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# INSTITUTIONAL ARCHITECTURE FOR FOOD SECURITY POLICY CHANGE: ETHIOPIA

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# INSTITUTIONAL ARCHITECTURE FOR FOOD SECURITY POLICY CHANGE: ETHIOPIA

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## **DISCLAIMER**

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## ACRONYMS

ADLI	-	Agricultural Development Led Industrialization
ATA	-	Agricultural Transformation Agency
ATC	-	Agricultural Transformation Council
ATP	-	Agricultural Transformation Plan
BoARD	-	Bureau of Agriculture and Rural Development
BFS	-	Bureau for Food Security
DA	-	Development Agents
DAG	-	Development Assistance Group
CAADP	-	Comprehensive African Agriculture Development Programme
CCRDA	-	Consortium of Christian Relief and Development Association
CIAFS	-	Capacity to Improve Agriculture and Food Security Project
CSA	-	Central Statistics Agency
EDRI	-	Ethiopian Development Research Institute
EGTE	-	Ethiopian Grain Trade Enterprise
EIAR	-	Ethiopian Institute for Agricultural Research
EWEA	-	Ethiopian Women Entrepreneurs Association
GTP	-	Growth and Transformation Plan
IDLO	-	International Development Law Organization
ISSD	-	Integrated Seed Sector Development Africa
MDGs	-	Millennium Development Goals
MoARD	-	Ministry of Agriculture and Rural Development
MoFED	-	Ministry of Finance and Economic Development
PASDEP	-	Plan for Accelerated and Sustained Development to End Poverty
PIF	-	Agricultural Sector Policy and Investment Framework
PPD	-	Planning and Programme Directorate
PRSP	-	Poverty Reduction Strategy Program
RED&FS	-	Rural Economic Development and Food Security Working Group
USAID	-	United States Agency for International Development

# INTRODUCTION AND METHODOLOGY

## PURPOSE OF THE ASSESSMENT

The path and trajectory of a policy change is a complex, non-linear process that is often unique to a particular country. While no two countries share precisely the same process, effective policy changes can and do share similar features; namely, predictable, transparent, inclusive, and evidence-based policy-making. A core concern and commitment of African leaders in advancing the Comprehensive African Agriculture Development Programme (CAADP) framework is to establish a policy enabling environment for the implementation of national agricultural investment plans. In support of this goal and recognizing the critical importance of the quality of the policy change process, the United States Agency for International Development's (USAID) Bureau for Food Security (BFS) is emphasizing the need for an understanding of the Institutional Architecture for Food Security Policy Change.<sup>1</sup>

Institutional Architecture provides for a framework for analyzing a country's capacity to undertake food security change.<sup>2</sup> This is accomplished by identifying implementation barriers, designing policy options, and coordinating actions across public and private institutions. This assessment examines the components of a policy-making process; providing USAID, local policymakers, and other key stakeholders with information on possible constraints that could stymie effective policy change. This work will help inform USAID as it explores new approaches for technical assistance to improve the capacity and performance of the policy change process.

## METHODOLOGY

### Part I: Mapping of Institutional Architecture for Policy Change

The first part in this process maps out the key systems, processes, and relationships that influence food security policy development. This involves identifying and mapping: the guiding policy framework, the key institutions that hold primary responsibility for implementation, inter-ministerial coordination mechanisms, private and civil society organizations, as well as think tanks and research organizations, that impact and influence the food security policy change process. These factors are examined in the context of the broader economic and social dynamics that impact the policy change environment.

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### Part II: Capacity of Food Security Policy Change

The second part of this assessment involves an analysis of a country's capacity to undertake transparent, inclusive, predictable, and evidence-based policy change. The country is examined through the following six components of the policy formation process to determine its 'readiness for policy change':

- Policy Element 1: Guiding Policy Framework

<sup>1</sup> Institutional Architecture is defined as the set of partner-country procedures and processes for data collection and analysis, consultation and dialogue, policy proposal, feedback, approval, implementation, and enforcement.

<sup>2</sup> Food Security is defined by Feed the Future as "when all people at all times have access to safe and sufficient food to meet their dietary needs for a productive and healthy life. There are four main components: availability, accessibility, utilization, and stability of food."

- Policy Element 2: Policy Development and Coordination
- Policy Element 3: Inclusivity and Stakeholder Consultation
- Policy Element 4: Evidence-based Analysis
- Policy Element 5: Policy Implementation
- Policy Element 6: Mutual Accountability

Each of these components is analyzed through a set of indicators that determine the capacity and effectiveness of the overall policy change process. Each indicator is assessed using a three-tier rating system, which highlights the level of attention needed to improve the effectiveness of the component. A *Green* rating means the component is realized to a sufficient degree, and additional attention is not required. A *Yellow* rating means that the conditions required to achieve the component are partially achieved, but additional attention is required. A *Red* rating means that significant attention is needed to ensure the component is achieved. Indicators will be accompanied with a narrative analysis of key gaps and constraints to the policy change process.

### Part III: Summary Conclusions and Recommendations

The third part draws conclusions based upon the above set of findings, and develops recommendations for future action.

## OVERVIEW OF THE FOOD SECURITY CHANGE PROCESS IN ETHIOPIA

According to the Central Statistics Agency (CSA), agriculture has grown by an average 10% per annum since 1994<sup>3</sup>, spurred by comprehensive, sector-wide economic reforms and the creation of a federal government system. The sector is critical to overall economic performance and poverty alleviation, contributing 41% to national income. Agricultural production consists largely of cereals, which account for 70% of agricultural Gross Domestic Product (GDP). Despite strong growth, substantial challenges remain. The sector remains dominated by subsistence, low output, rain-fed farming, with smallholder production accounting for 95% of agricultural GDP. Use of agricultural inputs, including fertilizer and improved seeds, remains low, and inadequate access to irrigation technologies leaves the sector vulnerable to draught.<sup>4</sup>

The Government has maintained a strong commitment to agriculture, allocating over 10% of the national budget to agriculture, as well as training and assigning more than 45,000 Development Agents (DAs). Ethiopia was the third country to sign the CAADP Compact in 2009. The national food security plan is articulated in the 'Agricultural Sector Policy and Investment Framework (PIF)'. The PIF operationalized the CAADP Compact and provides a 10 year strategic framework for priority areas of investment and estimations of financing needs.<sup>5</sup>

