***DRAFT – 13 March 2020***

**United Nations Sustainable Development Cooperation Framework**

**Ethiopia**

**2020-2025**

# Executive Summary

# Chapter 1: Country progress towards the 2030 agenda

## Country context

Ethiopia is a landlocked country located in the Horn of Africa, bordering Eritrea, Somalia, Djibouti, Kenya, South Sudan, and Sudan. Ethiopia visions to become a lower middle income and carbon neutral economy by 2025. With about 99 million people (2019)[[1]](#footnote-2), Ethiopia is the second most populous nation in Africa after Nigeria, and the fastest growing economy in the region. Economic growth averaged 10.4% a year from 2003/04 to 2018/19, about twofold of SSA average, resulting in significant improvements in social indicators, a substantial reduction in poverty and food insecurity, and major expansion in infrastructure. The under-five mortality rate declined by over 55 per cent between 2005 and 2019[[2]](#footnote-3)andnet primary school enrolment reached 100 per cent in 2018[[3]](#footnote-4). Ethiopia’s Human Development Index (HDI) rose to 0.470 in 2018, an increase of 65.8 per cent since 2000– albeit still ranked 173rd out of 189 countries and territories - while the incidence of poverty declined from 38.7 per cent in 2005 to 23.5 per cent in 2016,[[4]](#footnote-5) equivalent to lifting 15 million people out of poverty. It is especially noteworthy that this period of sustained and rapid growth was *not* accompanied by worsening income inequality: the Gini coefficient rose only slowly, from 0.28 to 0.33 between 2005 and 2016.[[5]](#footnote-6) However, with a per capita income of USD985 in 2018/19 , Ethiopia is still one of the poorest countries in the world. As much as 83.5 per cent of the population is experiencing multidimensional poverty[[6]](#footnote-7).

The broad implications of this development trajectory are three-fold: first, while Ethiopia started from a low base, it has made impressive progress, thus, laying the foundation for future acceleration of progress towards achieving the Sustainable Development Goals (SDGs); second, despite the results achieved to-date, there is still considerable ground left to cover; and, third, with some of the relatively easier gains having been secured already – for instance, enrolment in primary schools – tougher challenges will lie ahead such as improving the quality of education and improving learning outcomes, closing the gender gap in secondary schools, and substantially improving the skills match between school/university leavers and the labour market. Gender-specific challenges with major impact on society and the economy – such as high rates of child marriage, female genital mutilation (FGM) and sexual and gender-based violence (SGBV) as well as women’s constrained access to economic resources and opportunities – are some of the challenges ahead.

Ethiopia has been undergoing a prolonged political transition that began with widespread popular protests in 2015. The Government under Prime Minister Abiy Ahmed, who was elected in April 2018, has embarked upon an undertaking wide range of political, institutional and economic reforms. The economic reforms are mainly focusing on revitalizing the economy and creating jobs by expanding the role of the private sector. .

Despite generally positive development trajectory and the ambitious Government-led reform process, challenges remain, including sustaining its positive economic growth and accelerating poverty reduction, which will require significant progress in job creation as well as improved governance to ensure that all people can fully participate in the created opportunities.

A high population growth rate with a youth bulge already evident in a population with70% below the age of 30 – suggests both the potential of reaping a large demographic dividend but also the daunting task of improving human capital, finding decent and productive jobs for more than 2 million new entrants into the labour force every year and managing the impact of a rising population on the carrying capacity of the country’s natural resource base.

## Additional challenges relate to rising ethnic tensions, political radicalization, and a rise in crime and armed violence in certain regional hotspots resulting internal displacement, violations of human rights, and negative impacts of climate change. In the last decade, Ethiopia has experienced consecutive droughts attributed to the ocean-warming El Niño effect and the larger impact of climate heating. Governance related issues such as weak institutional capacity, inadequate and inefficient delivery of public services, low public trust on state institutions and corruption also remain serious challenges. At the same time, the humanitarian situation in Ethiopia remains precarious. Environmental resources degradation, climate-related shocks, such as floods and droughts, and conflict induced displacement continue to exacerbate the vulnerabilities in the country, leading to food insecurity, high malnutrition, protection challenges, spread of epidemics, forced displacement and relocation. National vision for sustainable development

