addressing ongoing protection needs, supporting host communities and local authorities, and facilitating a transition to local solutions.

Through supporting the pledges and the roll-out of the CRRF for Ethiopia, donors and multilateral organisations have a unique opportunity to support the GoE in realising a more favourable protection environment where refugees have stronger rights and improved access to basic services. Moreover, through aligning humanitarian and development assistance in refugee hosting areas, the pressure on host communities should be eased, as well as bringing development to the often-marginalised areas that are currently host to most of the refugees in Ethiopia.

The figure below outlines the Theory of Change for the Programme. The main underlying assumptions that support it include:

- Broad commitment from the international community to humanitarian and development interventions to support refugee hosting areas, as well as to build capacity of national stakeholders to allow for implementation of the pledges and roll-out of the CRRF for Ethiopia thus allowing for refugees to have a future in Ethiopia.
- Continued commitment from the GoE to adopt legal and policy changes to allow for implementation of the pledges and roll-out of the CRRF for Ethiopia.
- Setting up an inclusive, yet agile, well-functioning governance structure for the CRRF for Ethiopia.
- Commitment to actual implementation of concrete activities under the pledges at all relevant levels (federal, regional, local) following the adoption of the necessary legal and policy changes.
- Sustained engagement from non-humanitarian actors, including relevant line ministries, as well as other development actors.
- Socioeconomic and political stability in Ethiopia, particularly in regions hosting refugees, to allow for unimpeded access to refugees and host-communities and delivery of services.

Theory of Change



3.2. Thematic programme objective

The overall objective of the Programme is:

To contribute to the implementation of the pledges under the Comprehensive Refugee Response Framework (CRRF) for Ethiopia, providing more opportunities for refugees and host-communities, thus making Ethiopia a better and more inclusive host-country for refugees.

The objective of the Programme, which is in line with the objectives of the CRRF to bring a development approach to refugee hosting areas, to strengthen the capacity of host communities, and to build capacity of national actors, will be pursued through one development engagement with UNHCR.

The choice of UNHCR as main partner in the Programme rests on three main arguments. Firstly, UNHCR is taking a leading role in coordinating and facilitating the roll-out of the CRRF for Ethiopia and will be one of the co-chairs in the Steering Committee alongside ARRA and the Ministry of Finance and Economic Cooperation (MoFEC). Secondly, although ARRA and relevant line ministries are central collaborating partners in the CRRF for Ethiopia and would have been the ‘right’ partners in such a programme, currently these entities do not possess a sufficient level of capacity to implement, monitor, and to administer such a programme without risking significant delays. Increasing their capacity with a view to taking such responsibilities is indeed central to the Programme. Thirdly, entrusting funding directly to the aforementioned government entities would require significant resources on the part of the Royal Danish Embassy in Ethiopia (‘the Embassy’) for oversight purposes.

Strong national ownership, structures, and systems at federal, regional, and local levels with sufficient capacity is an essential prerequisite for a successful roll-out of the CRRF for Ethiopia and for Ethiopia to deliver on its pledges with a view to long-term sustainability. This is reflected in the foreseen governance structure, including through general oversight by the Office of the Prime Minister, which should guarantee strong involvement at all levels. Therefore, the strengthening of national structures and systems will be a priority in the implementation of the Programme. In its ongoing dialogue with UNHCR and other partners during roll-out and implementation, including through active participation at a relevant and suitable level in the foreseen governance structure, the Embassy will promote and ensure that ARRA, as a central collaborating partner, as well as relevant line ministries will take ownership and be at the core of activities.

The Programme, which will enhance the coherence between humanitarian and development cooperation, will focus on three programmatic themes and areas of intervention:

- (1) Education: Linked to the education pledge to increase enrolment in primary, secondary, and tertiary education to refugees without discrimination and within the available resources.
- (2) Civil documentation: Linked to the documentation pledge to provide other benefits such as issuance of birth certificates to refugee children born in Ethiopia, possibility of opening bank accounts, and obtaining driving licenses.
- (3) Crosscutting capacity building and technical support, particularly of ARRA and relevant line ministries.

There will be an emphasis on youth from the Somali and Eritrean refugee populations, as these two groups seem to be more prone to onward migration, including to Europe. Secondary movement towards Sudan and onward to Libya and Europe occurs in the absence of viable opportunities, livelihoods, and local integration. As access to primary education increases for the South Sudanese refugee population, it could be considered also to include this group in the Programme during implementation.

The Programme is organised around thematic interventions, which will contribute to the achievement of the outcomes below. UNCHR will maintain some level of flexibility as to which specific activities are to be funded under each of the three objectives.

UNHCR works traditionally with non-governmental, faith-based, or community organisations as well as government agencies. For that purpose, UNHCR requests calls for proposals biennially (per sector and location) via the Implementing Partner Management Committee and reviews the performance of its partnership annually to determine whether to continue Project Partnership Agreements with each partner. Agreements with partners that satisfy UNHCR's performance expectations are renewed, while partners with non-satisfactory performance are replaced through a competitive process.

Through the roll-out of the CRRF for Ethiopia, UNHCR, in close coordination with ARRA will enhance its working relationships with line ministries, including the Ministry of Health and the Ministry of Education (MoE), to harmonise assistance in host communities and refugee populations to support increased integration over the longer term. While detailed responsibilities will be defined in the process, ARRA is expected to continue to play a prominent role in the service provision for refugees over the medium term.

Implementing partners for the use of Danish funding will be communicated prior to implementation. Engagement from national NGOs is expected, with the MoE playing an important coordination role with regards to the education objective. Refugees and host communities will be consulted throughout the programme cycle, with interventions supporting both communities aligned to regional and woreda (a lower administrative unit) level development plans and priorities.

3.2.1 Objective: Population has optimal access to education

Outcome 1: Improved access to secondary and tertiary education opportunities to allow for improved livelihood opportunities.

Background & analysis

The education of refugee children is linked to SDG4 (quality education). Education is a core component of UNHCR's protection and durable solutions mandate. Quality education that builds relevant skills and knowledge enables refugees to live healthy, productive lives and builds skills for self-reliance. In Ethiopia, enrolment rates for refugees are low, particularly for secondary education (9% enrolment rate). Secondary education is mostly provided through public schools near the camps and in urban areas supporting refugees and host community. Overall, 17 camps have access to secondary education, but this is limited as not all children eligible can attend secondary school per se due to a lack of facilities.

In Ethiopia, two tertiary education scholarship programmes are available for refugees. The first scholarship programme is facilitated by the GoE (ARRA) and is linked to the Out-of-Camp Policy (OCP). This programme was originally used to target mainly refugees of Eritrean origin, although it was later opened to a small number of refugees from other countries. The second is the German funded DAFI scholarship programme that has been running in Ethiopia since 2000. In both scholarship programmes, UNHCR provides 25% of the total cost of education and the GoE covers 75% of the cost through subsidies to public universities. Additionally, students under both programmes receive financial support from UNHCR.

Education services provided to refugees follow the MoE's education system.

As of December 2016, more than 340,000 refugee children are of school age (3-18 years old), of which approximately 175,000 are enrolled in formal or non-formal education. There are challenges pertaining to overcrowded classrooms and lack of qualified teachers. Additionally refugees have problems continuing education due to lack of documentation/certificates that have been lost in flight.

Strategy

Through greater streamlining with the national education system, where possible, parallel systems will be minimised. Investments will be made in infrastructure, particularly in the construction of classrooms for secondary education that benefit both refugees and host communities. Schools within existing refugee camps will be included in the national education assessments. The improvement of the quality of education is vital, including the qualification of the teachers as well as facilities and materials. Female teachers will be particularly supported through training and incentives, to increase the number of female teachers in the schools. A major focus will be to increase the enrolment and retention rates at all levels; out-of-school-children will be particularly targeted. Special attention will be given to the education of girls, to increase enrolment and retention and improve their transition to higher primary and secondary school.

To achieve overall better education for refugees, the operation applies a mixed approach to enhance free access to formal and non-formal education. A National Refugee Education Strategy was developed by UNHCR and ARRA, which is aligned with the Ethiopian Education and Training Policy and the Education Sector Development Programme. The Strategy was developed in close consultation with partners, including UNICEF.

In relation to higher education, ARRA's role has become distinct in positively influencing the MoE and other government entities to support access to higher education for refugees who have no education documents. ARRA's action is also broadly supported by the GoE's tertiary education scholarship initiative, which has been seen as part of the Out-of-Camp Policy. On the other hand, limited space due to budget shortage limits spaces available and thus the Danish funding can contribute to providing more spaces to eligible and highly competent students.

Opportunities and proposed activities

The GoE pledged to increase the enrolment of students at all levels of education, from pre-school to tertiary education, without discrimination and within available resources. This pledge will contribute towards the enhancement of refugee protection through increasing access to improved quality of education. The Pledge of the GoE to increase the Out-of-Camp policy to 10% of the refugee population will also further opportunities for refugees to pursue higher education outside of camps and move to urban areas.

Priority activities under this Programme (the Danish funding) may include:

- Establish new secondary schools in communities as per the minimum standard; and expand school facilities in the existing centres and schools.
- Enhance access to tertiary education, in addition to adult literacy through scholarships for Ethiopian universities etc.
- Procure student and school supplies.
- Recruit new qualified refugee and national schoolteachers and facilitators for the existing as well as for the newly constructed schools.
- Increase access to education for the beneficiaries of the OCP, formalise and integrate government higher educational scholarship scheme within the OCP.
- Provide skills and vocational training opportunities; further open educational opportunities.

3.2.2 Objective: Quality of registration and profiling improved or maintained / Civil registration and civil status documentation strengthened

Outcome 2: Increased ability to obtain civil status documentation that will support the right to work, access to social services and economic opportunities.

Background & Analysis

Refugees in Ethiopia are currently individually registered whereby ARRA carries out nationality screening while UNHCR undertakes biometric registration. UNHCR issues the registration documentation and ration cards to the refugees. Up to July this year, refugees were not issued any other civil status documentation like ID cards, marriage certificates, divorce certificates, birth registration certification, and death certificates. Refugees requiring such certificates had to go through cumbersome processes, and pay high fees to obtain such documents.

Following intensive consultations with government partners, including the federal Vital Events Registration Agency (VERA) refugees can now be issued identity and civil status documentation. On 7 July 2017, the Ethiopian Parliament passed an amendment to Proclamation 760/2012, which previously restricted VERA from providing vital events documents for non-Ethiopian nationals. Documents which VERA can now issue to refugees include birth, death, marriage, and divorce certificates. There is a possibility for retroactive issuance. Documents will be issued at camp level, and by ARRA on behalf of VERA.

The EU through a project coordinated by the Netherlands are providing multi-year support that will provide the physical technical infrastructure to establish a national unified data registration system using biometric technology. The Danish funding can enable refugees and asylum-seekers in Ethiopia to access international protection and assistance through the issuance of documentation at the camp level as defined under the Documentation Pledge, together with the development of related capacity within key government agencies, including ARRA.

Strategy

UNHCR, in close cooperation with ARRA and VERA, are improving collection and maintenance of national data, and integration of refugee data into the national system. Currently, national data collected through various systems is incomplete with respect to refugees. There is no national civil registration of vital events (such as births and deaths) for refugees and no accurate

census data. Due to the large number of refugees in Ethiopia, more accurate data will allow for better planning of development and humanitarian interventions by the GoE and other institutions as well as enhance the provision of protection. It will complement the planned policy change of the GoE for refugees (Out of Camp Policy, access to work). Main objectives are:

- Support the creation of a nationally implemented and unified data registration system using biometric technology to enable refugees and asylum-seekers in Ethiopia to access international protection and assistance;
- Enhance access to the national civil registration system for refugees and their host communities in Ethiopia and thereby helping to ensure the principle of universality for birth registration;
- Improve demographic and socioeconomic data on all nationals and non-nationals in Ethiopia, including refugees and asylum-seekers, to enable better development planning and migration policy formulation.