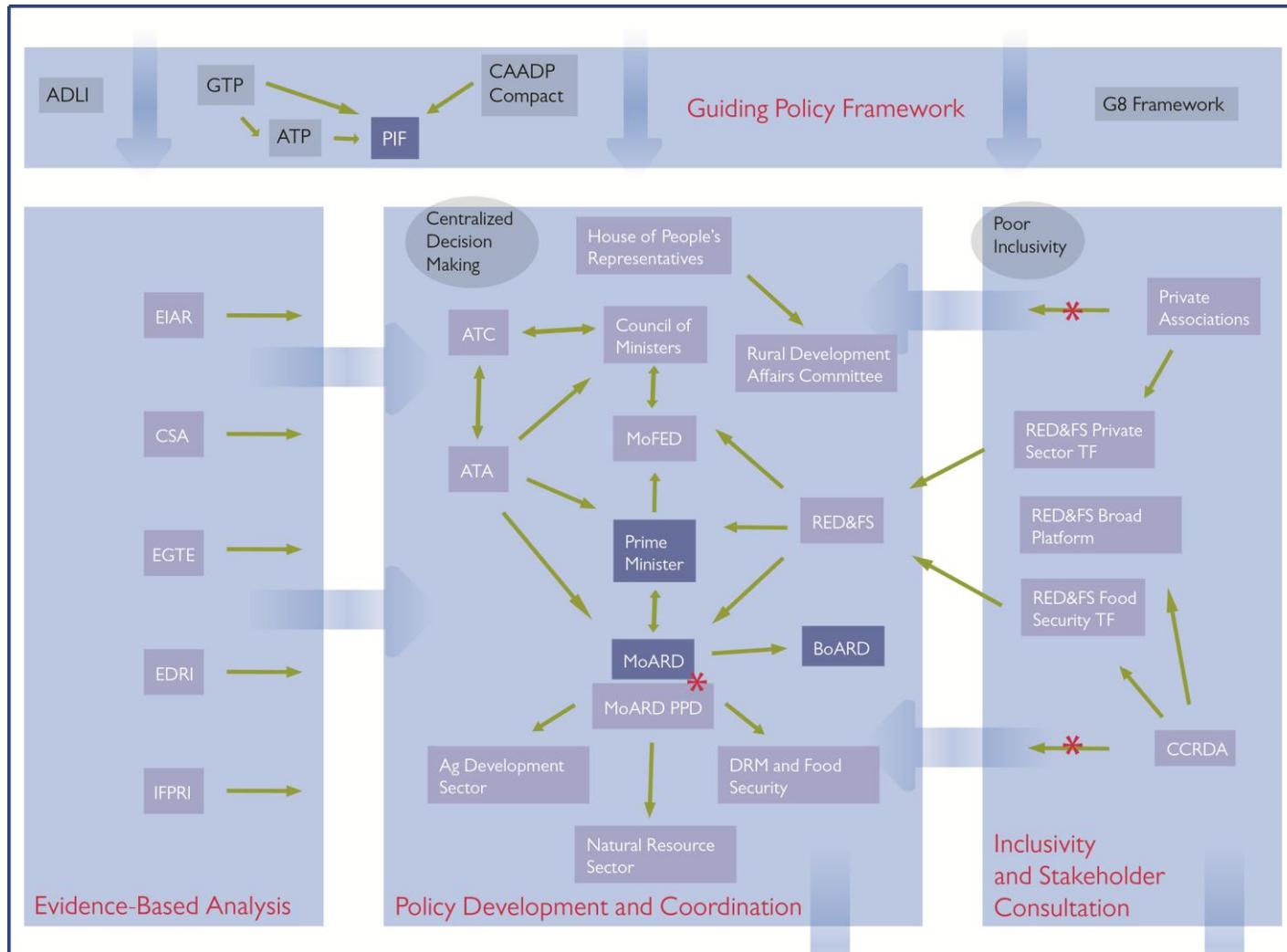
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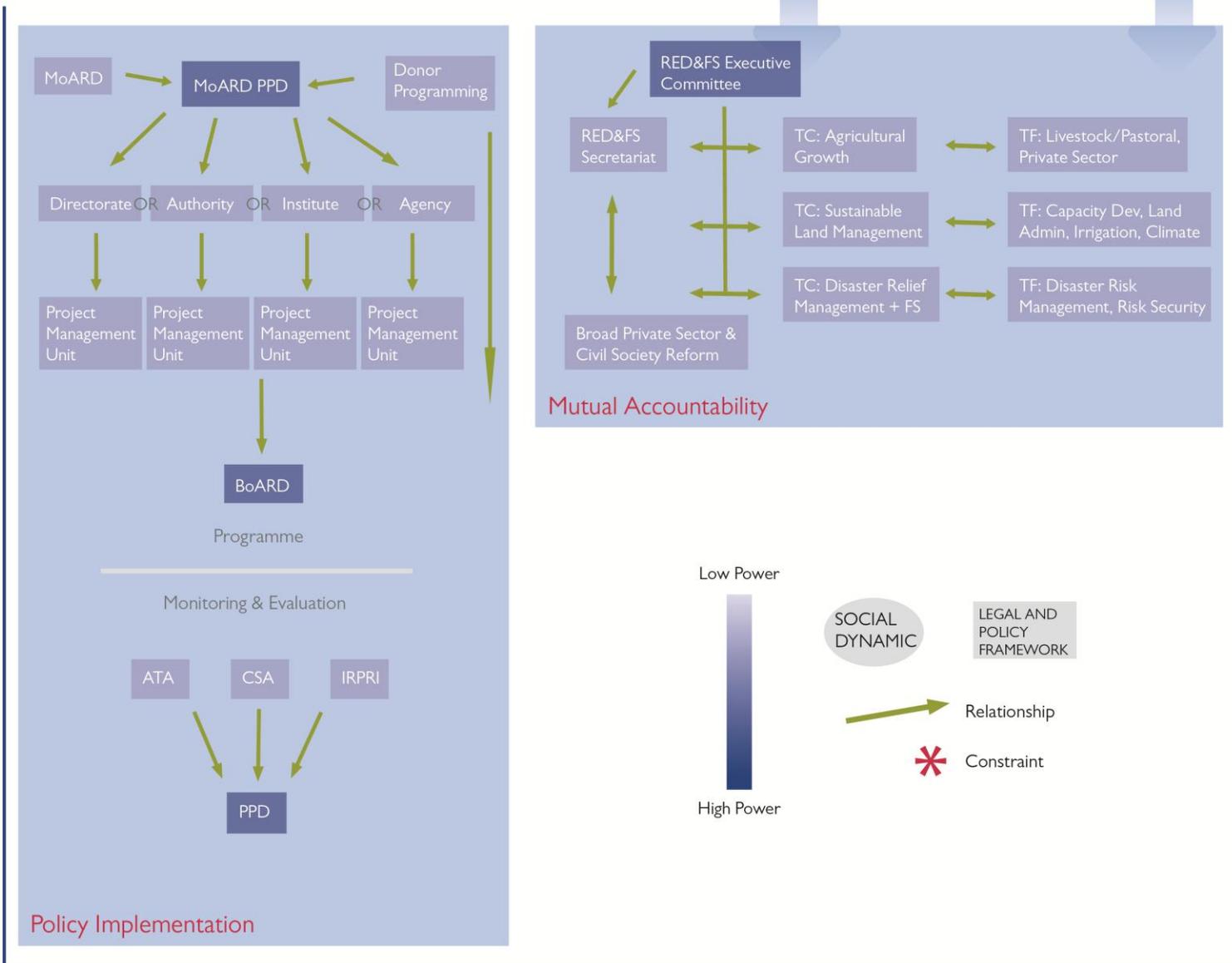
<sup>3</sup> The IMF has estimated growth at a lower level during this period.