As outlined in the Voluntary National Review undertaken in 2017, the Government of Ethiopia appreciates the contribution of agenda 2030 of the SDGs to Ethiopia’s aspirations to eradicate poverty and hunger as well as bringing prosperity for its people. It also well recognizes the role of the SDGs in accelerating economic and social development, environmental sustainability and improving democratic governance. Accordingly, Ethiopia has mainstreamed the SDGs into the Second Growth and Transformation Plan (GTP II, 2015/16- 2019/20) which identified ten national development priority areas all of which are aligned with the SDGs.[[7]](#footnote-8)

Particularly, since the Ethiopian government introduced the first five-years Growth and Transformation Plan (GTP I) which was implemented during 2009/10-2014/15, the overarching development objectives of the national development plans have been ensuring inclusive, sustainable and rapid economic growth in order to eradicate poverty and bring about prosperity. As stated in GTP I, Ethiopia’s long-term vision is “to become a country where democratic rule, good-governance and social justice reign, upon the involvement and free will of its peoples; and once [sic] extricating itself from poverty and becomes a middle-income economy.” The mid-term vision is to become a lower middle-income country by 2025 “where democracy, good governance and social justice are maintained through people's participation.” The government further seeks to become a carbon neutral, climate resilient and middle-income country by 2025.

Both GTP I and II yielded important development progress (as outlined in section 1.1). They also, led to a number of major policy challenges, most notably: significant macroeconomic imbalances; a slower than expected pace of structural economic transformation; and limited growth of the private sector evident in the ‘missing middle’ of small and medium-sized enterprises (SMEs). In In order to address these challenges, the Government has articulated a revised economic policy captured in the three-year Home -Grown Economic Reform (HGER) agenda, launched in September 2019. The HGER calls for building a resilient and diversified middle-income economy, driven by the private sector; eradicating extreme poverty and hunger; building human capabilities; creating a modern policy and institutional framework; and creating an efficient, resilient and well-functioning financial market. The HGER will be implemented and nested within the forthcoming 10-Year Perspective Plan spanning from 2020 to 2030 and the successor midterm plan (GTP III). The ten-year perspective plan has five strategic pillars: ensuring quality economic growth; improving productivity and competitiveness; strengthening implementation capacity at all levels; and building a resilient green economy.

The Perspective Plan was informed by the SDGs Baseline, Needs Assessment and intervention costing study (2018) supported by the UNDS to incorporate new approaches and policy directions and diagnose bottlenecks in achieving the Goals[[8]](#footnote-9). In terms of interventions needed to ensure Ethiopia’s progress towards achieving the SDGs, the Needs Assessment mapped over 110 key interventions to meet SDGs agenda in Ethiopia.[[9]](#footnote-10) With regard to financing the SDG agenda in Ethiopia, the Assessment concluded that the total financing needs (across all sources) to deliver the SDGs in Ethiopia was USD 608 billion over the 15 years (2016 -2030) period. As to the expected sources of financing, the assessment assumes roughly 50% to be financed by the government; 20% to be financed by external aid; 14% to be financed by out-of-pocket expenditure from domestic households; 15% to be financed through domestic private sector investment; and 3% is to be financed from foreign private sector investment. The Assessment also estimates that between 2020-25, about USD 8 billion is needed from Overseas Development Financing (ODA) per year to meet SDG financing needs in Ethiopia. While ODA inflows to Ethiopia have risen substantially in the past few years (to about USD 3 billion per year) the Assessment emphasizes the importance of domestic resource mobilization and increased inflows of non-ODA resources such as private inflows including foreign direct investment (FDI), very much in line with the Addis Ababa Action Agenda. Ethiopia, however, has a low tax-to-GDP ratio compared to its peers in the region (this stands at just about 10 % of GDP) but has set a target of increasing domestic resource mobilization including an increase in the share of domestic revenue in GDP to 19.1 % by 2020. Achieving and maintaining a domestic revenue share of 19.1 % GDP through 2030 would increase domestic resources by 110 % to about USD 32 billion in 2030.