The expected impact of the efforts align with the CRRF and will support the implementation of the pledges, as without proper registration no documentation can be issued that will support refugees' access to rights and services. More specifically, efforts will (1) contribute to local integration and addresses some of the fundamental rights of refugees through harmonised refugee registration, confirming legal status and various entitlements as well as through access to civil registration, enabling access to services, (2) enable the GoE and its partners to better plan for and implement development and humanitarian interventions, (3) improve integrated basic service delivery to refugees and their host communities, and (4) improve coordination and information management between the GoE and UN agencies on various types of registration-related objectives and activities.

Opportunities and proposed activities

Ethiopia has pledged to support the provision of other benefits such as issuance of birth certificates to refugee children born in Ethiopia, and allow the possibility of opening bank accounts and obtaining driving licenses. This will greatly contribute to work under the other pledges including those related to education, work and livelihoods and solutions. With the passing of the amendment to Proclamation 760/2012, which will allow VERA to provide vital events documents to refugees, there is a need for capacity building and technical support. Moreover, the creation of a unified data registration system using biometric technology will also require additional capacity and investments.

Priority activities under this Programme (the Danish funding) may include:

- Support to the unified data registration system (ARRA & possibly UNHCR staffing).
- Support to issuance of documentation at camp level.

3.2.3 Objective: Coordination and partnerships strengthened

Outcome 3: Key institutions have strengthened capacity to support the roll-out of the CRRF for Ethiopia and the implementation of the nine pledges.

The roll-out of the CRRF for Ethiopia and the implementation of the pledges necessitate the provision of additional human resources to ARRA at the national level in the areas of sustainable development programming and external liaison, together with the deployment of a senior CRRF

Coordination Officer and other staffing positions within UNHCR to support the CRRF Secretariat.

Moreover, there is a need to foster greater complementarity of efforts across the country between regional government authorities and ARRA in Addis Ababa. In the same vein, greater support is needed to local authorities and host populations. Principally, this support will be short/medium-term in nature, meant to guide and oversee the implementation of the nine pledges.

Priority activities under this Programme (the Danish funding) may include:

- Selected staffing positions with UNHCR (incl. for the coordination unit and/or field based positions) and partner organisations and GoE (ARRA).
- Possible secondments to the CRRF Secretariat/Coordination Unit.
- Technical capacity building (training, workshops etc.).

3.2.4 Results framework

An overview of the results framework at outcome level for the Programme can be found below. Where necessary and relevant, UNHCR can report on progress at outcome/output level using indicators at national level with a view of streamlining reporting requirements. Through UNHCR's standard annual monitoring approach/cycle, accurate baseline data, in particular for outcomes 1 (education) and 2 (documentation), will be available late 2017/early 2018 allowing for targets for 2020 to be set. Following this, a complete results framework will be finalised.

Thematic Programme		Opportunities for refugees and host-communities in Ethiopia	
Thematic Programme Objective		To contribute to the implementation of the pledges under the Comprehensive Refugee Response Framework (CRRF) for Ethiopia, providing more opportunities for refugees and host-communities, thus making Ethiopia a better and more inclusive host-country for refugees.	
Impact Indicator		Refugees are better integrated into host communities, evidenced through a higher proportion of refugees living out-of-camp, being able to work, access education, and being able to benefit from legal local integration.	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Outcome 1		Improved access to secondary and tertiary education opportunities to allow for improved livelihood opportunities.	
Outcome indicator		# of school-aged children and youth in refugee camps and host-communities have access to and have accessed secondary or tertiary education.	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Outcome 2		Increased ability to obtain civil status documentation that will support the right to work, access to social services and economic opportunities.	
Outcome indicator		% of refugees have obtained civil status documentation.	
Baseline	Year	2017	To be defined by end 2017/ early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Outcome 3		Key institutions have strengthened capacity to support the roll-out of the CRRF for	

		Ethiopia and the implementation of the nine pledges.	
Outcome indicator		Governance structure for the CRRF for Ethiopia is in place and working effectively.	
Baseline	Year	2018	No governance structure in place.
Target	Year	2020	Governance structure in place and is working effectively.

3.2.5 Implementation and monitoring

Participatory monitoring and evaluation will be an integral part of implementation and all pertinent stakeholders, including refugee communities, will participate in the planning, implementation, monitoring, and assessment of activities. At regular intervals joint monitoring missions will be undertaken with the participation of the Embassy, the GoE (ARRA, relevant line ministries), other donors, and UNHCR.

As part of the CRRF coordination structure, a monitoring position is foreseen that will specifically focus on M&E of the CRRF for Ethiopia and how it is being operationalised. At global level, lessons from the CRRF roll-out in selected country operations will inform the preparation of the “Global Compact on Refugees” which the High Commissioner is set to include in his report to the UN General Assembly in 2018.

Following the first year of implementation, the Embassy will initiate an external inception review with the aim of assessing implementation and, where relevant, suggest possible changes in direction of the Programme.

Implementation through partners is monitored based on the Project Partnership Agreement (PPA) that UNHCR, the partner, and ARRA sign. The PPA includes clear and measureable targets and work plans against which UNHCR can measure performance and achievement.

Projects’ performance monitoring will be undertaken by a multi-functional team (MFT) which will include UNHCR, ARRA, implementing partners, and other stakeholders. The value of MFT monitoring lies in its participatory approach and it allows linkages to be drawn between the performance in the different sectors and the general impact on protection.

Evaluation is a component of the UNHCR Programme Cycle. Each year when developing the Country Operation Plan, UNHCR reviews the activities implemented in the previous year and reflects the findings in the planning for the subsequent year. The Policy Development and Evaluation Service (PDES) in UNHCR headquarters has an evaluation function for certain themes.

3.2.6 Programme budget

Total budget: DKK 85.0 million [with possibility of up to DKK 110.0 million].

	2018	2019	2020	Total
Outcome 1: Education	15,750,000	18,000,000	15,750,000	49,500,000
Outcome 2: Documentation	6,300,000	5,700,000	3,200,000	15,200,000
Outcome 3: Key institutions	3,780,000	3,800,000	3,800,000	11,380,000
Administrative costs	970,000	970,000	950,000	2,890,000
7% overhead	1,880,200	1,990,800	1,659,000	5,530,000

Total UNHCR	26,680,200	30,460,800	25,359,000	84,500,000
Reviews, TA, communication (Embassy)	125,000	300,000	75,000	500,000
Total programme	28,805,200	30,760,800	25,434,000	85,000,000

The proposed implementing period will extend from 1 January 2018 to 31 December 2020.

The budget figures provided are indicative. UNHCR's functional currency is USD. Particularly for 2019/20 changes might occur due to programmatic adjustments.

3.2.7 Risk Management

UNHCR will continue its operation in Ethiopia with the main planning assumptions, including:

- The continued receptiveness of the GoE and the maintenance of its open door policy towards refugees.
- Socioeconomic and political stability in Ethiopia, particularly in regions hosting refugees.
- The security situation in countries of origin, particularly South Sudan and Somalia will remain unpredictable and voluntary repatriation will be limited to spontaneous returns, particularly to South Sudan.
- Absence of natural disasters and larger epidemics.

UNHCR recognises the risk of a massive influx of refugees from South Sudan and Somalia beyond the anticipated numbers, for which resources may be insufficient to address basic protection and assistance. UNHCR regularly monitors the number of refugees and the situations in countries of origin and contingency planning is in place.

Following political and social tensions in specific regions, the GoE declared a State of Emergency in October 2016 (which was discontinued in early August 2017). Even though, the general security situation is considered stable now and the areas hosting refugees have not been directly impacted, it is recognised as a risk for the Ethiopia operation as communication and road travels were impacted. UNHCR has contingency plan in place to ensure the protection of people of concern and continuity of service delivery.

Contextual, programmatic, and institutional risks have been identified. These will be monitored closely, and reports to that effect will be produced. A full overview is provided in Annex 1.

4. Overview of management set-up

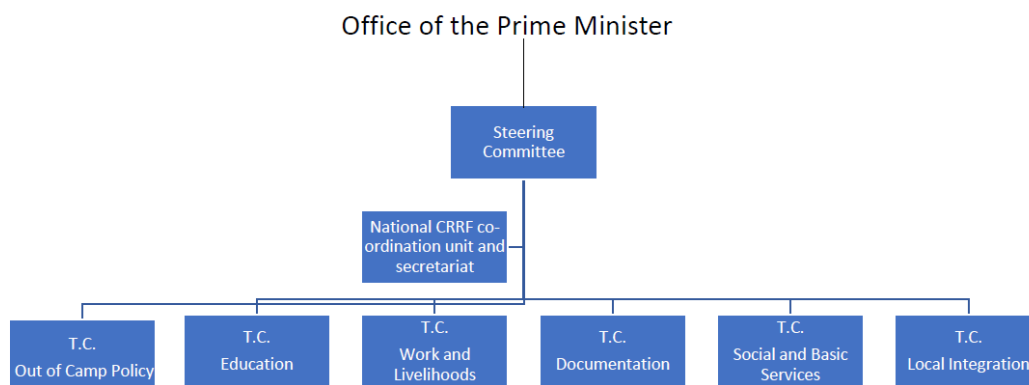
4.1. Coordination and partnership

Within the context of the CRRF and the implementation of the pledges, UNHCR will foster the expansion of partnerships with government actors – including leaders of regions and local districts – traditional and non-traditional donors, and international and national NGOs. Throughout the partnership and coordination with various actors, ARRA and relevant line ministries will be at the forefront and play a key role.

A CRRF Steering Committee will be established and will include key stakeholders including AR-RA, UNHCR, MoFEC, representatives from other relevant line ministries, representatives from NGOs, the UN Resident Coordinator, Ethiopian Investment Commission (EIC), and representatives from the donor community as well as the World Bank. Technical committees, organised around various themes such as “Out of Camp Policy”, Education, Work and livelihoods, Documentation, Local Integration and Other social and basic services, will be established. The committees will report to the National CRRF Coordination Unit/Secretariat, and will involve each appropriate line ministry and other stakeholders such as the private sector.

The role of the Steering Committee is to guide the work of the different technical committees to ensure their adherence to the principles and objectives of the CRRF, as well as to enable the efficient and timely implementation of the pledges.

Fig: proposed CRRF structure (draft)



The multi-stakeholder approach seeks to ensure a more effective response to the developmental needs and aspirations of refugees and host communities alike. Through broad-based partnerships, including with the private sector, efforts are underway to expand opportunities in the areas of livelihoods, education, shelter, nutrition, energy and rehabilitation of the environment. Special attention will be paid to enhance relations between humanitarian and development actors with a view to ensuring the sustainability of current interventions and benefitting refugees and host communities alike.

UNHCR will work closely with the GoE, including relevant line ministries, to follow-up on specified objectives. For example, in relation to the Education pledge UNHCR will work with the MoE and the national regional state education bureaus, toward integration of refugee education programmes within the host-country education system, incl. having schools catering to both refugees and host communities.

The CRRF structure will form the bridge between humanitarian and development actors. Additional coordination mechanisms that will also be aligned with the comprehensive refugee response include more traditional refugee coordination mechanisms. UNHCR is implementing the Refugee Coordination Model, and coordination mechanisms are established with partners, the GoE, incorporating the participation of refugees, and also involving development institutions in

the refugee program. The Refugee Task Force (RTF) in Ethiopia is chaired by UNHCR and ARRA in Addis Ababa, with a corresponding Task Force at field level.

4.2. Communication

Communication about the results of the Programme will be an important priority for both the Embassy and UNHCR. Concerning communication, the Embassy's overall objective is to increase awareness of Denmark's development cooperation with and in Ethiopia. The Embassy aims at making development cooperation more understandable and tangible by exemplifying its relevance and impact, so that a larger share of the Danish and Ethiopian populations has an informed opinion on the responsibility Denmark assumes for the world's development. As for the Programme, the Embassy has two primary communication objectives.

Firstly, the Embassy will seek to increase awareness of Denmark's contribution to making Ethiopia a better and more inclusive host-country for refugees, including how Denmark in collaboration with UNCHR helps provide more opportunities for refugees by strengthening their rights and improving access to basic services thus allowing them to have a future in Ethiopia. In doing so, the Embassy will focus its communication efforts on the results achieved during implementation, thereby underlining the impact of Danish development cooperation.

Secondly, and in connection to the first communication objective, the Embassy will seek to increase awareness of Denmark's efforts to counter irregular migration and thereby ease the refugee pressure on Europe's external borders, thus underlining the broader relevance of the Programme.