<sup>4</sup> Ministry of Agriculture and Rural Development, Ethiopia's Agricultural Sector Policy and Investment Framework (PIF), 2010-2020

<sup>5</sup> Ibid

# PART II: AGRICULTURE & FOOD SECURITY POLICY CHANGE MAP





# PART II: CAPACITY OF FOOD SECURITY POLICY CHANGE

## POLICY ELEMENT 1: THE GUIDING POLICY FRAMEWORK

*Ethiopia has a consistent set of policies and strategies for agriculture and rural development, prioritizing the promotion of food security and poverty reduction.*

### OVERVIEW

In the mid-1990s, the government introduced a long-term development initiative called **Agricultural Development Led Industrialization (ADLI)**. This initiative led to an aggressive program to accelerate development progress; including a big push on human capacity, expanding infrastructure, liberalizing the economy, building institutions, and decentralizing government.

As part of the realization of ADLI, several policies were formulated. The first generation **Poverty Reduction Strategy Program (PRSP)** was prepared and implemented in 2001.<sup>6</sup> The second generation poverty reduction strategy called **Plan for Accelerated and Sustainable Development to End Poverty (PASDEP)** was initiated for period 2005-2010. PASDEP was synchronized and aligned with the Millennium Development Goals (MDGs) and CAADP framework. PASDEP has since been overtaken by the **Growth and Transformation Plan (GTP)**, which is Ethiopia's national development plan for 2010-2015 and calls for Ethiopia to be a middle income country by 2020. Under the GTP there are a number of sector-specific development plans, and the development plan for agriculture is the **Agricultural Transformation Plan (ATP)**.

The **Agricultural Sector Policy and Investment Framework (PIF)**, enacted in 2010, is Ethiopia's guiding food security plan, designed to achieve 8% annual growth in agricultural productivity. The PIF operationalized the **CAADP Compact**, signed in 2009, and provides a ten year strategic framework for priority area for investment and estimates of financing needs. All government food security programs are now based on the achievement of objectives set out by the PIF.

Additionally, as part of the **G8 Cooperation Framework** to support 'The New Alliance for Food Security and Nutrition', the government has committed to focusing on increasing transparency in trade policy; improving incentives for the private sector, developing and implementing a transparent land tenure policy; and encouraging a private sector led seed industry.<sup>7</sup>

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<sup>6</sup> Later replaced with the Sustainable Development and Poverty Reduction Program (SDPRP) which was operational between 2001-2004/05

<sup>7</sup> G8, G8 Cooperation Framework to Support The 'New Alliance for Food Security and Nutrition' in Ethiopia, 2012

## CAPACITY FOR POLICY CHANGE INDICATORS

### a. Clearly Defined and Consistent Policy Framework

*Status: Green*

Ethiopia has a consistent set of policies, laws, and regulations towards ensuring food security and reducing poverty, articulated in ADLI, GTP, ATP and PIF.

### b. Predictability and Transparency of the Policy-Making Process

*Status: Yellow*

The predictability and transparency of food security policy formulation and implementation is not consistent. While there is a clearly articulated legal process for developing and approving policy, this process is not adhered to, and is often by-passed during the law-making and implementation processes. The speed of the policy initiation and approval process is considerably influenced by a small group of high-level policy makers.

#### Clear and Functional Legislative System

*Status: Yellow*

The legal framework for the legislative system is well developed and is clearly articulated. However, in practice, the Executive, driven by the Prime Minister, exerts a lot of influence over the legislative, and the extent of parliamentary deliberation is limited.

### c. Appropriate Dispute Resolution Process/Judicial Framework

*Status: Yellow*

The legal framework for the Judiciary is well developed and clearly articulated. However, in practice, the Judiciary is not considered strong and independent, and stakeholders feel they have little effective means to challenge the policy decisions of the Prime Minister and Executive.

### d. Clearly Defined Institutional Responsibilities

*Status: Yellow*

Institutional responsibilities are well developed and clearly articulated. However, there are large cross-cutting areas relevant to food security where the institutional responsibilities need to be clarified. For instance, licensing private investment on agriculture calls for involvement by several core institutes. However, its current approval process is dominated mainly by the National Investment Agency and MoARD.

## RECOMMENDATIONS

1. Develop and support programs with the Parliament and MoARD to make existing laws (including proclamations, regulations, directives) more readily available to the public on-line and in print, starting with agriculture and food security-related laws. An inclusive comment period of 30 days should be implemented across the board.

2. Provide technical support to Parliament and MoARD to develop and operate a web-based legislation tracking system that tracks the passage of legislation through its steps from MoARD, to the Council of Ministers, to Parliament, and make this available to the public online.

## POLICY ELEMENT 2: POLICY DEVELOPMENT AND COORDINATION

*The formulation of national and macro-level policies and strategies is predominantly undertaken by the federal government, whereas regional governments are responsible for formulating policies and strategies on issues affecting their particular jurisdictions. Policy making in Ethiopia is highly centralized, with reform driven predominately by the Prime Minister's Office.*

### OVERVIEW

Ethiopia has a decentralized federal system, with nine regional states and two administrative cities, and further decentralization of the regional states into *Woreda* (districts) and *Kebele* (lowest administrative units). Policy-making is heavily centralized within the executive branch. The **Prime Minister** is the most influential actor in setting the policy agenda. The Prime Minister has five State ministers who oversee performance of all line ministries on regular basis, including the State Minister for Agriculture and Industrial Sector Monitoring. The policy development process is led at the national level by **the Ministry of Economic Development (MoFED)**. A **Council of Ministers**, comprising twenty **Line Ministers**, is responsible for coordinating policy design and implementing public strategies and policies.

The process for developing a new law usually starts with the Prime Minister. The relevant line ministry will develop the main elements of a proclamation, which needs to be approved by the Council of Ministers. The draft proclamation is then sent to one of eleven standing committees in the **House of People's Representatives** (including the **Rural Development Affairs Standing Committee** for agricultural issues), where it is publicized, public consultations held, and a report presented to the House for voting.<sup>8</sup> Once approved, the draft proclamation goes to the President for signature, and the final proclamation is gazetted in the Federal Negarit Gazeta, where it is considered a fully approved law. The implementation of the law is usually supported by Regulations, which are approved by the Council of Ministers, and Directives, which are approved by the Line Ministries. Circulars are also issued by the Line Ministries, or their equivalent agencies and departments, but their legal grounding is not clear.