Ethiopia’s socio-economic progress over the past two decades has been marked by: a reorientation of expenditure from recurrent to capital; a significant devolution of resources from Federal Government to Regional States; and a clear prioritization of infrastructure spending, while protecting spending on education at 4% of GDP[[10]](#footnote-11). For instance, expenditure on social protection has been around 3% of GDP and education expenditure has been stable at about 4% of GDP and about 20% of total expenditure.[[11]](#footnote-12) In the federal budget for the fiscal year 2019/20 education holds the highest spending allocation (13.07%, excluding allocations by regional and local governments) whereas roads constitute the second largest federal spending item (12.06%).

## Progress towards the SDGs

Ethiopia’s progress report on the SDGs is in progress. The consultants have just submitted the draft report and the final report will be ready in few weeks. Ethiopia was one of the 44 countries which undertook and presented a Voluntary National Review (VNR) of progress against the six selected SDGs, and presented it to the UN’s High-Level Political Forum in July 2017. Compared to SDG performance across Africa, Ethiopia’s performance was found to be more modest. The 2018 Baseline Assessment showed that Ethiopia is generally performing well on specific aspects of each SDG, but that there has not been progress for all indicators.[[12]](#footnote-13) For example, Ethiopia is performing moderately with regard to extreme poverty with a decline in the poverty rate by about 93 % from 45.5 % in 2000 to 23.5 % in 2016.[[13]](#footnote-14) Between 2010/11 and 2015/16 about 5.3 million people were lifted out of poverty[[14]](#footnote-15) although over 24 million people are still living below the national poverty line. An example of notable progress is in the area of climate change where Ethiopia has already demonstrated progress in fulfilment of targets on integrating climate change into national policy and developing capacity for climate resilience. Progress on climate change targets: Ethiopia submitted its National Determine Contribution for UNFCCC and committed to reduce its emission by 64 % by 2030. Furthermore, the country made significant pledge at the New York Declaration on Forests to reclaim 22million hectares of degraded lands by 2025 through Afforestation and Reforestation.

Although there are gaps with respect to the realization of some rights of marginalized groups, a number of national policies provide a basis for leaving no one behind. Among these are the National Social Protection Policy (2014), and its corresponding National Social Protection Strategy 2016-2019 and National Social Protection Action Plan 2017-2021 (SPAP). However, a key challenge has been the extent to which the national policy has been implemented. For instance, from the five pillars of the policy, only the first two received enough funding. Meanwhile, Ethiopia performs well relative to comparator countries on targets relating to women’s representation in economic and political positions**.** It is also notable that the government has increased social security coverage to include the elderly, disabled, and other vulnerable groups; and a 5-year safety-net programme offers social protection to elderly, disabled, homeless, sex workers, beggars, children and families, and others.

## Gaps and challenges

While Ethiopia has been registering commendable progress towards SDGs in several areas, there are also challenges and gaps in almost areas covered by the SDGs. For instance, while the country has achieved tremendous success over recent years in terms of reducing income poverty, over 22 million people are still living below the national poverty line; and 83.5% of the population experience multidimensional poverty[[15]](#footnote-16). Another example is health and wellbeing in which progress has been made on certain aspects, but a redoubling of effort is required to reduce maternal mortality and child mortality. Despite strong recent improvements, performance on maternal and child mortality remains relatively weak, with under 5-year mortality rates at 55/1000 live births, mostly caused by preventable diseases.

Overall, there is a consensus that the country needs to continue to promote investment in its basic services and create a favourable human capital development policy through strengthening quality educational and skills development, health and nutritional services, and providing adequate and clean water and sanitation. Moreover, though there has been demonstrated commitment to integration of the SDGs into national development plans, execution and implementation of the policies and programmes have faced limitations due to capacity constraints. As noted by the Voluntary National Review (VNR), there are developmental capacity gaps in all sectors and at all levels with respect to both executing and implementing national policies and the SDGs.[[16]](#footnote-17)