In choosing these two communication objectives, the Embassy will contribute to the overall communication efforts of *The World 2030*, in particular within the thematic areas of youth, migration and refugees, and the coherence between humanitarian responses and development cooperation.

Annex 3 describes in more detail the overall strategy outlining objectives, target groups, communication platforms, timing, and resources. The strategy is primarily focused on the Embassy's 'own' communication work. However, UNCHR has been consulted during the development of the strategy and both the Embassy and UNHCR agree on joint communication and messaging, where and when relevant and feasible.

4.3. Summary of anti-corruption measures applied

The level of corruption in Ethiopia is considered to be high, and the country ranks number 108 out of 176 countries on Transparency International's Corruption Perceptions Index for 2016 – although less high than in comparable regional countries. Together with a widespread lack of capacity at partner level, this heightens the risk of mismanagement of development funds and/or corruption at sub-partner level.

The Humanitarian Partnership Framework Agreement (2017-2021) between UNHCR and Denmark will form the outset for a close dialogue with UNHCR on potential financial irregularities and mismanagement under the Programme. Further, the Embassy will engage with UNHCR on their capacity assessments of its partner organisations.

Annex 1: Risk management matrix

Contextual risks

Risk factor	Likelihood	Impact	Risk response
Humanitarian response severely stretched by further large influx of refugees due to insecurity/natural disasters.	Likely	Major	Effective contingency planning, including donors, to ensure sufficient emergency funding. In case of a massive influx, resources will be diverted to vital life-saving activities. UNHCR will continue to mobilise resources from its donors and different emergency appeals to cover the needs of the new arrivals.
Socioeconomic and political instability in Ethiopia, particularly in regions hosting refugees impacts access to refugees and delivery of services.	Likely	Significant	UNHCR works with ARRA and partners to prepare for contingency plans in case of insecurity.
The influx of refugees has changed the ethnic compositions of some refugee hosting regions and there is a potential for ethnic conflicts or proxy tribal conflicts impacting on security.	Unlikely (Tigray, Somali) / Likely (Gambella)	Significant	UNHCR works with ARRA and partners to prepare for contingency plans in case of insecurity.
Refugees will remain at an increased risk of malnutrition as a result of the continuous reduction on food rations provided by WFP, the limited agricultural opportunities and the effects of extreme weather conditions predicted in the region in the wake of the drought	Likely	Major	UNHCR, WFP and the UN Country Team continue to advocate for adequate funding for the Ethiopia refugee operation.
GoE policy limits receptiveness of refugees and the maintenance of its open door policy towards refugees.	Unlikely	Major	UNHCR will closely cooperate with the GoE to mobilise resources to allow for appropriate response and development of refugee hosting areas.

Programmatic risks

Risk factor	Likelihood	Impact	Risk response
Dependency on willingness and capacity of other actors, related to implementation of the programme activities. This relates specifically	Likely	Major	Continued advocacy with partners, specifically the GoE to ensure implementation of the pledges, including suffi-

to capacity of non-implementing partners (do not receive direct funding from donor/UNHCR) that are closely involved in the implementation of the projects (e.g. regional education bureaus etc.).			cient financial support and resources to allow for implementation.
The coordination structure might not be effectively run and managed leading to slow roll-out and weak engagement of key stakeholders.	Unlikely	Major	Strong involvement of key actors from the start and clear division of roles and responsibilities to underpin the CRRF structure.
Education: Sustainability of education initiatives can be hampered if national actors do not take ownership.	Likely	Major	National capacity building is key, as well as sufficient development funding for long-term initiatives.
Registration: A possible major influx of new arrivals would challenge the timely implementation of the project, as the number of refugees to be enrolled under the Biometric Identity Management System (BIMS) and the unified system would significantly increase. Connectivity as well as reliable power supply are challenges the project will face, as most camps are located in remote areas with limited infrastructure.	Likely	Major	A contingency set of equipment and trained staff for registration will mitigate this risk. UNHCR, UNICEF, and partners have considered technical factors in the programme design.
The GoE's policy regarding out-of-camp, right to work and possibility for local integration might change and thus limit opportunities for durable solutions and strengthened self-reliance.	Unlikely	Major	UNHCR, the GoE and partners will work together on a multi-year strategy focused on the implementation of the pledges in a realistic, time-bound and sequenced manner.

Institutional Risks

Risk factor	Likelihood	Impact	Risk response
Compromised accountability with regarding to usage of funds (by implementing partners).	Very unlikely	Minor	All funding is subject to UNHCR's financial rules and regulations as well as internal and external auditing procedures.
Education: Misuse of cash based initiatives by refugees for other purposes, specifically relating to any cash assistance for educational	Very unlikely	Minor	Cash distribution will be limited and based on assessments, including analysis of protection risks.

materials, housing etc.			
Registration: data protection might be compromised due to weak data archiving and transfer arrangements.	Unlikely	Major	A data sharing agreement signed by ARRA and UNHCR and represents the legal framework which will be defining and managing confidentiality issues related to the data exchange between ARRA and UNHCR.

Annex 2: Results framework

Thematic Programme		Opportunities for refugees and host-communities in Ethiopia	
Thematic Programme Objective		To contribute to the implementation of the pledges under the Comprehensive Refugee Response Framework (CRRF) for Ethiopia, providing more opportunities for refugees and host-communities, thus making Ethiopia a better and more inclusive host-country for refugees.	
Impact Indicator		Refugees are better integrated into host communities, evidenced through a higher proportion of refugees living out-of-camp, being able to work, access education, and being able to benefit from legal local integration.	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Outcome 1		Improved access to secondary and tertiary education opportunities to allow for improved livelihood opportunities.	
Outcome indicator		# of school-aged children and youth in refugee camps and host-communities have access to and have accessed secondary or tertiary education.	
Baseline	Year	2018	To be defined by end 2017/ early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Output 1.1		Secondary education provided or supported (for Somali and Eritrean refugees)	
Output indicator		# of school-aged children enrolled in secondary education	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Output 1.2		Access to tertiary education provided or supported (all refugee groups)	
Output indicator		# of persons who receive tertiary education scholarships	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Outcome 2		Increased ability to obtain civil status documentation that will support the right to work, access to social services and economic opportunities.	
Outcome indicator		% of refugees have obtained civil status documentation.	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Output 2.1		Refugees supported with an individual identity document.	
Output indicator		% of refugees assisted with an individual identity document.	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Output 2.2		New-born babies (refugees) registered with a birth certificate.	
Output indicator		% of new-born babies (refugees) registered with a birth certificate.	
Baseline	Year	2018	To be defined by end 2017/early 2018 through UNHCR's monitoring approach.
Target	Year	2020	To be defined upon setting of the 2018 baseline.
Outcome 3		Key institutions have strengthened capacity to support the roll-out of the CRRF for Ethiopia and the implementation of the nine pledges.	
Outcome indicator		Governance structure for the CRRF for Ethiopia is in place and working effectively.	
Baseline	Year	2018	No governance structure in place.
Target	Year	2020	Governance structure in place and is working effectively.
Output 3.1		Coordination mechanisms established.	
Output indicator		# of partnerships established with development actors at national and regional levels.	
Baseline	Year	2018	To be defined by end of 2017 or early 2018 through UNHCR's monitoring approach
Target	Year	2020	To be defined upon setting of the 2018 baseline.

Annex 3: Communication

This annex describes the overall communication strategy outlining objectives, target groups, communication platforms, timing and resources. The communication strategy relates primarily to the Embassy's 'own' communication efforts. However, UNCHR has been consulted during the development of the strategy and both the Embassy and UNHCR agree on joint communication and messaging, where and when relevant and feasible. Further, both will strive to confer with each other before publishing material that deviates significantly from the strategy outlined below. In addition, both have agreed to prioritise mentioning the other part when communicating about the Programme as well as to share and dispose communication material about the Programme produced and published by one of the two parties.

The Embassy has two primary communication objectives. Firstly, the Embassy will seek to increase awareness of Denmark's contribution to making Ethiopia a better and more inclusive host-country for refugees, including how Denmark in collaboration with UNCHR helps provide more opportunities for refugees by strengthening their rights and improving access to basic services. By providing such opportunities, Denmark and UNCHR helps refugees becoming better integrated in society, become more self-reliant, and to use their skills and knowledge, thus allowing refugees to have a future in Ethiopia.

In doing so, the Embassy will focus its communication efforts on the results achieved during implementation, thereby underlining the impact of Danish development cooperation. In order to communicate about results, the Embassy will collect baseline information and case stories and continue this collection of data on a regular basis in order to be able to communicate about the progress of the Programme and the obtained results. This will be done in close collaboration with UNCHR.

The collection of data will take place during joint monitoring visits and possible additional visits upon request by the Embassy. UNCHR will provide assistance in order to collect information and case stories relating to the programme. In addition, UNCHR will assist the Embassy in obtaining access for external journalists to the refugee camps if requested.

Secondly, and in connection to the first communication objective, the Embassy will seek to increase awareness of Denmark's efforts to counter irregular migration thus underlining the broader relevance of the Programme. As mentioned in the introduction, Denmark has a clear interest in supporting refugee management systems in the country to counter refugee pressure on Europe's external borders.

The Embassy will be communicating in English to audiences interested in Denmark's engagement in Ethiopia and Denmark's efforts relating to youth, migration and refugees, and the coherence between humanitarian responses and development cooperation. This includes a broad range of target groups: (1) Parties who can influence or is influenced by the Programme (e.g. decision-makers, key opinion leaders); (2) Media in both Denmark and Ethiopia; (3) Private sector with potential commercial interests in the policy area; (4) Parties with a general interest in development and humanitarian assistance (e.g. humanitarian organisations, development partners, donor agencies, civil society organisations, academic institutions); and (5) Danes living in Ethiopia and Ethiopians with an interest in Denmark's engagement in Ethiopia.

The Embassy will be communicating via different platforms to these diverse target groups. Twitter will be the primary platform of communication to media as well as to decision-makers and key opinion leaders.

The content should focus on results achieved and all content should be tagged with relevant hashtags (#dkaid, #dkpol, #refugees, #migration etc.). The Embassy will use its own Twitter-account and in addition, the Ambassador's account will be used. The Embassy will also ask relevant ministers to tweet about the Programme to further disseminate information about the programme.

In addition to online communication, the Embassy will communicate to decision-makers and key opinion leaders about the progress of the Programme during meetings, summits, conferences, seminars and the like.

The Embassy will also use Twitter to communicate and engage with humanitarian organisations, development partners, donor agencies, civil society organisations, and academic institutions. These target groups, however, will also receive progress reports if requested, be invited to public hearings etc.

The communication on Facebook should focus on more simple stories, primarily targeting Danes living in Ethiopia and Ethiopians with an interest in Denmark's engagement in Ethiopia. In addition, the Embassy will make arrangement to publish material on the Danida Facebook-page as well as have stories published in the magazine 'Udvikling' to reach a broader segment of the Danish population interested in Denmark's engagement in Ethiopia or in Denmark's efforts relating to youth, migration and refugees and coherence between humanitarian responses and development cooperation.

Video material as well as infographics should be prioritised as a supplement to texts and pictures. All texts on social media should be short but possibly entail links to the Embassy's or UNCHR's webpages where more detailed information, longer articles or the like can be found.

The Embassy will communicate about the Programme in connection to relevant events, visits, meeting, summits, flag dates etc. For instance, the Embassy will communicate about the Programme in connection to the launch of the Programme, joint monitoring visits, high-level visits, international summits and 'World Refugee Day'. In close collaboration with UNCHR and the Communication Department in the MFA, the Embassy will help arrange external press coverage of high-level visits.

In addition, the Embassy will follow the news and political agenda in both Ethiopia and Denmark closely and continuously assess, in collaboration with the Communication Department in the MFA, whether it would be relevant to send material and/or offer interviews about the Embassy's efforts in regard to the Programme to relevant medias or decision makers.

The Embassy has dedicated an overall budget of DKK 500,000 to communication, reviews, TA in a separate budget line. These funds will cover collection of information and case stories as well as hiring of Danish and/or Ethiopian communication professionals for ad hoc tasks, or on framework contracts, to write articles, shoot pictures and videos and develop infographics. The funds will also be spent on promotion of content on social media platforms.