The **Ministry of Agriculture and Rural Development (MoARD)** is the primary institution for food security policy development, with full responsibility for development and coordination of agricultural development programs and projects at the federal level. MoARD is divided into three organizational sectors: **Agricultural Development Sector**, **Natural Resources Sector**, and **Disaster Prevention & Food Security Sector**. There are three State Ministers responsible for each of the sectors. The **MoARD Planning and Programming Directorate (PPD)** is central to implementing the policy reform, with responsibility for prioritizing investments, designing and coordinating projects, and assessing potential impact towards the PIF.<sup>9</sup> MoARD is supported at the regional level by the **Bureau of Agriculture & Rural Development (BoARD)**. The regions have the authority to develop their own policies, but these must be ratified at the federal level.

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<sup>8</sup> Government of Ethiopia, 2012, <http://www.ethiopia.gov.et/English/Information/Pages/GovernmentStructure.aspx>

<sup>9</sup> Ministry of Agriculture and Rural Development, Ethiopia's Agricultural Sector Policy and Investment Framework (PIF) 2010-2020

In 2010, the **Agricultural Transformation Agency (ATA)** was established to address systemic bottlenecks in the agriculture sector by supporting and enhancing the capability of MoARD and other public, private and non-governmental implementing partners. The ATA has high-level political support and plays a pivotal role in advocating and formulating new policy reforms. The ATA is governed by the **Agricultural Transformation Council (ATC)**, which is responsible for setting the strategic direction of the agency, approving plans and evaluating agency performance, and establishing technical committees. The ATC is chaired by the Prime Minister, with the Ministry of MoARD serving at the deputy chair.

Agricultural policy is also driven by the joint donor-government **Rural Development and Food Security Working Group (RED&FS)** (Discussed below in the Mutual Accountability section in more detail). RED&FS mirrors the structure of MoARD, with technical committees in each of MoARD's organizational sectors. This structure has made considerable contribution in terms of mobilizing donors under one umbrella and enhancing investment in the priority areas of agriculture sector development. While RED&FS enjoys high-level political participation, its role in policy formulation is limited to technical advice and consultation where is it deemed appropriate by MoARD. It is currently unclear how ATA and RED&FS will engage and coordinate with each other for policy reform, as no formal structures are currently in place.

#### **CAPACITY FOR POLICY CHANGE INDICATORS**

a. Approved Food Security Strategy/Investment Plan

*Status: Green*

Under PIF, the country has a comprehensive multi-year food security plan.

b. Predictable Policy Agenda and Priorities Development

*Status: Yellow*

Under PIF, there are clearly articulated, consistent, priority objectives and a clear implementation roadmap. However, there has also been recent policy unpredictability relating to export bans, foreign exchange, and banking laws, which serve to undermine this policy agenda.

c. Annual Work Plans

*Status: Green*

Under PIF, the country has annual work plans that identify objectives, activities and indicators for gauging in policy development and progress review at the end of every year.

d. Functioning Coordination Process

*Status: Red*

PPD has responsibility for the coordination and planning process within MoARD. However, PPD suffers from capacity constraints and high turnover. Coordination between federal and regional government in terms of policy formulation, implementation, monitoring and evaluation, and exchanging feedback is less clear.

e. Secretariat/Administrative Support Function

*Status: Yellow*

The effectiveness of the administrative support functions within the MoARD remains constrained by capacity limitations, including limited human resources, equipment, and communications.

f. Technical Capacity

*Status: Yellow*

Within the MoARD, there are task forces operating under each of the three MoARD technical sections. These task forces suffer from capacity constraints, including limited financial and human resources, but are supported by corresponding working groups within RED&FS, as well as advisors from ATA. For instance, internal technical capacity of Planning and Program Directorate (PPD) is found to be inadequate to undertake major assignments effectively.

g. Political Support and Approval

*Status: Green*

Agriculture and food security has high political attention and commitment in Ethiopia, evidenced from participation of high-level decision-makers in food security policy.

h. Engagement of Parliament/Legislative Body

*Status: Yellow*

There is standing committee for agriculture and food security affairs in the parliament to process legislative issues of the sector. The Ministry of Agriculture submits bi-annual progress reports, planned activities, conducts joint meetings, and receives comments from standing committee on issues to be improved. Standing committee oversight also extends into implementation of projects, with committee members traveling to project sites. However, the capacity of the committee to undertake independent analysis and enforce its comments is limited due to inadequate internal capacity.

## **RECOMMENDATIONS**

1. Work with ATA and RED&FS to develop clear coordination structures to provide technical and administrative support for policy reform.
2. Strengthen the capacity of the House of People's Representatives to undertake independent research on draft policies.
3. Support the findings of the PIF Implementation Report to strengthen the capacity of PPD in such areas as human resources, financial planning, and monitoring and evaluation.

## POLICY ELEMENT 3: INCLUSIVITY AND STAKEHOLDER CONSULTATION

Inclusion of the private sector and civil society organizations in policy formulation discussions at a substantive level remains a weak spot within the Ethiopian agriculture sector. Stakeholders do not believe they are systematically requested to provide their points of view on policy and programs in the sector or subsectors of interest to them.

### OVERVIEW

The private sector does not play a significant role in the policy development process. In some cases, the private sector may be consulted ad-hoc on the development of new policies (often after the policy has been developed), and private sector views may be channeled, but there is no existing institutional mechanism that regularly supports or includes private sector participation. There are a number of professional women's groups, represented by the umbrella organization **Ethiopian Women Entrepreneurs Association (EWEA)**. EWEA has limited involvement in policy-making, and describe their role as "participation without a voice".

There are currently a number of initiatives underway to begin increasing private sector engagement with the PIF process, including commitments under the G8 New alliance agreement on increased private sector involvement. A **Private Sector Working Group**, for instance, has been established under the **RED&FS Agricultural Growth Technical Committee**. No private sector representative has yet been officially appointed to participate in the group and the newly formed group has yet to establish holding a regular meetings. RED&FS also hosts a bi-annual **Broad Platform** meeting with the private sector and civil society, where the minutes of the meeting are presented to the RED&FS Executive Committee.

Open and free participation on the part of CSOs in policy formulation appears weak as a result of a history of mistrust between the government and CSOs. Civil society involvement in policy reform is informal, and largely limited to ad hoc invitations to attend stakeholder meetings. Civil society is represented by the **Consortium of Christian Relief and Development Association (CCRDA)**, which serves as a forum for over three hundred NGOs and CSOs operating in Ethiopia. CCRDA is a member of the **RED&FS Food Security Task Force**. The government reports difficulty in involving civil society, due to the large number and disorganized nature of actors.