Other major challenges identified so far include environmental degradation and climate change[[17]](#footnote-18) induced droughts and floods with negative impacts on the economy and human capacity, declining market prices of major Ethiopia’s export commodities in international market, lack of commitment on the part of the international community in mobilizing financial resource for implementation of SDGs, particularly for infrastructure financing, and global unpredictability of peace and security which can affect aid, loan and foreign direct investment flows.[[18]](#footnote-19) In addition, Ethiopia has been going through a complex political transition over the past few years. The stability and security situation, with increased inter-regional and inter-ethnic tensions and violence over the past few years, have not been conductive for a pointed focus towards achieving progress towards SDGs. In addition, slower mid-term economic growth rates are being projected for the economy, reflecting efforts to address large external imbalances through fiscal and monetary policy tightening[[19]](#footnote-20). These could have negative consequences in terms of limiting local resources available and allocated for interventions

# Chapter 2: UN Development System Support to the 2030 Agenda

Taking into consideration the national policy framework, especially the indicative pillars of the ten years perspective plan, HGER, the on-going UN reform, analysis in the Common Country Assessment (CCA) and lessons learnt from the current UNDAF (2016-20), the UN in Ethiopia (both resident and non-resident agencies) proposes to substantially alter its approaches during 2020-2025, as follows:

* shift collective focus decisively towards enabling and supporting transformational change that impacts positively and at-scale on the lives of Ethiopians, in keeping with the structural transitions that the country is undergoing already;
* do more at time of considerable dynamism but also escalating risks to articulate the UN’s normative role – and express this clearly through a common voice - both at the level of human rights values and standards established in international treaties, covenants and conventions ratified by Ethiopia as well as incorporated in national laws, and at the technical level in the social, economic and environmental areas where the UN plays a leading role in setting global standards;
* maximize the UN’s collective comparative advantage by identifying those areas of work across sectors and themes that can make the most use of uniquely diversified programmatic and operational capabilities, for example, in addressing the humanitarian-development-peace nexus;
* pay greater attention to sustainability of investments, especially through emphasis on capacity development based on a common, system-wide, approach that is harmonized fully with upcoming national institutional development priorities, principles and approaches; and
* expanded focus on development financing, to attract increased resources to Ethiopia from new and innovative sources; and systematic use of data for planning, programming and monitoring through a disciplined, system-wide, effort coordinated with other partners to build-up the national statistical system to improve the coverage, quality and timeliness of data on the SDGs.

In keeping with the above, the UN will support the Government in creating an environment where the people of Ethiopia:

1. Enjoy their rights and capabilities to realize their potential in equality and with dignity;
2. Live in a cohesive, just and inclusive and democratic society;
3. Benefit from an inclusive, resilient and sustainable economy; and
4. Live in a society resilient to environmental risks and adapted to climate variability.

The successful implementation of the UNSDCF will need to rely on strong partnerships with the Government of Ethiopia and a variety of national and international stakeholders. Partnerships shall be based on the following broad principles:

* Alignment with national priorities as outlined in the Growth and Transformation Plan II (2015/16- 2019/20), and in conformity with Ethiopian laws and regulations.
* Promotion and support for the strengthening of national/government implementation capacity
* Adherence and promotion of UN values and principles
* Promotion of human rights, gender equality and women’s empowerment
* Promotion of integrity, and in particular, transparency and accountability, in fulfilling mutual commitments
* Adherence to international aid effectiveness principles and commitments.

## Cooperation Framework Outcomes and Partnerships

**Outcome 1: PEOPLE**

**All people in Ethiopia enjoy the rights and capabilities to realize their potential in equality and with dignity.**

**Theory of change**

Over the past decade, economic growth in Ethiopia has been on the upward trajectory, enabling significant progress in reducing income poverty rate from 45.5 per cent in 1995 to 23.5 per cent in 2016. The Gross Domestic Product (GDP) per capita rose from US$ 129 in 2000 to US$ 985 by 2019. Despite the drop-in percentile shares of absolute poor, however, the actual number of people that crossed the national poverty line over the two decades was only two million; i.e. from 26.1 million to 24.1 million.