One person from the Ethiopia Team at the Embassy will be selected to be in charge of the implementation of the communication strategy.

To evaluate the success of the communication strategy, the Embassy will provide a qualitative assessment of the media coverage as well as the online engagement with content published about the Programme. In addition, the Embassy will look at the frequency and content of meetings, summits and the like where information about the Programme has been dispersed.

Annex 4: Partners

UNHCR (ETHIOPIA)

UNHCR has a strong presence in Ethiopia. In 2017, UNHCR focuses on: (1) Safeguarding the institution of asylum, mainstreaming protection into all programmes; (2) Support access to services for people of concern; (3) Active pursuit of durable solutions and provision of alternatives to risky onward migratory movements; and (4) Development of innovative, more cost-effective and sustainable ways to deliver basic services, including lifesaving activities. UNHCR will continue to improve conditions in the camps, while also transitioning to more sustainable activities allowing people of concern to rebuild their lives in dignity and peace and encouraging self-reliance.

Furthermore, UNHCR works closely with national authorities, e.g. through the Refugee Coordination Model that is pursued in the form of monthly Refugee Task Force meetings, co-chaired by UNHCR and ARRA.

Administration for Refugees and Returnees Affairs (ARRA)

ARRA is the government counterpart of UNHCR in Ethiopia and is considered the leading agency in the protection of refugees and overall coordination of refugee assistance interventions in Ethiopia. Since its establishment in 1992, ARRA's operation is mainly driven by three basic principles: Maintaining Ethiopia's long standing tradition of hosting refugees; meeting the Ethiopian government's international obligations; and achieving its foreign policy goals relating to building sustainable peace with all of its neighbours through strengthening people to people relations. ARRA is generally considered to be highly engaged and displays a continued and very often proactive commitment to ensuring the safety and security of refugees. ARRA's extensive presence in remote field locations and its experienced human resource capacity strengthens international assistance significantly. Organisational ARRA is an entity under the National Intelligence and Services.

Annex 5: Analysis of programme Context, opportunities, challenges, risks

As the preparation phase for this Programme has been shorter than usual, the analysis below has been developed in parallel with the formulation of the Programme. It draws upon the ongoing process of preparing the first Country Programme for Ethiopia.

1. Overall development challenges, opportunities and risks

Briefly summarise the key conclusions from the analyses consulted and their implications for the programme regarding each of the following points:

General development challenges including poverty, equality/inequality, national development plan/poverty reduction strategy, humanitarian assessment

- Ethiopia's **growth acceleration** has been accompanied by a substantial decline in poverty: Yet, Ethiopia remains one of the poorest countries in the world with very low access to basic services. Ethiopia ranks 174 out of 188 countries on UNDP's Human Development Index (HDI), and 174 out of 186 countries in terms of access to clean water, and 161 in terms of access to improved sanitation.
- **Humanitarian situation:** Ethiopia continues its recovery from the devastating 2015/2016 El Nino-induced drought that required the delivery of USD 1.7 billion worth of food assistance to nearly 17 million people in many parts of the country. In 2017, roughly 8 million people have been exposed to severe drought in large parts of the pastoral areas of Ethiopia. Even in a 'normal' year, the combined challenges related with accessing food, water, medication etc. are enough to result in a substantial humanitarian caseload. The country is currently host to more than 880,000 refugees displaced by conflicts, political events, and civil wars in neighbouring countries (mainly, South Sudan, Somalia, and Eritrea). The number of internal displaced people (IDPs) in Ethiopia remains persistently high and increasing (app. 1 million), driven by recurrent droughts, floods, and localised conflicts. Responding to this relies heavily on aid assistance, and on well-coordinated efforts from the GoE and its development partners.
- The majority of the population (>75%) continues to rely on **small-scale subsistence farming** and in many cases struggle with low agricultural yields and high exposure to climate shocks. Even as Ethiopia continues its development and seeks to transition in its economy, **agriculture will remain a crucial segment of economic growth**, and an important component of Ethiopia's development trajectory. In its second five-year Growth and Transformation Plan (GTP II) – the fourth macro-economic development plan since 1995, all of which have primarily been designed to reduce poverty – the GoE has committed to expand agricultural productivity through capacity development of smallholder farmers and pastoralists, ensuring access to improved technology and agricultural extension services. However, in many places the individual farmer has seen land parcels getting smaller, more fragmented, degraded altogether resulting in a **high level of food insecurity, and under- and malnutrition**. Hence, there continues to be a high demand for financial and technical support to build resilience and increase the efficiency of small-scale agricultural enterprises.

- Official indicators of **inequality** remain relatively low in Ethiopia (Gini coefficient = 33%), but the spatial disparities in many indicators of wellbeing demonstrate that development has not been entirely inclusive. There are still considerable inequities – especially among the extreme poor. Economic transformation (policies that actively seek structural reforms) has not played a major role in the growth acceleration over the past decade. Looking ahead, inequality in Ethiopia is likely to increase under all scenarios.
- **Gender inequality** is still high in Ethiopia and women remain more vulnerable to risks due to cultural norms and their socioeconomic status. Constraints exist on women employment, sociopolitical rights and empowerment, and general aspects of wellbeing. Women in Ethiopia are exposed to high incidence of female genital mutilation, unwanted pregnancy and/or childbirth, marriage at a young age, sexual harassment, and limited access to appropriate sanitation facilities.

Development in key economic indicators: GDP, economic growth, employment, domestic resource mobilisation, etc.

- **GDP and economic growth:** GDP in 2016 was USD 72.4 billion and GNI per capita was USD 660. GDP growth averaging more than 10% annually from 2004-2016. Growth has been dominated by massive public investment funded by foreign aid, loans, and non-tradable services (e.g. construction and transport). The public investment rate in Ethiopia is the third highest in the world, while private investment is the sixth lowest. The GoE runs a persistent budget deficit (2.4%) and debt is estimated at 30.2% of GDP (2015/16). Ethiopia benefits from high levels of foreign aid (USD 3.2 billion in 2016, 4.4 % of GDP), high levels of remittances from the Ethiopian diaspora (USD 6.3 billion, 8.7% of GDP), increasing foreign direct investment (FDI) inflows (USD 3 billion, 4.1% of GDP). Recent slowdown in GDP growth (7.6% in 2016) is mainly associated with the 2015/16 drought, which lowered agricultural productivity and exports, resulting in trade deficits (19.8% of GDP). GDP growth projections also indicate a slowdown in the medium term, but the GoE has laid out ambitious target of achieving lower-middle income status by 2025. Agriculture will remain a crucial segment of economic growth and an important component of Ethiopia's development trajectory and local livelihoods.
- **Employment:** More than 70% (31 million) of the formal workforce is self-employed in agriculture, while the sector accounts for 37% of total value-added to the economy and roughly half of total exports. About 7.5% (3 million) and 15% (6 million) of the workforce is employed in manufacture and service, respectively. Over half of Ethiopia's labour force (outside the agricultural sector) operates informally in jobs that often do not pay reasonable wages, improve skills or offer much job security.
- **Domestic resource mobilisation:** The tax-to-GDP ratio 12.7% remains low compared to peer countries (e.g. Tanzania, Uganda, Rwanda), and the proportion of trade taxes is higher than that of direct or indirect tax. Domestic resource mobilisation increasing the flow of taxes and income into government treasuries has improved, which may help to offset increased investment and social spending. However, while the proportion of pro-poor spending out of the total government budget increased, aid flows have increased simultaneously. Hence, Ethiopia continues to depend on donor support to underwrite

many of the pro-poor basic services.

Status and progress in relation to SDGs, in particular those that are special priorities for Denmark

- **No poverty and zero hunger (SDGs 1+2):** Ethiopia's poverty rates declined from 55-60% in 2000 to 30.7% in 2017, enabling Ethiopia to cut extreme poverty and hunger rates by almost half (as expected in MDG). However, around 30 million Ethiopians still live in extreme poverty and more than twice that many (67% of the population) live in severe multi-dimensional poverty and remain extremely vulnerable to shocks. Although, it is forecasted that Ethiopia will be able to reduce these numbers in the next decade, 15-20 million Ethiopians could be living below the extreme poverty line in 2030.
- **Quality education (SDG 4):** Ethiopia has made significant progress toward achieving the SDGs in extending education to its population, expanding from 10 million to more than 23 million learners over the past decade. Nonetheless, challenges remain. Although access improved across all levels of education (from pre-school to higher education), the rate of improvement varied considerably. Primary school enrolment rates reached 97.6% in 2016, while secondary school enrolment has not seen the same rate of progress (15%, 2016). Moreover, in 2016 only 43% of students who entered primary school were expected to 'survive' to the final year. In this respect, Ethiopia ranks 184 out of 186 countries globally. Explanations include significant distances between homes and schools, limited transportation infrastructure, inability of families to afford school fees and material costs, a demand for labour among Ethiopia's largely subsistence agriculture population and low levels of parental education. Deprivations vary significantly across socioeconomic groups. According to UNDP (2016), the richest quintile of the population averages 7.5 years of schooling, compared with 1.6 for the poorest quintile. Enrolment in lower and upper secondary school is very much linked to poverty and lack of economic opportunity. While government expenditure on education has climbed from 2.3% of GDP in the early 1990s to nearly 4.5% in 2016, the education system faces persistent challenges with respect to access, quality, and equity.
- **Peace, justice and strong institutions (SDG 16):** Compared to its violent past, Ethiopia in 2017 is a more stable country. Nonetheless, the eruption of violent protests in 2015/16 and a declaration of State of Emergency in October 2016 (discontinued from August 2017) shows that Ethiopia still lacks key dimensions of domestic stability. The country's general policy directives and constitution promote equal participation and inclusiveness, but political protests were sparked by reactions towards the public's perceived lack of political and civic freedoms, inequities in the land use system, and issues pertaining to social injustice etc. A key objective of GTP II is to establish democratic and good governance through enhancing the implementation capacity of the public sector and mobilisation of public participation.

Political economy, including drivers of change (political, institutional, economic) (e.g. political will, CSO space, role of opposition, level of donor funding to government expenses, level of corruption, foreign investment, remittances, role of diaspora, youth, gender, discovery of natural resources or impact of climate change etc.)

- **Political will:** To date, the GoE has demonstrated a high level of efficiency illustrated by the significant progress across economic, social, and human development indicators. The GoE has shown determination towards continued progress, by laying out ambitious development targets in its most recent national development document. All policy choices involve trade-offs, either explicit or implicit. Investing more money in infrastructure for example, diverts resources that could have been spent on health, agriculture, or education.
- **Role of opposition:** After their strong showing in 2005, the opposition has been weakened with each subsequent election cycle. The May 2015 election results saw the EPRDF win 500 of the available 547 seats with the remaining seats all won by its allies.
- **Level of corruption:** The level of corruption is considered 'high' in Ethiopia; although lower compared to some of the neighbouring countries. It ranks number 108 out of 176 countries on Transparency International's Corruption Perceptions Index.
- **CSO space:** The GoE has applied a very stringent and highly controlled approach to all Civil Society Organisations (CSO's) in the country, be it national or international. Two laws adopted in 2009 (the Charities and Societies Proclamation and the Anti-Terrorism Proclamation) decimated the country's already weak human rights community.
- **Level of donor funding to government expenses:** Ethiopia is depending on donor support to underwrite many of the pro-poor basic services, e.g. the salaries of primary school teachers, agriculture development agents, and health extension workers. External assistance reached about half of the total health expenditure by 2010/11. Social safety net programmes (e.g. the Productive Safety Net Programme) are financed almost exclusively by development partners. Currently, the ODA to GDP rate stands at 4.4 %.
- **Foreign Direct Investment:** FDI is projected to increase from 4.6 percent of GDP in 2015/16 to 6 percent in the medium term, reflecting improved competitiveness and policies to attract foreign investment.
- **Remittances:** Remittance inflows to Ethiopia have been increasing in the past several years, reaching an estimated 9 percent of GDP in 2015/16.
- **Role of diaspora:** The diaspora has a crucial role in attracting the inflow of foreign investment and the diaspora's investment in different sectors in Ethiopia has reached about USD 3 billion. Some say that the contribution of the diaspora is worth more than the combined outcome of FDI and ODA. Since the eruption of anti-government protests in Ethiopia in late 2015, its global diaspora has also been deeply involved in efforts to shape the political landscape and be a catalyst for change. There are also examples of the diaspora playing a destabilising role, particularly on social media.
- **Youth:** The GoE has recognised youth-related challenges across a range of socio-economic and political issues. The rapidly growing number of youths can be seen as a resource and/or a challenge to Ethiopia. In the absence of inclusive growth, large young populations entering working age without jobs or economic opportunity can be a significant driver of social unrest.
- **Climate change:** Recent droughts in 2015/16 and 2016/17 illustrate the potential scale

of impact from unexpected weather and climate changes on food security, nutrition and water access, as well as on a range of other development indicators. Ethiopia is a climate ambitious country.