### CAPACITY FOR POLICY CHANGE INDICATORS

a. Inclusive Participation within the Policy Coordination Management Entity

*Status: Yellow*

The RED&FS Broad Platform meeting provides an opportunity for private and civil society engagement, and the minutes of the meeting are presented to the RED&FS Executive Committee. Private and civil society is also invited to participate in specific RED&FS task forces, although their role is limited. There is no formal mechanism for engagement with MoARD and the PPD.

b. Outreach and Communications

*Status: Yellow*

Stakeholders report that information on policy reform is generally only circulated after the policy has been drafted. These meetings are generally informally organized, and information flow is reported to be one way.

c. Private Sector Participation – Opportunity/Space

*Status: Yellow*

Where there is private sector participation, it is predominantly ad-hoc and informal. In the case of the recent Seed Proclamation, the Ethiopian Seed Growers and Producers Association (ESGPA) participated in two meetings with the MoARD, but did not know the final content of the Proclamation. However, commitments under the G8 Framework have expanded the opportunity for private sector involvement, as evidenced by the creation of a Private Sector Working Group under RED&FS.

d. Private Sector Participation – Capacity to Participate

*Status: Yellow*

Policy engagement capacity for the most part is, indeed weak, and generally reactive rather than proactive. The larger companies, as in the case of the Seed Proclamation, carry the policy engagement load for smaller companies that have less capacity.

e. Participation of CSOs – Opportunity/Space

*Status: Red*

Government has expressed an unwillingness to work with “advocacy NGOs”. In MoARD there is a forum for NGOs and other organizations involved in disaster assistance and food security support. This **Agriculture Task Force (ATF)** is led at the division (“case team”) level within the DRMFS, is co-chaired by FAO, and is held on a monthly basis. The ATF meeting is now also taking place at the regional level as well.

f. Participation of CSOs – Capacity to Participate

*Status: Red*

NGOs are so tied down in their efforts to survive in the face of the “70-30” Proclamation on NGOs, and the stringent requirements of the Charities and Societies Agency (CSA), the regulator of NGOs, that they have limited resources or time to engage effectively on policy matters. Besides, as evidence from key informants indicates, most CSOs have limited internal technical capacity in agriculture policy, which severely constrains their participation and influence on policy matters.

## RECOMMENDATIONS

1. Help the government and CSOs develop a guiding framework that spells out the terms of engagement better and will enable government to work jointly with CSOs on policy development, implementation, and measurement of impact.
2. Continue to provide capacity building support, training, and possibly material to private sector associations, such as the **Ethiopian Women Entrepreneurs Association (EWEA)** to improve capacity to engage government in policy discussions related to agriculture and food security, specifically to development of white papers, policy, and issues briefs related to agribusiness.
3. Support networking and public-private dialogue forums and joint leadership training events that can continue to build trust between public, private, and civil society sectors.

## POLICY ELEMENT 4: EVIDENCE-BASED ANALYSIS

*There is a growing appreciation by the Government of Ethiopia of the importance of evidence based policy-making.*

### OVERVIEW

Ethiopia has primary government organizations engaged in data collection, compilation, analysis, and reporting at different levels. The **Central Statistical Agency (CSA)** is a lead institution with the overall mandate of generating different economic and social statistics at national level. It is supported by **Ethiopian Grain Trade Enterprise's (EGTE)** price statistics. There are also institutions like **Ethiopian Economic Association (EEA)**, **Ethiopia Strategy Support Program (ESSP)**, **Ethiopian Development Research Institute (EDRI)**, **International Food Policy Research Institute (IFPRI)**, and different universities, which provide research based policy information to support evidence based policy making processes.

The influence of research output and communication on the policy reform process is not direct or easy to gauge. Most agricultural research is based on national CSA data, although concerns were raised about its political impartiality and a tendency to overstate national growth and productivity trends. However, key informants have indicated greater requests by policy makers to conduct and communicate relevant policy research. Increasingly performance reviews of ongoing policy initiatives are being commissioned. For instance, impact and effectiveness of Productive Safety Net Program (PSNP), annual performance review of PIF and GTP, macroeconomic indicators, and other several evidences on national economy and food security are regularly generated and reported by independent policy analysts like ESSP/IFPRI.

### CAPACITY FOR POLICY CHANGE INDICATORS

- a. Economic and Financial Analysis Completed as a Component of Planning:  
*Status: Green*  
Economic and Financial analysis has been included in economic planning under MoFED, as well as in the PIF.
- b. Performance Monitoring Measures and Targets Developed  
*Status: Green*  
Under PIF, priority objectives have clearly defined and measured development targets.
- c. Quality Data Exists for Policy Monitoring  
*Status: Yellow*  
National level agricultural data exists, but at the regional level there are gaps. There are concerns that the CSA data is overstated to meet political ambitions and often inconsistent. An example of this is GDP estimates, which are only available at the national level and much higher than IMF estimations. Some regions are currently conducting their own GDP assessments.
- d. Quality Data is available for Policy Making  
*Status: Yellow*  
Data is available, but is often not timely or easily accessed. For instance, CSA puts reports on website, but the underlying data is often not available.

e. Inclusion of Analysis in the Policy Development Process

*Status: Yellow*

Independent evidence has not regularly informed policy discussions in the stage of formulation or during impact evaluation. However, stakeholders report a growing openness by policy makers to evidence-based decision making, which is most clearly demonstrated through the ATA.

f. Capacity to Monitor Policy Implementation and Results

*Status: Yellow*

While the PPD has the mandate to undertake M&E, its internal capacity and ability to review data on policy performance is nonexistent.

g. Annual Performance Measurement Report Produced and Reviewed

*Status: Yellow*

At both federal and regional levels, reports of annual performance are produced. However, quality of reports in terms of indicating core development challenges and future options on the basis of evidence and independence is weak and incomplete.

h. Independent Analysis Capacity Exists

*Status: Yellow*

There are a number of institutions engaged in independent analysis; however their ability to publicize objective analysis is constrained by the political climate. The prevailing attitude that only government production estimates have validity constrains the reporting of any divergence in production figures. Producers of independent, divergent estimates will generally be given limited space for consultation. The independent study on Cereal Availability in 2008 serves as a typical case. Cereal production estimates by IFPRI and other team members were 34% lower than the Central Statistical Agency production estimates. The government did not welcome the results and systemically suppressed communication of the results.

## **RECOMMENDATIONS**

1. Support measures to improve public availability of key agriculture statistics, including a high-level dialogue focusing on the quality and consistency of publically generated data.
2. Support efforts to strengthen data and information flow between the federal and regional governments.

## POLICY ELEMENT 5: POLICY IMPLEMENTATION

*The policy implementation process is characterized by a limited degree of predictability and transparency, and suffers from capacity constraints, particularly in monitoring and evaluation (M&E).*

### OVERVIEW

Policy implementation and development is the responsibility of individual ministerial technical units, such as the Extension Directorate, but the work of these units is aligned with the PIF, and coordinated within the MoARD, across ministries, and with donor programs through the RED&FS. Regional governments are core implementers for projects under their jurisdiction.

MoARD and BoARD are responsible for technical and budgetary coordination of the PIF. Programmes are owned by MoARD under the responsibility of a Directorate, Authority, Institute, or Agency. Each programme is supported by a project management unit accountable to a Director.<sup>10</sup> The First Annual PIF Implementation Review noted constraints in accessing financial and budgetary information. The need for better portfolio management was highlighted to tackle the challenges of system fragmentation, poor linkages between federal and regional budgets and project budgets, and poor collection of data.<sup>11</sup>

Monitoring of the PIF's progress is the responsibility of the MoA PPD. However, a comprehensive food security M&E system has not yet been developed. There is currently an effort underway by the ATA, and other donors, to work together with PPD to develop a food security M&E system for the government, build capacity within PPD to operate the system, and transfer the system to PPD's management. The development of an initial database is being supported by IFPRI.