Ethiopia’s population growth rate is estimated at 2.5 percent per annual,, significantly expanding the number of young people searching for employment and needing basic social services. 83.5% of the population experience multidimensional poverty, i.e. are deprived of one or more of the basic necessities of a decent life (i.e. adequate nutrition, water, health, education, shelter, etc.). Nine out of ten children (or 36.2 million children) lack access to essential services. Gender inequality and gender-based violence remain widespread, as many young girls are deprived of education and forced into early marriages.

To be able to address multidimensional poverty and deprivations, the UN will support the Government of Ethiopia to accelerate investments in human capital, focusing on those furthest left behind, including young people, women and children and displaced populations. Capitalizing on the youth bulge in Ethiopia, young boys and girls are a major human resource for development and key agents for social change, economic growth and technological innovation in the country. The UN will support the Government to promote youth participation in social and economic development, especially those furthest left behind in quality education and employment.

Specific attention will be given to reduce gender inequalities and violence against women and children. The focus will be on addressing the lack of protection from violence, exploitation and abuse against women and children, promoting education and livelihood opportunities for women and strengthen the rights and accountability mechanisms.

In response to the challenges of the basic social services, the UN will address disparities in access for vulnerable groups and geographical regions. It will focus on stimulating demand and improving quality of essential services for all. It will do this by strengthening systems through a better trained and skilled workforce

including community-based providers, availability of essential commodities, advocacy for sustainable financial policies and improving data generation.

Finally, the UN will support the Government of Ethiopia to operationalize its Durable Solutions Initiative to enable conditions conducive for all internally displaced persons to find safe and voluntary solutions to rebuild their lives in sustainable ways.

**Partnerships**

The achievement of identified outputs under the Outcome 1, requires further strengthening the on-going and close partnership with line ministries such as the ministries of health, labor and social affairs, education, women, children and youth, agriculture, water, irrigation and energy, and peace as well as relevant commissions and agencies such as the Jobs Creation Commission, Federal Technical and Vocational Education and Training (TVET) Agency, Ethiopian Human Rights Commission (EHRC), Administration for Refugees and Returnee Affairs, National Disaster Risk Management Commission, Central Statistical Agency, and others. A number of donors and development partners are actively involved in the programmes and projects that support youth empowerment, gender equality, child protection, provision of basic social services, and durable solutions for displacement-affected peoples. These include international financial institutions such as the World Bank, AfDB; multilateral organizations such as the European Commission, and bilateral agencies. The UN system in Ethiopia has been working closely with these development partners over the past years and will continue to do so over the period of the Cooperation Framework and beyond. Given the multifaceted nature of the challenges, the UN will build new and strengthen existing partnerships with youth organizations, faith-based organizations, media, universities, research institutes, civil society organizations, and the private sector.

**Outcome 2: PEACE**

**All people in Ethiopia live in a cohesive, just, inclusive and democratic society**

**Theory of change**

The strategic goal of the UN is to support Ethiopia with its full range of capabilities – in-country and at regional and global levels – to make a peaceful and successful transition to a democratic polity, starting with but not limited to the holding of credible general elections in 2020.

Doing so effectively requires a focus on those factors that can undermine this goal, especially popular feelings of exclusion arising from a lack of voice and participation in the past; and fraying social cohesion as the opening-up of the political and civic space over the past few years, an undoubtedly positive development, has also surfaced formerly repressed but long-standing grievances over land, access to state resources and perceived discrimination against community or ethnic group, causing increased insecurity, conflict, displacement and human rights violations. Tackling these effectively will necessitate addressing a set of inter-connected underlying causes arising from governance processes and practices from the past that concentrated decision-making authority and limited popular participation, political organisation and civic and media engagement; uneven enforcement of the rule of law and limited access to redress through the justice system across multiple spheres, whether political, social or economic; and significant gaps, shortcomings and weaknesses in legal and regulatory frameworks as well as in institutional capacities and practices that created a lack of transparency and accountability within a relatively ‘closed’ political system, generating latent tensions that are now emerging forcefully.