List the key documentation and sources used for the analysis:

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- WB (2016e) Vulnerability to Drought and Food Price Shocks - Evidence from Ethiopia. Policy Research Working Paper 7920. World Bank Group.
- WB (2017a) Doing Business 2017 – Equal opportunity for all. Economy profile, Ethiopia. World Bank, 14th edition.
- WB (2017b) World Bank Country Partnership Framework for The Federal Democratic Republic of Ethiopia for the period FY18-FY22.
- WB (2017c) 5th Ethiopia Economic Update: Why so idle? Wages and Employment in a Crowded Labor Market. World Bank Group.
- WB (2017d) World Development Report – Governance and the law. World Bank Group.
- WFP (2017) Ethiopia country brief. World Food Programme

Are additional studies / analytic work needed? How and when will it be done?

List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.

2. Fragility, conflict, migration and resilience

Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:

Situation with regards to peace and stability based on conflict analysis and fragility assessments highlighting key drivers of conflict and fragility, protection and resilience, organised transnational crime and illicit money flows and how conflict and fragility affect inclusive private sector development and women and youth

- **Key drivers of internal conflict and fragility:** Judging from Ethiopia's overall Fragile States Index (FSI) score over the last few years, the situation in country has been incrementally worsening over the past decade. However, the Fragile States Index sees proportion of ODA of GDP as an important fragility factor, whereas in Ethiopia it should not be overlooked that ODA has probably contributed significantly to upholding stability in the last 25 years. Nevertheless, large protests erupted in November 2015 and continued through much of 2016 into 2017, concentrated in the Oromia and Amhara Regions. Protesters have been calling for increased political and economic inclusion. Altogether, these protests have exposed deep-rooted inequalities and tensions between Ethiopia's diverse ethnic groups and brought to the surface longstanding frustrations and grievances over perceived systematic political and economic exclusion of a large segment of the population. The recent social and political unrest has caused significant damage to foreign- and locally-owned businesses.

Recent setback has to been seen within the context of ongoing demographic pressures and natural disasters, and flows of refugees (from neighbouring countries) and Internally Displaced Persons (IDP). Land conflicts, including with ethnic undertones, have also long been a reason for inter- and intraregional clashes in parts of the country. This still has the potential to fuel perceptions of inequality. In the absence of inclusive growth, large young populations entering working age without jobs or economic opportunity can be a significant driver of political and social unrest.

- **Key drivers of regional conflict and fragility:** Ethiopia is surrounded by instability and is challenged by the risk of the conflicts in Somalia and South Sudan and the strained relationship with Eritrea spreading to its territory. Porous borders, humanitarian challenges, extreme poverty, mediocre rule of law and access to justice, widespread corruption, the marginalisation of women, coupled with gender-based violence, and the presence of violent opposition groups in several countries in the region contribute to low levels of human security. Ethiopia is currently hosting the second-largest refugee population in Africa, and is furthermore faced with a number of 'spill-over' consequences of the regional instability with regard to illegal immigration, smuggling of weapons and drugs, and human trafficking.
- **Outmigration, trafficking, and transnational crime:** Ethiopia is an important country of origin, transit, and destination for people in mixed migration flows in the Horn of Africa region. Lack of economic opportunities, demographic challenges, food insecurity, and rising domestic tensions are elements contributing to significant numbers of Ethiopians being on the move. Data from Eurostat indicates that in 2015, 6,350 asylum applications by Ethiopian nationals were received in European countries. In addition, other sources

state that 30-40% of Eritrean migrants in Europe could be Ethiopians. Refugees and migrants from Somalia, Somaliland, and Eritrea cross into Ethiopia and move on to Sudan, Egypt, and Libya in an attempt to reach Europe. There exists a strong positive perception towards irregular migration among Ethiopians; many travel through networks of illegal brokers and smugglers, often through dangerous situations in transit countries. Young Ethiopians are recruited from the rural areas with promises of a better life in the Middle East and Gulf states. Ethiopia's location within the Horn of Africa makes it vulnerable to money laundering-related activities perpetrated by transnational criminal organizations, terrorists, and narcotics trafficking organizations. Moreover, Ethiopia faces a number of significant socioeconomic and political vulnerabilities that pose continual and increased risks of illicit money flows, including the prevalence of a large informal and cash-based economy; the prevalence of corruption, tax evasion and illicit financial flows; poorly managed and porous borders; limited control mechanisms over movement of cash; and regional instability.

Identifying on-going stabilisation/development and resilience efforts and the potential for establishing partnerships and alliances with national, regional and other international partners in order to maximise effects of the engagements

- **Stable political settlement and economic development:** Ethiopia's political settlement has been relatively stable since the early 1990s, in contrast to much of the region surrounding it. This has been the case in part because of the continued dominance of Ethiopian Peoples' Revolutionary Democratic Front (EPRDF) in the form of single-party rule and its effective monopolisation of the use of resources and force. On the positive side, this has enabled both a prioritised and a resource-empowered development strategy that has achieved a number of successes, and has also helped keep Ethiopia largely safe from the many threats, including those that (are believed to) emanate from its volatile neighbours. A central element in the Danish partnership with Ethiopia is dialogue, including through the Development Agency Group (DAG) and the EU's Article 8 Dialogue on the developmental and societal trajectory taken. Denmark also cooperates with a wide range of partners in Ethiopia to support Ethiopia's ambition of achieving middle-income status by 2025 through green growth and poverty reduction.
- **Protection and resilience:** Ethiopia has achieved substantial progress in economic, social and human development over the past decade, enabling the country to reduce extreme poverty and hunger rates by half. The GoE in concert with its development partners have improved Ethiopia's ability to protect its people and development gains from weather shocks. Of crucial importance, the GoE created the Productive Safety Net Programme (PSNP) in 2005 that combines food and cash transfers to Ethiopia's poorest and most food insecure households with a work requirement for able-bodied recipients. By contributing financial support to the Productive Safety Net Programme (PSNP) and the Agricultural Transformation Agency (ATA), the Danish representation in Addis Ababa will continue to strengthen its relationship and development partnership with the Ethiopian government in its effort to combat poverty, hunger and climate vulnerability.
- **Migration and trafficking:** Ethiopia is a key participant in the EU's Migration Partnership Framework – aimed at addressing the challenges of managing migration along the Central Mediterranean Route (via Libya to Europe), as well as supporting returns and bet-

ter border management. The AU and EU members have reached a common understanding that more economic opportunities must be created for the growing youth populations in Ethiopia and beyond to reduce the incentive to leave and the risk of being lured into illegal networks. Denmark's funding towards poverty reduction (through PSNP) and improved agricultural development (through the Agricultural Transformation Agency, ATA) provides a small, but significant contribution to this end. Further, Denmark is also engaged in migration-related interventions in partnerships with Danish Refugee Council (DRC) and IOM (reintegration of stranded Ethiopian migrations). Further, Denmark also supports humanitarian interventions in the country, including through Danish NGOs.

- **Money laundering, transnational crime and terrorist financing:** Ethiopia's efforts to combat these issues are relatively recent. Ethiopia has taken important steps to improve its policies and control mechanisms, including enacting a preventive system for money laundering and terrorist financing, which was started in 2012. Although Ministry of Justice officials have received training, the Ethiopian law enforcement community, from investigators to prosecutors to judges, remains deficient in its awareness of the various criminal activities and its understanding of how to address them. The GoE's poor record-keeping systems in general and lack of centralised law enforcement records in particular, hinder the federal police's ability to identify and investigate trends in money laundering and terrorism financing. Denmark supports the GoE in strengthening its institutional capacity to prevent and combat money laundering and terrorism financing. The goal is to mitigate the illicit flow of money to and from the region, not least in response to hinder financial support to terrorist groups in Somalia.

Issues and concerns of relevance to Danish interest in the area of security and migration

- Denmark has significant security, development, and economic/commercial interests in a stable and secure Ethiopia. A destabilised Ethiopia would not only be a significant drawback for the Eastern African region, it would also be a risk to international peace and security. Further, a destabilised Horn of Africa would also risk increased migratory flows towards Europe. Currently, a number of Ethiopian nationals without legal basis remain in Denmark.

Identify where Denmark has comparative advantages that may lead to more effective and efficient programming and better results including where Denmark may contribute with deployment of specific expertise and capacities

- Denmark has a comparative advantage by being a flexible and predictable partner, able to respond to emerging crises and opportunities (as illustrated by this Programme) at short notice. This can include reallocation of funds from planned activities to sudden needs. Further, Denmark is seeking to enhance the coherence between humanitarian responses and development cooperation.

Considerations regarding the humanitarian situation, migration, refugee and displacement issues, including the need to integrate humanitarian-development linkages and long term strategies

- The Programme will enhance the coherence between humanitarian responses and devel-

opment cooperation in line with *The World 2030*. Moreover, the Programme will complement other initiatives supported by Denmark, including humanitarian responses, Danish NGOs, and development interventions focusing on (more) long-term and sustainable solutions to migration (e.g. a project promoting the protection of at-risk Eritrean refugees who are considering onward, irregular movement and a reintegration project with IOM).

Relevant issues and considerations related to radicalisation and violent extremism and the potential for Danish engagement to prevent and counter violent extremism (P/CVE)

- With regard to risks related to terrorism financing, Ethiopia is located in a highly volatile region, with both Eritrea to the North and Somalia to the East providing support to terrorist (Al-Shabaab) or armed opposition groups (e.g. the Ogaden National Liberation Front, Oromo Liberation Front) active in Ethiopia. Besides, from programme activities addressing poverty-related root causes, Denmark contributes to P/CVE through its regional support AU, IGAD and ECOWAS.

List the key documentation and sources used for the analysis:

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- Veen, Erwin v. (2017) Unrest in Ethiopia: plus ça change? European Union Institute for Security Studies (EUISS).

Are additional studies / analytic work needed? How and when will it be done?

List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.

3. Assessment of human rights situation (HRBA) and gender²

Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:

The HRBA Guidance Note may provide further guidance, or hrbaportal.org

Human Right Standards (international, regional and national legislation)

Identify the level of achievement of key human rights standards for the context you are working in.

- The GoE has ratified a number of Human Rights conventions, has adopted a Human Rights based Constitution, and has established a National Human Rights commission and an ombudsman. In 2014, in response to the Universal Periodic Review (UPR) by the UN Human Right Council (OHCHR), the GoE launched a National Human Rights Action Plan (NHRAP) which is a reflection of the country's existing human rights policies and laws. According to the follow-up from the OHCHR, the GoE has "*taken measures to successfully implement the UPR recommendations, including additional legislative measures to further strengthen the institutions that play central role in the protection and promotions of human rights*" (OHCHR, 2014). In April 2017, Ethiopia launched the second NHRAP that aims to advance the respect and fulfillment of fundamental human and democratic rights recognised in the constitution through scaling up best practices in the implementation of the first NHRAP.

Despite the fact that key international human rights obligations are incorporated in the constitution and legal frameworks, their implementation is unsatisfactory. In the last 2-3 years, where Ethiopia's economic achievement have been accompanied with social and political unrest, resulting in the State of Emergency between October 2016 and August 2017, the Ethiopian authorities have been using the Anti-Terrorism Proclamation and the CSO Law to justify violations of basic human rights. This continues to place despite reports and calls from international organisations, the EU or individual states for a rigorous respect from the Ethiopian authorities of their international human rights obligations. Other human rights challenges in Ethiopia include the violence and societal discrimination against women; female genital mutilation/cutting; abuse of children; trafficking in persons; societal discrimination against persons with disabilities, persons based on their gender identity and sexual orientation; and limits on worker rights, forced labour, and child labour, including forced child labour.