### CAPACITY FOR POLICY CHANGE INDICATORS

#### a. Implementation Plans Developed

*Status: Green*

The PIF is Ethiopia's guiding policy framework for agriculture and food security. It is widely viewed to be a very well developed policy and investment framework. The PIF has sufficient specificity and targets to serve as a guideline for the programs of government and financial and technical partners.

#### b. System in Place to Analyze Implementation Capacity Constraints

*Status: Green*

The RED&FS conducts annual PIF reviews and is currently drafting its second annual review. It is unclear to what extent issues are addressed, but the evolution of Task Forces within the RED&FS structure, such as the recent addition of a Private Sector Task Force under the Agricultural Growth Technical Committee and the addition of a Land

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<sup>10</sup> Ministry of Agriculture and Rural Development, Ethiopia's Agricultural Sector Policy and Investment Framework (PIF) 2010-2020

<sup>11</sup> Chayalew, D. et Chipete, M., 2013, First Annual Review: Agricultural Policy and Investment Framework (PIF) Implementation Final Report

Administration and Use Task Team under the Sustainable Land Management Technical Committee indicates a capacity to analyze constraints and adjust accordingly.

c. Food Security Policy Priorities Aligned with Work Plans of Line Ministries

*Status: Green*

Ministerial coordination takes place at the level of Inter-ministerial Sessions, through the State Ministers in the Prime Minister's office responsible for Agriculture and Rural Development, and through deliberation in the Council of Ministers.

d. Policy Implementation Budget Committed by Host Country

*Status: Green*

Ethiopia is among the few countries that have exceeded the 1% of the national budget to be committed to agriculture and food security programs under CAADP. Ethiopia has exceeded that target each year since 2005, committing over 18% each year from 2005 – 2010 and 21% in 2010. Besides, the GoE committed to finance 60% of estimated investment costs of Agricultural Policy and Investment Framework (PIF) implementation 2010-2020.

e. Supplemental Implementation Funds Secured

*Status: Green*

Ethiopia has demonstrated its ability to secure supplemental implementation funds by its success in accessing GAFSP Trust Fund funding. Ethiopia is the largest recipient of GAFSP funding, receiving \$51.5 million.

f. Administrative and Technical Capacity of Staff to Implement Policy Change

*Status: Yellow*

The administrative and technical capacity of staff to undertake required support (coordination, communication, documentation, budgetary planning, etc.) is limited. This problem is reinforced by high staff turnover.

g. Monitoring and Evaluation

*Status: Yellow*

PIF has an extensive plan for monitoring and evaluation, with a Results Framework including specified Strategic Objectives, outcomes, and targets. PPD has the mandate for monitoring and evaluation of PIF outcomes, but suffers from a lack of capacity and high staff turnover.

## **RECOMMENDATIONS**

1. Support the findings of the PIF Implementation Report in developing the monitoring and evaluation capacity of PPD including the development of results frameworks and the communication of M&E results.
2. While MOARD may be the initial focus, similar capacity building should be considered for the Regional Bureaus of Agriculture and Rural Development. Regional counterparts to MOARD PPD staff might be invited to M&E training provided to PPD. Additional technical support or coaching could be provided through ATA, CIAFS or IFPR.

## POLICY ELEMENT 6: MUTUAL ACCOUNTABILITY

*The Mutual Accountability framework in Ethiopia is strong, with the government-donor coordination group at the center of technical and financial support for food security policies.*

### OVERVIEW

The **Rural Development and Food Security Working Group (RED&FS)** is a government-donor coordination group focused on agriculture, food security and natural resources management established to promote mutual accountability. It was formally established in April 2008, just prior to the initiation of CAADP. The RED&FS is one of several government-donor sector working groups in Ethiopia established under the **Development Action Group (DAG)**. REDFS brings together all key government food security sector program managers and all donors into a single coordination and decision-making forum to discuss food security technical and policy issues.

The **RED&FS Executive committee** is chaired by the Minister of MoARD, and Executive committee members include all three MoARD State Ministers, as well as heads of food security-related Directorates. The decision-making structure of REDFS includes an **Executive Committee, Technical Committees, and Work Groups** that carry out the detailed technical work required to fulfill the PIFs implementation requirements and to address technical issues as they arise.

### CAPACITY FOR POLICY CHANGE INDICATORS

a. A Forum Exists for Regularly Scheduled Donor-Government Meetings

*Status: Green*

The RED&FS is widely considered to be an effective structure for regularly scheduled donor-government meetings related to agriculture and food security policy implementation.

b. Joint Policy Priorities Developed

*Status: Green*

Joint policy priorities are clearly articulated in the PIF, and the G8 New Alliance Cooperation Framework.

c. Monitoring System Exists

*Status: Green*

The PIF Results Framework has the necessary infrastructure upon which to structure a monitoring system, with four clear strategic objectives, and expected outcomes and milestones/targets identified. The RED&FS is tasked with conducting annual reviews of PIF implementation, with the second annual review ongoing.

d. Donor Coordination – Alignment and Harmonization

*Status: Green*

Donor coordination and alignment with government agriculture and food security policies as articulated in the PIF is strong. All the big bilateral and multilateral donors have agreed to align with the PIF and have harmonized their programs to those of the

government. One of the outcomes of the first RED&FS annual review was the challenge of oversight over projects, totaling over one hundred. It was proposed that each Technical Committee should map out projects and improve alignment. It was also proposed that a Cross-Pillar Task Force be established to discuss cross-sector issues and common planning and systems.

e. Private Sector Accountability

*Status: Red*

While there are instances in which private sector associations invite MOARD or other government officials to speak to them in their annual or other periodic meetings, the general impression provided to the team is that the government does not see itself needing to explain its actions to the private sector. There is some consultation but relatively little substance.

f. CSO Sector Accountability

*Status: Red*

According to respondents the level of substantive interaction between the MOARD and civil society organizations is low by regional standards. The same or possibly a greater level of distrust exists with respect to the intentions of CSOs, with the team being told that “advocacy” NGOs were not welcome in consultations with the government.

## **RECOMMENDATIONS**

1. Continue to support private sector and CSO forums in which civil servants of MOARD and other ministries and agencies relevant to agriculture and food security are invited to present. Help the PS and CSO associations structure such forums to show that they have ideas of value to offer that are presented well, and help them strengthen their analytical and engagement capacity.
2. Provide training and coaching to the strongest private sector and CSO associations to help them structure private-public dialogue forums focusing on clearly presented evidence to support policy positions.