- In 2004, a national Refugee Proclamation was enacted based on the international and regional refugee conventions to which Ethiopia is a party (1951 Convention relating to the Status of Refugees, and its 1967 Protocol and the 1969 OAU Convention). A new Refugee Proclamation is under preparation, reflecting the pledges made by the Ethiopian Prime Minister.

Identify the most binding constraints on the intended target group in terms of human

² The purpose of the analysis is to facilitate and strengthen the application of the Human Rights Based Approach, and integrate gender in Danish development cooperation. The analysis should identify the main human rights issues in respect of social and economic rights, cultural rights, and civil and political rights. Gender is an integral part of all three categories.

rights.

- Barriers are economic, educational, social, and civil marginalisation and exclusion as well as broader protection issues related to the humanitarian situation and context. The Programme will engage on humanitarian issues, in particular refugee and displacement issues, with an explicit focus on enhancing coherence between humanitarian responses and development cooperation.

Given the analysis of achievement of human right standards, establish what Denmark should prioritise in the proposed outcomes of the programme.

- The Programme prioritises activities related to education (secondary, tertiary) for refugees (where enrolments are low) and host communities in line with the objectives of the CRRF, and documentation with a view of ensuring refugees rights to work, access to services, and economic opportunities.

Universal Periodic Review

List recommendations from Council for Development Policy (UPR) relevant for the thematic programmes and from any treaty bodies, special procedures, INGOs, Human rights institutions etc. that require follow up by partners in the programme.

- Ethiopia has submitted the second cycle national report to the working group on the Universal Periodic Review. The UPR recommendations to Ethiopia, Report of the Working Group on the Universal Periodic Review (A/HRC/27/14) have been broadly consulted in the process.

Identify key **rights holders** in the programme

- Refugees, in particular youth
- Host communities

Identify key **duty bearers** in the programme

- UNHCR
- GoE, in particular ARRA and relevant line ministries (Ministry of Education)

Human Rights Principles (PANT)

Participation

- **Identify barriers for participation, inclusion and empowerment of rights holders.**

Barriers for participation are likely to be related to a change of focus from long-term development activities (education, documentation) to addressing short-term humanitarian needs following a large influx of refugees. Further, refugees remaining at an increased risk of malnutrition as a result of the continuous reduction on food rations provided by WFP, the limited agricultural opportunities and the effects of extreme weather conditions predicted in the region in the wake of the drought could also be less likely to engage in activi-

ties.

In addition, social and cultural norms can sometimes create social barriers preventing the active participation of girls and women in educational activities. A lack of awareness of rights and the means to access them also acts as a barrier.

- **List key support elements included to promote participation and inclusion.**

Improved access to secondary and tertiary education opportunities for refugees and host communities will promote participation and inclusion into society.

Increased ability to obtain civil status documentation for the refugees will support their right to work, access to social services, and economic opportunities.

Further, at the level of the Programme, participatory monitoring and evaluation will be an integral part of implementation of the Programme and all pertinent stakeholders, including refugee communities, will participate in the planning, implementation, monitoring, and assessment of activities.

Accountability

- **Identify accountability mechanisms in the relevant area – both horizontal and vertical. List any key support elements included to promote accountability.**

The point of departure being the foreseen governance structure for the CRRF for Ethiopia. This structure will be working both horizontally (from thematic technical working groups via the steering committee to the Office of the Prime Minister) and vertically (including relevant stakeholders from line ministries, donors, and civil society) and could be seen to promote accountability towards the refugees and host communities securing their rights, including to be part of durable solutions.

Non-discrimination

- **Identify groups among rights-holders excluded from access and influence in the thematic programme areas identified.**

As such, no particular groups among the right-holders are excluded per se. However, as part of a focusing of the Programme there will be an emphasis on refugees originating from Eritrea and Somalia. Homo- and transphobia is widespread in Ethiopia and the state criminalises same-sex sexual acts. LGBTI-persons could face difficulties under areas identified in the Programme.

- **List key support elements included to promote Non-discrimination.**

A central part in the Education Pledge (one of the nine made for Prime Minister Hailemariam) is that the desirable increase of enrolment in primary, secondary and tertiary education to all qualified refugees should be without discrimination. The promotion of non-discrimination will in particular be through the Programme's education objective.

- **Are disaggregated data available on most vulnerable groups?**

Ethiopian law provides comprehensive protection against all forms of discrimination on any ground including based on sex. However, there is limited disaggregated data directly related to rights holders.

Transparency

- **Assess the extent to which information is accessible to rights holders including marginalised groups. If relevant, ensure that information is available in other than official languages.**

This will be ensured through dialogue with the main partner, UNHCR, and collaborating partners, in particular ARRA. Further, the foreseen governance structure for the CRRF for Ethiopia can be used in this regard.

- **List key support elements included to promote Transparency.**

Participatory monitoring and evaluation will be an integral part of implementation of the Programme and all pertinent stakeholders, including refugee communities, will participate in the planning, implementation, monitoring, and assessment of activities.

Communication strategy developed for the Programme.

Gender

- **Identify key challenges and opportunities for gender equality.**

Because of an increased focus on gender, there has been significant improvement in the societal attitudes towards gender equality and women's empowerment in Ethiopia. However, even if the political commitment and resource allocation towards gender equality in most sectors are at good levels, challenges remain with regards to deep-rooted cultural and traditional attitudes or values and adequate human resource and systems for data collection and analysis, which is also the case for the refugee populations residing in Ethiopia. Key challenges identified include lack of political and technical capacity to implement gender policies and legislation in full, women's limited access to and control of resources especially with respect to productive resources, household economy and decision-making power, as well high incidence of gender based violence, child marriage, trafficking of women and harmful traditional practices such as Female Genital Mutilation.

- **Identify assessments on gender, such as CEDAW-reporting, SDG National Action Plans, UPR, and other relevant gender analysis.**

Denmark is following the joint approach in shared assessment under the UPR. Other studies and assessments, such as the National Report on the Implementation of the Beijing Declaration and Platform for Action (2014) and UN Women's Preliminary Gender Profiles (2017) highlight issues of gender gaps relating to respect for human rights, democratic principles and political reforms. In October 2016, the CEDAW released its Eighth Periodic Report on Ethiopia, which summarises women rights violations as well as judicial reforms that are relevant for addressing issue of gender equality, e.g. gender based violence and lack of gender-sensitivity in handling judicial cases, access to justice.

- **Identify opportunities/constraints for addressing gender equality issues.**

- Constraints mostly revolve around cultural practice, since the policy and institutional framework is almost in place. Ethiopia is a signatory to international conventions addressing gender equity and the Constitution of Ethiopia provides an enabling legal framework to address these issues. Slow enforcement of policies and legislation by various institutions, the police and the Judiciary especially in regard to addressing issue of gender based violence. High incidence of domestic gender based violence directed to women and children. In addition, Female Genital Mutilation/cutting (FGM) still being practiced in many parts of the country, even though it has been abolished by law. Sexual and reproductive health and rights are slowly being accepted and promoted through health extension policies, but issue of traditions; customs, perceptions still need to be addressed. Undoubtedly, these constraints are also to be found in the refugee settings in Ethiopia.

Opportunities for addressing gender equality issues will be 'strongest' under the education objective. Female teachers will be particularly supported through training and incentives, to increase the number of female teachers in the schools. Further, special attention will be given to the education of girls, to increase enrolment and retention and improve their transition to higher primary and secondary school.

- **Describe key strategic interventions to promote gender equality within each thematic programme.**

Under the Programme's education objective re above.

- **Identify gender equality indicators aligned with national targets on gender, if possible.**

No specific gender equality indicators have been identified for the Programme.

List the key documentation and sources used for the analysis:

Relevant references and guidance may include:

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Are additional studies / analytic work needed? How and when will it be done?

List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.

4. Inclusive sustainable growth, climate change and environment

Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:

Assess the overall risks and challenges to inclusive sustainable growth and development from the impact of climate change and environmental degradation; Assess the status of policies and strategies in the country / thematic area / organisation to ensure that development is inclusive and sustainable, avoid harmful environmental and social impacts and respond to climate change; and assess the political will and the institutional and human capacity to implement these policies and strategies.

- Ethiopia's sustainable economic and human development has faced many challenges emanating from shocks and crises, including natural disasters and climate risks. Ethiopia has experienced more than 15 drought events in the last 50 years, including the 2015/2016 El Nino induced drought and the subsequent ongoing drought in 2017. This is a problem of tremendous proportions in a society that is mainly agrarian and where the majority of agriculture is rain-fed and highly vulnerable to drought. Pastoral communities in the fragile, semi-arid lowlands are also prone to climatic shocks. It is indisputable that climate change has already had an impact: temperatures have increased and rainfall variability have changed over the last 50 years. Droughts alone can reduce total gross domestic product (GDP) by 2-3 %, as it was seen in the fiscal year 2015/16.
- Ethiopia's capacity to address poverty, food insecurity and various other socioeconomic challenges is highly dependent on the performance of agriculture. However, rising population densities and expansion of productive lands³ are placing added pressure on ecosystems. The technologies used in the sector are obsolete and in many cases depend on livestock power for most farming activities. It is recognised that the agricultural sector is putting increasing pressure on Ethiopia's natural resources. One of the results is severe land degradation in several regions of the country, including gradual loss of soil nutrients and widespread top soil erosion, forest loss, and increased water stress. This will impact on crop yields, food security and livelihoods in rural areas, especially among poor households with small landholdings in marginal settings, but also overall agricultural production and Ethiopia's GDP.
- Ethiopia's ability to manage drought has improved dramatically over the past decade, but frequent droughts remain a challenge. The resilience of the poorest has been improved under the Productive Safety Net Programme (PSNP) through cash or food payments/transfers and community-driven public works programmes aimed at landscape restoration, water management, and smallholder farming. Targeted cash and food transfers to the rural poor have reduced food insecurity and inequality. Despite the substantial caseload of the PSNP, it has only been able to protect around half of the households that are food insecure. The rising frequency and severity of these droughts call for action, to move even further from reliance on humanitarian responses and towards development of robust systems.

³ The total cultivated area in 2013/14 was 27% higher relative to 2004/5, and annual growth averaged 2.7% during the decade. Over the same period of time, the number of smallholders increased by 39 percent, indicating smaller sizes of farms over time.

- Despite significant progress in natural resource management in the face of climate shocks, further resilience building is an urgent challenge in Ethiopia. Improving the productivity of the agriculture sector could have a powerful impact on poverty reduction. Moreover, creating a sustainable, resilient domestic agricultural sector could also create a buffer against adverse climatic events and improve domestic food security.
- The GoE recognises that its vision of faster and sustained carbon-neutral growth cannot be achieved with more of the same production systems, but need a transformation of the sector. Increasing the land under production has to be achieved by reversing natural resource degradation and rehabilitating degraded landscapes, rather than by intruding areas that are home to fragile ecosystems and forests.
- Recently, the GoE has embarked on various programmes and projects to promote sustainable natural resource management, but several challenges remain. Land, forest, and range resources degradation, inefficient agricultural water management and productivity are prevalent. Technical support and significant investments are required to reverse the situation and efficiently utilise the scarce natural resources. Differentiated approaches are required to increase the productivity and resilience for highland and lowland agriculture-based livelihoods.
- With regards to increasing productivity, the GoE alongside its international partners have made a number of interventions to support the development of the country's agriculture sector. These activities have contributed towards higher yields and increased production of both crops and livestock. The impressive growth rates recorded in Ethiopia are clearly from a low base and the country had, and still has, a lot of catching up to do relative to those with higher yield levels.
- The GoE has singled out smallholder agriculture as a key target area for the envisaged to transformation of the old and traditional agricultural sector and to reduction of poverty through agricultural green growth. The national development plan, the GTP II, and the sector specific Agriculture Sector Policy and Investment Framework (PIF)⁴ 2010/11 – 2019/20 set a number of overall strategic objectives for the sector, prioritising smallholder agriculture: achieving a sustainable increase in agricultural productivity and production, accelerating agricultural commercialisation and agro-industrial development including value chains, reducing degradation and improving productivity of natural resources and achieving universal food security and protecting vulnerable households from natural disasters.

Identify opportunities for mainstreaming support to inclusive green growth and transformation to a low-carbon and climate resilient economies in the programme thematic areas and DEDs.

- Ethiopia has a large and comprehensive aid programme across the country which in recent years has been focusing on addressing critical issues of food security in the highly vulnerable low production areas. Within this context, the Productive Safety Net Pro-

⁴ The PIF provides a strategic framework for the prioritization and planning of investments that will drive Ethiopia's agricultural growth and development. It is designed to operationalize the Comprehensive Africa Agriculture Development Programme (CAADP) Compact signed by the Government and development partners. Hence, Government priorities set under GTP II feed into the Government's commitment to the implementation of the PIF.

gramme (PSNP) is of crucial importance, in that it combines food and cash transfers to Ethiopia's poorest and most food insecure households with a work requirement for able-bodied recipients. By contributing financial support to the PSNP (from 2017 and also foreseen in the coming Country Programme), Denmark will continue to strengthen its relationship and development partnership with the GoE in its effort to combat poverty, hunger and climate vulnerability. The new phase of the PSNP program (2015-2020) has introduced specific gender and social development provisions to address the severe impacts of food insecurity on vulnerable women, youth and children. The gender provisions of the current food security program are progressive in that they address the situation of female heads, pregnant women, and women in marriage. Further, it is not limited to addressing the immediate aftermath of food insecurity but also focuses on building livelihoods of poor and vulnerable households through its livelihood component.

- There is a need to enhance agricultural productivity and production in the other areas which have higher levels of productivity and can target a much greater proportion of the rural smallholder farming population, but which is still vulnerable to climate change. Denmark supports the implementation of the GTPII and the development and promotion of climate smart practices in agricultural production and value chains with the Ethiopian Agricultural Transformation Agency (ATA) as well as the implementation of programmes and projects that focuses on both adaptation and mitigation of climate change challenges through the Climate Resilient Green Economy (CRGE) Facility.

Identify potential risk and negative impacts related to environment and climate change from the proposed thematic areas and DEDs and consider how these may be mitigated in the design of the programme and the relevant DEDs.

- The Programme will not present opportunities for mainstreaming support to inclusive green growth and transformation to a low-carbon and climate resilient economies. However, inclusive green growth and climate adaption are indeed also relevant in refugee settings as there is significant pressure on scarce natural ressourceces in these areas creating potential for conflicts between refugees and host communities. Denmark is in the process of preparing an intervention in this regard linking migration, refugees, host communities, and job creation with climate interventions at local level.

Identify if EIA (Environmental impact assessment) or similar should be carried, including legal requirements in partner countries / organisations.

- Ethiopia has an Environmental Impact Assessment Proclamation. The objective of this proclamation is to facilitate the implementation of the environmental rights and objectives enshrined in the constitution of the country and the maximisation of their socio-economic benefits by predicting and managing the environmental effects which a proposed development activity or public instruments might entail prior to their implementation.
- For this Programme an EIA should not be carried out.

Consider rights and access to key natural resources: land, water, energy, food and agriculture, including impacts on employment for youth, women and indigenous peoples, etc.

- Constraints on access to key natural resources such as land are essentially economic and cultural, involving marginalisation of disadvantaged segments of the populations, and perceptions and norms on participation and inclusion in public matters.
- For this Programme this is not relevant.

List the key documentation and sources used for the analysis:

Relevant references and guidance may include:

- Dercon, Stefan, Ruth V. Hill and Andrew Zeitin 2009. Rethinking Agricultural-led Growth in Ethiopia. Synthesis Paper Prepared as Part of a Study on Agriculture and Growth in Ethiopia Conducted for DFID, University of Oxford, Unprocessed.
- Donnenfeld, Z et al. (2017). "Ethiopia Development Trends Assessment". Institute of Security Studies and Frederick S. Pardee Center. Source (aug 9, 2017): <https://issafrica.org/research/books-and-other-publications/ethiopia-development-trends-assessment>
- Compact 2025 (2016) Ethiopia - Ending Hunger & Undernutrition, Challenges & Opportunities.
- FAO (2017b) FAO Ethiopia – Drought Response Plan and Priorities in 2017. Food and Agriculture Organization of the United Nations
- FDRE (2007) Climate Change National Adaptation Programme of Action (NAPA) of Ethiopia. Federal Democratic Republic of Ethiopia, Ministry of Water Resources and National Meteorological Agency.
- FDRE (2011) Ethiopia's Climate-Resilient Green Economy. Green economy strategy. Federal Democratic Republic of Ethiopia
- FDRE (2014) Ethiopia's Fifth National Report to the Convention on Biological Diversity. Ethiopian Biodiversity Institute.
- Gleixner, S et al (2016) The El Niño effect on Ethiopian summer rainfall. Climate Dynamics. Published Online Nov 3rd 2016.
- Gbetibouo, G et al (2017) Impact Assessment on Climate Information Services for Community Based Adaptation to Climate change. Ethiopia country report. Care.
- Jones, L and Carabine, E (2013) Exploring political and socio-economic drivers of transformational climate policy: Early insights from the design of Ethiopia's Climate Resilient Green Economy strategy.
- Liebmann, B et al (2014) Understanding Recent Eastern Horn of Africa Rainfall Variability and Change. Journal of Climate, American Meteorological Society.
- UNECA (2015) Inclusive Green Growth in Ethiopia: Selected case studies. United Nations Economic Commission for Africa.
- UNDP (2014) National Human Development Report 2014, Ethiopia. Accelerating Inclusive Growth for Sustainable Human Development in Ethiopia. United Nations Development Programme.
- USAID (2016) El Niño in Ethiopia, 2015-2016 - A Real-Time Review of Impacts and Responses. USAID/Ethiopia Agriculture Knowledge, Learning, Documentation and Policy Project
- WB (2016d) Early Warning, Early Action the Use of Predictive Tools in Drought Response through Ethiopia's Productive Safety Net Programme. Policy Research Working Paper. World Bank group.
- WB (2016e) Vulnerability to Drought and Food Price Shocks - Evidence from Ethiopia. Policy Research Working Paper 7920. World Bank Group.

If this initial assessment shows that further work will be needed during the formulation phase, please list how and when will it be done?

List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.

List required EIAs or similar studies to be carried during the formulation or implementation face.

5. Capacity of public sector, public financial management and corruption

Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:

Capacity of the public sector for policy making, enforcement and service delivery

- Over the past decades, the GoE has been implementing major reform programmes to enhance public sector efficiency, effectiveness, transparency, and accountability. As a result, public sector governance has measurably improved – at least in relative terms – illustrated by the significant progress across economic, social and human development indicators.
- Whatever achievements the public service reform programmes have gained, they have not sufficiently addressed the problems of good governance. Existing challenges of public sector governance and management in Ethiopia range from broader institutional and structural deficiencies to specific issues such as ineffectiveness, inefficiency, lack of capacity, corruption, and rent seeking. As a result, the ability of the government to formulate and implement sound policies and the low quality of regulatory institutions and governance affect the adequate provision of public service, weaken incentives for good performance, and undermine the delivery of results.
- In the GTP II, the GoE has shown determination towards continued socioeconomic progress, by laying out ambitious development targets in health, education, economic growth, and infrastructure sectors. In here the GoE also acknowledge that *'the hitherto assessment of outcomes on good governance indicates that there is yet a lot to be done'* (GTP II, p 89) and that *'concerted efforts will be made to enhance the implementation capacity of the public sector, mobilising public participation, promoting, and building a democratic culture'* (ibid, p 90). Moreover, corruption and rent seeking are identified as the main impediments to overall socio-economic development.

Quality and capacity of PFM, including budget credibility, comprehensiveness and transparency as well as control and external scrutiny / audit in all phases of the budget process as well as participation of citizens / CSOs in monitoring public budgets and corruption

- Public Financial Management in Ethiopia has been strengthened in conjunction with the country's efforts to improve service delivery for the last 10-15 years. The GoE has fully recognised that a key tool for improved service delivery is a strong public financial management system.
- Significant changes in drafting legislative and policy frameworks have enabled the public finance to be administrated more comprehensively. Predictability and control of public expenditure budget outturn has improved substantially at federal level, but less at the regional level. According to the World Bank, an accurate and reliable cash management and control system has been established.
- In terms of budget credibility, Ethiopia has improved its performance over the last couple

of years, bills are cleared on time, there are no arrears, payroll systems are robust, the internal control system is comprehensive, the inter-governmental fiscal transfer system works well and cash transfers are predictable up to the local government level.

- External audit follows international standards.
- The main weaknesses identified at the federal level relate to tax collection, public access to budget information, a medium-term perspective in budgeting, unreported extra-budgetary operations and parliamentary oversight.
- The overall fiscal transparency of the Federal Government is still low: the budget is not available to the public at the time it is submitted to Parliament, and neither are budget execution reports during the year.
- Overall, fiscal discipline is strong, but lack of transparency limits the availability of information on government performance and on how fiscal risks are being addressed.

The corruption situation and relevant anti-corruption measures and reforms

- The levels of corruption in Ethiopia are generally considered to be high, although less high than in comparable regional countries. Examples of corruption include facilitation payments and bribes being necessary to keep land leased from the state. Corruption may be seen as a proxy for how efficiently the GoE is able to use revenues.
- Ethiopian anti-corruption law is primarily contained in the Federal Ethics and Anti-corruption Commission Establishment Proclamations No. 235/2001 and No. A33/2005 (Anti-Corruption Law). Facilitation payments are illegal, and it is forbidden for civil servants to accept gifts or hospitality that may affect their decisions.
- A legislative framework against corruption exists in Ethiopia and anti-corruption drives have recently increased. The GoE has some credence in reducing corruption by establishing an anti-corruption watchdog and persecution and sentencing of very many high-profile corruption cases. The past month have seen a number of high-level arrests due to corruption (including a State Minister, in the Ministry of Finance and Economic Cooperation).

List the key documentation and sources used for the analysis:

- Desta, T (2013) *The Anti-Money Laundering and Countering Terrorist Financing Regime in Ethiopia*. Second Assessment Report. Center on global counterterrorism Cooperation (CGCC).
- Donnenfeld, Z et al. (2017). "Ethiopia Development Trends Assessment". Institute of Security Studies and Frederick S. Pardee Center. Source (aug 9, 2017): <https://issafrica.org/research/books-and-other-publications/ethiopia-development-trends-assessment>
- ESAAM (2015) *Mutual Evaluation Report: Anti-Money Laundering and Combating the Financing of Terrorism*. Eastern and Southern Africa Anti-Money Laundering Group and Federal Democratic Republic of Ethiopia.
- FDRE (2015) *The Financial Management Performance of The Federal Government of Ethiopia (PEFA REPORT)*.
- GFI (2015) *Illicit Financial Flows from Developing Countries: 2004-2013*. Global Financial Integrity (GFI), Dec 2015.
- IMF (2015) *The Federal Democratic Republic of Ethiopia*. Selected Issues. IMF Country Report No. 15/326
- IMF (2016) *The Federal Democratic Republic of Ethiopia*. Staff report for the 2016 Article IV consultation-debt sustainability analysis. International Monetary Fund (IMF) and the International Development Associa-

tion (IDA)

- UNECA (2015) Inclusive Green Growth in Ethiopia: Selected case studies. United Nations Economic Commission for Africa.
- UNDP (2014) National Human Development Report 2014, Ethiopia. Accelerating Inclusive Growth for Sustainable Human Development in Ethiopia. United Nations Development Programme.
- US (2016b) Money Laundering and Financial Crimes Country Database, June 2016
- US (2017) Investment Climate Statements, Ethiopia. US Department of State, June 29, 2017.
- WB (2016b) Ethiopia Public Expenditure Review. World Bank (WB)
- WB (2017a) Doing Business 2017 – Equal opportunity for all. Economy profile, Ethiopia. World Bank, 14th edition.
- WB (2017b) World Bank Country Partnership Framework for The Federal Democratic Republic of Ethiopia for the period FY18-FY22.
- WB (2017c) 5th Ethiopia Economic Update: Why so idle? Wages and Employment in a Crowded Labor Market. World Bank Group.
- Woldegiyorgis, Ayenachew Aseffa, The Ethiopian Developmental State and Its Challenges (June 1, 2014). Available at SSRN: <http://dx.doi.org/10.2139/ssrn.2512907> (accessed on sept. 21st, 2017)

Are additional studies / analytic work needed? How and when will it be done?