# PART III: CASE STUDY

## SEED PROCLAMATION

**A new Seed Proclamation was recently ratified, but stakeholders remain in the dark about its final content.**

The Ethiopian seed sector is characterized by active public sector participation, and a decentralized system, with the existence of regional seed enterprises and seed labs. Seed policy has been governed by a series of proclamations and regulations that have been in place since the early 1990s. A useful overview and assessment of the Ethiopia Seed Sector was recently conducted by Integrated Seed Sector Development Africa (ISSD).<sup>12</sup>

Under the G8 New Alliance Cooperation Framework with Ethiopia, policy commitments were made for the development and implementation of “domestic seed policies that encourage private sector involvement”.<sup>13</sup> Concluding a three year process, a new national Seed Proclamation was ratified by the House of People’s Representatives in January 2012. The Proclamation was the first major seed legislation to be ratified in over twelve years, and aims to address changes and policy bottlenecks in the national seed system.

The Seed Proclamation received high-level backing from the Prime Minister and Minister for Agriculture. MoARD was responsible for drafting the proclamation. However, ATA was the primary driver of the development process, which took the lead in technical drafting and consultation, demonstrating its growing importance to the policy development process. The ATA hired two consultants from the International Development Law Organization (IDLO) to help craft the legislation.

The process included consultations with the EIAR, the Ethiopian Seed Growers and Processors Association (ESGPA), private companies, and CSOs. These consultations were informal, and while stakeholders noted that while they were given the opportunity to comment on some drafts of the proclamation, there was a general sense of confusion over what had been ratified. Simply put, stakeholders had no idea if any of their technical advice had been included. There was also a lack of clarity from stakeholders as to the status of the proclamation, with some interviewees claiming that the proclamation had been published, while others were unsure whether it had been adopted. While the Proclamation has been ratified, it has not yet been gazetted, and the team was not able to secure a draft of the final document.

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<sup>12</sup> Integrated Seed Sector Development Africa (ISSD), 2012, ISSD Briefing Note – Ethiopia Seed Sector Assessment, [http://www.wageningenur.nl/upload\\_mm/f/6/9/c894004f-bd32-4c2b-984c-b28d691c9362\\_Ethiopia\\_Seed\\_Sector\\_Assessment%202012\(ISSD-Africa\).pdf](http://www.wageningenur.nl/upload_mm/f/6/9/c894004f-bd32-4c2b-984c-b28d691c9362_Ethiopia_Seed_Sector_Assessment%202012(ISSD-Africa).pdf)

<sup>13</sup> G8, G8 Cooperation Framework to Support The ‘New Alliance for Food Security and Nutrition’ in Ethiopia, 2012

# CONCLUSION

Ethiopia has a consistent set of policies and strategies for agriculture and rural development, and a clear implementation roadmap provided through PIF. This policy framework is bolstered by a strong mutual accountability framework, with RED&FS central to providing technical and financial support. Despite this strong framework, a number of barriers remain for it to be a truly effective policy change process:

**1. Transparency and predictability in policy development:** While there is a clearly articulated legal process for developing and approving policy, this process may not be strictly adhered to and is often by-passed. With a strong executive and a relatively weak legislative body, the speed of the process is considerably influenced by interest from high-level policy makers. Additionally, conflict between policy instruments at the federal and regional state levels causes substantial lack of clarity and predictability in the process. This hampers the ability of the private sector to make effective investments over time.

**2. Lack of broad participation by private sector and civil society:** Substantive inclusion of the private sector and civil society organizations into policy formulation at the sectoral and sub-sectoral levels constrains the development of a true national policy consensus. Many private sector entities describe their involvement in the policy making process as “participation without a voice”.

**3. Lack of capacity for monitoring and evaluation:** There is a growing appreciation by policy makers of the importance of evidence based analysis. However, the ability to use this data for impact evaluation and M&E is limited by the lack of human resource and financial capacities of PPD. Building the capacity of PPD in these areas will help improve policy implementation through better regional and federal coordination, portfolio management, and financial planning.

By addressing these barriers, Ethiopia will continue to build a policy environment that advances the goals set out under the CAADP and G8 Frameworks, and continue its impressive achievements in agricultural development and poverty reduction.

# ANNEX: CAPACITY FOR POLICY CHANGE INDICATORS

- **Red:** requires significant attention to ensure the component is achieved.
- **Yellow:** Progress is mixed. The conditions required to achieve the component are partially achieved, but additional attention is required.
- **Green:** The component is realized to a sufficient degree, and additional attention to this area is not required at this time.

Capacity of Policy Change Indicators	Status		
			
<b>Policy Element 1: Predictability of the Guiding Policy Framework</b>			
<b>Clearly Defined and Consistent Policy Framework:</b> The policy framework impacting food security policy-making is clearly defined, and consistently applied and enforced from year to year.			
<b>Predictability and Transparency of the Policy Making process:</b> The policy development process is transparent in accordance with the rules contained within the country's constitution, basic law, and elsewhere in the formal legal framework.			
<b>Clear and Functional Legislative System:</b> There is a legislative capacity to deal with food security policy change, and the legislative requirements are clearly defined and predictable.			
<b>Appropriate Dispute Resolution Process/Judicial Framework:</b> The judicial system is perceived as fair and effective, and there is an appropriate system for dispute resolution where conflicts arise relating to food security policy.			
<b>Clearly defined Institutional Responsibilities:</b> Institutional responsibilities are clearly defined, consistently applied, and predictable from year to year.			
<b>Policy Element 2: Policy Development &amp; Coordination</b>			
<b>Approved Food Security Strategy/Investment Plan:</b> There is an approved/official multi-sectoral, multi-year food security plan developed, which specifies priorities and objectives, and addresses the roles of various contributors, including across government, the private sector, and CSOs. The vision and strategy to improve food security is clear.			
<b>Predictable Policy Agenda and Priorities Developed:</b> The policy items required to achieve the national food strategy have been identified and documented, i.e., specific policy objectives exist.			

Capacity of Policy Change Indicators	Status		
			
<b>Work Plans:</b> There is an annual work plan that identifies objectives and activities in regard to policy development.			
<b>Coordination Process:</b> There is an entity, such as a coordination unit or task force, that has defined membership and meets regularly to discuss, develop and coordinate food security policy development (and oversee cross-sector coordination).			
<b>Secretariat/Administrative Support Function:</b> There is adequate staff capability to perform required support processes, including coordination, meeting management, communication, and document management. This may be a stand-alone secretariat, or a responsibility within an existing entity.			
<b>Technical Capacity:</b> There are work groups, or technical committees, that have the authority and capacity to perform the following functions: identify policy and technical challenges/issues, develop sector- or project-specific policies/strategies, consult within the sector and draft funding proposals. There should be active participation by the private sector and CSOs on the technical work groups (as appropriate).			
<b>Political Support and Approval:</b> There is a line of authority/participation by high-level decision-makers above the ministerial level so as to enable efficient political support for the passage and development of new policies, e.g. involvement of prime minister's office (especially for policies that cut across sectors, e.g. trade and agriculture).			
<b>Engagement of Parliament/Legislative Body:</b> There is engagement from the country's legislative entity to debate and engage on food security issues, and to sponsor and advocate for the required legal/policy changes.			
<b>Policy Element 3: Inclusivity and Stakeholder Consultation</b>			
<b>Inclusive Participation within the Policy Coordination Management Entity:</b> The main coordination entity has: a) clear goals and participation from key government ministries (beyond just Ministry of Agriculture) and; b) some representation from non-government entities, particularly donors.			
<b>Outreach and Communications:</b> There is a process for interacting with stakeholders and sharing information. This could include regular public "forums", a website of key information and other mechanisms.			
<b>Private Sector Participation – Opportunity/Space:</b> The private sector is given meaningful opportunities to participate in policy formulation and strategy discussions. This could be through participation in the management/steering committee, in technical work groups and/or through other forums. Communications and interactions should be two-way, and access to key information should be readily available.			