List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.

6. Matching with Danish strengths and interests, engaging Danish actors, seeking synergy

Briefly summarise the key conclusions and implications for the programme of the analysis of the below points:

Identify:

- where we have the most at stake – interests and values,
 - where we can (have) influence through strategic use of positions of strength, expertise and experience, and
 - where we see that Denmark can play a role through active partnerships for a common aim/agenda or see the need for Denmark to take lead in pushing an agenda forward.
- Denmark has a clear interest in supporting strong refugee management systems in Ethiopia, including supporting Ethiopia in maintaining an open-door policy for refugees from the neighbouring countries (mainly South Sudan, Somalia, and Eritrea). Strong refugee management in Ethiopia, including increased opportunities for refugees out of camps under the CRRF, will help counter refugee pressures on Europe’s borders.
 - Denmark will be able to use the Programme in its ongoing dialogue with Ethiopia on the return and readmission agenda.
 - The Programme will be a strong vehicle for the promotion of ‘New Ways of Working’ enhancing coherence between humanitarian responses and development cooperation. Denmark will be able to use the Programme as an example of concrete action in this regard.
- Brief mapping of areas where there is potential for increased commercial engagement, trade relations and investment as well as involvement of Danish local and central authorities, civil society organisations and academia.
 - As such, it is not foreseen that the Programme in itself will promote or facilitate increased commercial engagement between Denmark and Ethiopia. However, increased awareness of Ethiopia as a refugee host-country combined with the concrete roll-out of the CRRF for Ethiopia and the broader concept of the CRRF could help promote partnerships with private sector, including Danish, in and around refugee camps and host communities. Should concrete opportunities arise; the Embassy will stand ready to assist in this regard.
 - Danish NGOs, including Danish Refugee Council and DanChurchAid and many others, are already present in Ethiopia and carrying out work in refugee settings, both

	<p>humanitarian responses and development cooperation.</p> <ul style="list-style-type: none"> - Academia could be involved from a research-point of view in terms of refugee management, migration, conflict etc. The Programme would in itself provide for a case study demonstrating ‘New Ways of Working’ enhancing coherence between humanitarian responses and development cooperation in very concrete terms.
<ul style="list-style-type: none"> - Assessment of the donor landscape and coordination, and opportunities for Denmark to deliver results through partners including through multilaterals and EU; 	<ul style="list-style-type: none"> - Main donors supporting the roll-out of the CRRF for Ethiopia, including the pledges made by the GoE, is Australia, the Netherlands, the EU, and the World Bank. - The coordination mechanism for the roll-out of the CRRF for Ethiopia will be the foreseen comprehensive governance structure. However, the Development Assistance Group (DAG) and the EU+ Migration Coordination Group could also be envisioned to play a role in terms of overall coordination and linking to broader policies and policy dialogue, including with the GoE.
<p><i>List the key documentation and sources used for the analysis:</i></p> <p>The World 2030: Denmark’s strategy for development cooperation and humanitarian action Relevant documentation for UNHCR on the CRRF for Ethiopia</p>	
<p><i>Are additional studies / analytic work needed? How and when will it be done?</i></p> <p>List additional studies that will be carried out as part of the preparation phase, including studies that will be carried out jointly with others or by partners / other donors.</p>	

Annex 6: Quality Assurance checklist for appraisal of programme⁵

The checklist is signed by the appraising desk officer and management of the MFA unit and attached to the grant documents. Comments and reservations, if any, may be added below each issue.

File number/F2 reference: 2017-38727

Programme/Project name: Opportunities for refugees and host-communities in Ethiopia (2018-2020) – Support to the roll-out of the Comprehensive Refugee Response Framework (CRRF) for Ethiopia

Programme/Project period: 2018-2020 (3 years)

Budget: DKK 85.0 million

Presentation of quality assurance process:

Appraisal/quality assurance of the Programme has been conducted by the Embassy in agreement with the Department for Technical Quality Support (TQS) due to the shorter than usual preparation process. TQS as well as the Department for Humanitarian Action, Migration and Civil Society (HMC) has been consulted and been an integrated part of the preparation process.

During preparation, the Programme has been assessed by the Embassy's Programme Committee as well as Danida's Programme Committee to be ready for presentation to the Council for Development Policy. During preparation, it was decided to include an external inception review as part of the Programme's monitoring mechanism with the aim of assessing implementation and, where relevant, suggest possible changes in direction of the Programme. The inception review will complement and strengthen the appraisal/quality assurance process undertaken.

This has been considered an appropriate QA process as the Embassy has adequate technical capacity within the appropriate QA process, including in-depth knowledge of the main partner in the Programme, UNHCR.

The appraisal process is documented through the completion of the below appraisal checklist by the Embassy. The appraisal process has concluded that the appropriation is ready for presentation to the Council for Development Policy without any further reservations.

The design of the programme/project has been assessed by someone independent who has not been involved in the development of the programme/project.

Comments:

The design of the Programme has been assessed by both the Embassy's Programme Committee as well as Danida's Programme Committee.

⁵ This format may be used to document the quality assurance process of appropriations above DKK 10 million, where a full appraisal is not undertaken as endorsed by TQS (appropriation from DKK 10 up to 37 million), or the Programme Committee (appropriations above DKK 37).

❑ The programme/project complies with Danida policies and Aid Management Guidelines.

Comments:

The Programme is consistent with the Danish priorities for development cooperation as outlined in Denmark's strategy for development cooperation and humanitarian action, *The World 2030*. In particular, the emphasis is on strengthened protection and improved livelihoods, education, and employment opportunities for refugees and local communities, thereby countering refugee pressures on Europe's borders. Further, the Programme Document has been prepared according to and complies with Danida Aid Management Guidelines.

❑ The programme/project addresses relevant challenges and provides adequate response.

Comments:

Ethiopia is currently hosting more than 880,000 refugees and is maintaining an open-door policy for the regions' refugees. The GoE has increasingly sought a long-term and more sustainable response that goes beyond care and maintenance of refugees to promote their self-reliance, which is reflected in the pledges made by the Ethiopian Prime Minister to provide more opportunities for refugees in the country. Ethiopia became one of the first countries to initiate the implementation of the CRRF. The challenges of hosting such a large refugee population combined with the opportunities for action under the CRRF and the pledges provide for opportunity to support Ethiopia in this process with a view of seeking durable solutions in the region of origin.

❑ Comments from the Danida Programme Committee have been addressed (if applicable).

Comments:

The Programme Committee acknowledged that UNHCR is seen as the right and relevant partner, but it was stressed that it would be important to ensure involvement of local authorities and to ensure local ownership, which would help to secure the sustainability after the Programme has ended. How the civil society community may be engaged should also be described. The Programme Committee supported the importance of the involvement of the Administration for Refugees and Returnee Affairs (ARRA) but also stressed that ARRA should not be involved directly in the implementation of the development activities.

The rationale for selecting UNHCR as the main partner in the Programme is well justified. The arguments presented have been thoroughly reflected in the Programme Document as has the need to ensure local ownership. Strengthening of national structures and systems will be a priority in the implementation. In its ongoing dialogue with UNHCR and other partners during roll-out and implementation, the Embassy will promote and ensure that ARRA, as a central collaborating partner, as well as relevant line ministries will take ownership and be at the core of activities. Engagement from local civil society is expected during implementation. Where and when relevant, ARRA could at times be seen as an implementing partner. This would e.g. be the case under the documentation objective due to its presence in the refugee camps.

Concerns were raised in the Programme Committee towards the need to also involve the young refugees from South Sudan in the Programme as much as possible despite a general lower educa-

tion level. It was noted with appreciation that young people from the host communities would also be catered for in the programme.

Although, there will be an emphasis on youth from the Somali and Eritrean refugee populations, as these two groups seem to be more prone to onward migration, including to Europe, as access to primary education increases for the South Sudanese refugee population, it could be considered also to include this group in the Programme's educational activities during implementation.

- ❑ **The programme/project outcome is found to be sustainable and is in line with the national development policies and/or in line with relevant thematic strategies.**

Comments:

With the 'safeguards' introduced in the Programme, i.e. to ensure that strengthening of national structures and systems will be a priority in the implementation, the Programme is found to be sustainable.

The Programme is consistent with the Danish priorities for development cooperation as outlined in Denmark's strategy for development cooperation and humanitarian action, *The World 2030*. In particular, the emphasis is on strengthened protection and improved livelihoods, education, and employment opportunities for refugees and local communities, thereby countering refugee pressures on Europe's borders. Further, the Programme enhances coherence between humanitarian responses and development cooperation. The Programme aligns with relevant Sustainable Development Goals (SDGs), including SGD1 (no poverty) and SDG16 (peace, justice, accountable institutions), as well as to the overall objectives of the CRRF and the Government of Ethiopia's (GoE) nine pledges. The pledges are aligned with the GoE's Growth and Transformation Plan (GTP II), i.e. the national development policies.

- ❑ **The results framework, indicators and monitoring framework of the programme/project provide an adequate basis for monitoring results and outcome.**

Comments:

The results framework and its indicators are at the overall level found to be adequate. They have been prepared in accordance with relevant Danida Aid Management Guidelines. With few exceptions, the indicators are quantitative, although at impact level a qualitative assessment will have to be made.

It is to be noted that where necessary and where relevant, UNHCR can report on progress at outcome/output level using indicators at national (and not at target group level) level with a view of streamlining reporting requirements. This is found to be acceptable and in line with good donor behaviour.

- ❑ **The programme/project is found sound budget-wise.**

Comments:

To ensure a successful roll-out of the CRRF for Ethiopia, including assisting Ethiopia on delivering on its pledges, the Programme is found to be sound budget-wise. It is noted, that the funding made available under the Programme will act as a catalyst allowing for necessary national

systems to be put in place at this crucial stage, including technical capacity to support the CRRF for Ethiopia (at the level of ARRA, relevant line ministries, and UNHCR). This is an inherent part of the Programme and the justification and is found to be acceptable.

The programme/project is found realistic in its time-schedule.

Comments:

The three-year timeframe is found to be realistic. This assumption rests i.a. on the fact that the foreseen governance structure will be agreed and that the CRRF for Ethiopia is launched officially in the course of the autumn.

Other donors involved in the same programme/project have been consulted, and possible harmonised common procedures for funding and monitoring have been explored.

Comments:

During preparation, the Embassy has actively been engaged in relevant CRRF and humanitarian fora with a view to ensure complementarity and coordination. The foreseen governance structure, including also its technical working groups, will ensure a common approach and joint monitoring.

The Danida guidelines on contracts and tender procedures have been followed.

Comments:

No particular issues are raised regarding contracts and tender procedures.

The executing partner(s) is/are found to have the capacity to properly manage and report on the funds for the programme/project and lines of management responsibility are clear.

Comments:

The rationale for selecting UNHCR as the main partner in the Programme is well justified. The arguments presented have been thoroughly reflected in the Programme Document. UNHCR is a long standing partner to Denmark. The point of departure for the agreement covering the Programme will be the 'Humanitarian Partnership Framework Agreement 2017-2021 between Denmark and UNHCR'.

Risks involved have been considered and risk management integrated in the programme/project document.

Comments:

Key risks presented are relevant and mitigating measures are found to be adequate.

- In conclusion, the programme/project can be recommended for approval: yes / no
- Issues related the HRBA/Gender have been considered adequately
 - Issues related to Green Growth has been considered if applicable
 - Environmental risks are addressed by adequate safeguards when relevant

Date and signature of desk officer: 10.10.2017 Åge Sandal Møller, Counsellor, Embassy

Date and signature of management: 12.10. 2017 Mette Thygesen, Ambassador