Capacity of Policy Change Indicators	Status		
			
<b>Private Sector Participation – Capacity to Participate:</b> Some organizations representing the private sector have the capacity to participate in government-led discussions on food security policy. This is to say they are able to represent their members, they are able to articulate and communicate policy positions, and they are able to provide some level of evidence-based analysis to support their viewpoints.			
<b>Participation of CSOs – Opportunity/Space:</b> The CSO sector, including representation from women’s associations and farmers associations, is provided meaningful opportunity to participate in policy formulation and strategy discussions. This could be through participation in the management/steering committee, in technical work groups and/or through other forums. Communications and interactions should be two-way, and access to key information should be readily available.			
<b>Participation of CSOs – Capacity to Participate:</b> Some organizations representing civil society, including representation from women’s associations and farmers associations, have the capacity to participate in government-led discussions on food security policy. This is to say they are able to represent their members, they are able to articulate and communicate policy positions, and they are able to provide some level of evidence-based analysis to support their viewpoints.			
<b>Policy Element 4: Evidence-based Analysis</b>			
<b>Economic and Financial Analysis Completed as a Component of Planning:</b> National food security priority policy initiatives/investment plans are based on economic and financial analysis, including independent policy analysis. The analysis is available for public review.			
<b>Performance Monitoring Measures and Targets Developed:</b> The national food security policies/plans include specific objectives, performance indicators, and targets to monitor the accomplishment of the objectives.			
<b>Quality Data Exists for Policy Monitoring:</b> There is a database of quality statistics that is used to routinely report and analyze progress in achieving objectives. (Analysis to be conducted by USDA – and not as part of this assessment framework.)			
<b>Quality Data is Available for Policy Making:</b> Data on the performance of the agriculture sector and the food security are publically available and shared in a timely manner. This information is available for others to use and analyze.			
<b>Inclusion of Analysis in the Policy Development Process:</b> Evidence-based analysis is considered and used to develop policy priorities/policy proposals.			

Capacity of Policy Change Indicators	Status		
			
<b>Capacity to Monitor Policy Implementation and Results:</b> The government has the ability to review data on policy performance and produce an analysis of the policy’s effectiveness. A policy analysis function/unit exists and has adequate and skilled staff, and is sufficiently funded. If required, specific analysis can be outsourced to specialized firms or consultants as needed (case-by-case).			
<b>Annual Performance Measurement Report Produced and Reviewed:</b> Evidence-based analysis is produced to review policy effectiveness (for implemented policies). A formal review session is held, and includes key development partners (including principal donors and multilateral partners, such as FAO and IFPRI). Recommendations are developed as a result of the review and incorporated into subsequent plans.			
<b>Independent Analysis Capacity Exists:</b> There exists an independent capacity to analyze food security data and use the analysis to make policy recommendations and engage in policy discussion and advocacy. Such an analysis could be conducted by a research institute, university, or similar non-governmental/objective organization. This capacity should be engaged in the government's policy development and review process through papers, forums or participation introduced in official policy review and discussion meetings.			
<b>Policy Element 5: Policy Implementation</b>			
<b>Implementation Plans Developed:</b> The overall food security strategy has been broken down into programs and projects that have: a) a sufficient level of detail to permit implementation; b) have been “packaged” into priority projects that can be managed by ministerial units; and c) “packaged” priorities can be translated into funding proposals to gain support for projects/programs from development partners (to address financing gaps).			
<b>System in Place to Analyze Implementation Capacity Constraints:</b> An analysis of institutional, workforce, system and financial constraints is conducted. Critical implementation constraints are identified; a work plan is developed to address constraints; and implementation actions are moved forward (and periodically reviewed).			
<b>Food Security Policy Priorities Aligned with Work Plans of Line Ministries:</b> The priority policy and associated objectives of the national food security strategy are broken down into specific programs and projects (with a sufficient level of detail) so that policy actions can be implemented by line ministries. The plans of individual ministries, and units within ministries, align with overall national strategy and its policy objectives.			

Capacity of Policy Change Indicators	Status		
			
<b>Policy Implementation Budget Committed by Host Country:</b> Resources are committed by the host country to implement the identified policy agenda. Over time, the country's budget is adjusted to provide adequate financing for the implementation of actions required to implement policy priorities. Budget documents, including budget proposals, are fully released and in a timely manner.			
<b>Supplemental Implementation Funds Secured:</b> Proposals can be submitted, and funds secured, to address financing gaps. Funds may come from multilateral funds (such as GAFSP), regional organizations, bilateral donors, or the private sector.			
<b>Monitoring and Evaluation:</b> Capacity exists within the public sector, private sector, or civil society to review the effectiveness and impact of policy changes. Sector reviews are performed and other research evidence is collected. There is a system to share, store, and access the findings from these reviews.			
<b>Policy Element 6: Mutual Accountability</b>			
<b>A Forum Exists for Regularly Scheduled Donor-Government Meetings:</b> These meetings discuss policy and programs and set priorities. Meetings may include Joint Sector Reviews, sector working groups or other similar arrangements.			
<b>Joint Policy Priorities Developed:</b> A document exists that articulates the shared policy objectives between the government and the donor community.			
<b>Monitoring System Exists:</b> Performance measures exist (for the performance commitments of the government and for the performance commitments of the donors). There is a schedule for reviewing and documenting progress – at least on an annual basis.			
<b>Donor Coordination – Alignment and Harmonization:</b> There is a process for donor participation in the food security policy process and for aligning government and donor objectives and priorities. Donor programs should contribute directly to host country strategies, plans, and objectives. This may include the signing of cooperation frameworks that indicate a joint commitment to specific policy change goals.			
<b>Private Sector Accountability:</b> The government provides feedback to the private sector on the performance of the food security program (including the private sector's role) and provides an opportunity for dialogue on the program and its performance.			
<b>CSO Sector Accountability:</b> The government provides feedback to the CSO sector on the performance of the food security program (including the role of CSOs) and provides an opportunity for dialogue on the program and its performance.			