The UN’s approach to improving voice, participation and cohesion will focus efforts at underlying causes through a major contribution towards creating an enabling environment for general elections in 2020; continuing to sustain the opening-up of civic and media space; forging a broad coalition of partners that can help advance a sector-wide approach to judicial reform that delivers important gains in access, transparency and effectiveness within 4-5 years; supporting the development of a national peace architecture that can help prevent conflict or where this has not been possible, respond effectively to end such conflict quickly and reinforce social cohesion; ensuring the continued development of a strong national human rights machinery that can play an effective role in raising awareness and securing much improved adherence to norms and standards across government but also in society; and working actively to uphold international standards and safeguards in those situations where people are displaced by conflict and need to return to their places of origin, in keeping with the H-D-P nexus and the New Way of Working.

In order to work on prevention of conflicts, coordinate and prioritize the allocation of resources as well as increase the impact of its peace programming at sub-national level, and have an evidence base for its dialogue with the Government of Ethiopia and civil society actors, the UN in Ethiopia will develop a monitoring tool to analyze conflict trends.

**Partnerships**

Achievement of the Outcome will require to further scale up a close partnership with national and national level ministries and governance institutions such as Ministry of Peace, Ministry of Women, Children and Youth, National Electoral Board of Ethiopia (NEBE), Federal Attorney General’s Office, Ethiopian Human Rights Commission and Ethiopian Institute of Ombudsman, and Inter Religious Council of Ethiopia. Strategic level partnership will be maintained and nurtured with Prime Minister’s Office, House of Peoples' Representatives, House of Federation. Extensive partnership with multiple development is on-going supporting strengthening of democratic governance institutions and peace architecture through joint efforts. Achievement of social cohesion entails securing the long-term well-being of all its members and thus, calls for broader engagement with NGOs, youth organizations, universities, media, and civil society organizations. Partnerships will be established with several multilateral and bilateral donors that are keen to support the sector to achieve results.

**Outcome 3: PROSPERITY**

**All people in Ethiopia benefit from an inclusive, resilient and sustainable economy**

**Theory of change**

Ethiopia’s strong economic growth over the past decade and half has not been accompanied by an equivalent rise in productivity and creation of decent and productive jobs and livelihood opportunities for a rapidly growing labour force of the country. Urban unemployment is estimated at 25.3% for youth and 27% for women[[20]](#footnote-21). Though level of income inequality is relatively low, there is a tendency of an expanding gap between the poor and non-poor over recent years with pronounced gender inequality. This calls for measures to ensure that economic growth is inclusive and guarantees that incomes of the bottom quintiles should grow faster.

In this context, the UN will support the Government to create an enabling environment to create decent jobs. In addition, there is a need for sustained and significant improvement in productivity across the economy in general and in sectors and sub-sectors with high potential for increasing employment, incomes, output, value addition and exports, in particular. In this regard, focus will be put on promoting equal access to finance for micro, small and medium enterprises (MSMEs) so that they can invest in their productivity and competitiveness and in turn increase employment. The UN will also work closely with Government at national and sub-national levels to foster access to innovation and technology to a low carbon emission, resource efficient and socially inclusive economy. Further, focus will also be to strengthen social protection systems and to expand current social protection programmes, targeting the most vulnerable and facilitate access to essential services in a holistic and inter-sectoral manner.

At the same time, the UN will work closely with the Government to ensure that the principles and goals of the 2030 Agenda for Sustainable Development are mainstreamed across Government policies and plans at national and sub-national levels and support the Government to mobilize the necessary financing.

**Partnerships**

The achievement of results under this outcome requires further strengthening the on-going and close partnership with national and national levels ministries such as the ministries of finance, trade, industry, agriculture, labor and social affairs, and tourism as well as relevant commissions and agencies such as the Planning Commission, Investment Commission, Jobs Creation Commission, and Agricultural Transformation Agency. A number of donors and development partners are actively engaged in the prosperity agenda in Ethiopia with substantial portfolios of investment. These include international financial institutions such as the World Bank, and AfDB; multilateral organizations such as the European Commission, and bilateral agencies. The UN system in Ethiopia has been working closely with these donors and development partners over the past years and will continue to do so over the period of the Cooperation Framework in support of the agenda of inclusive and sustainable economic development in Ethiopia. The UN system will also continue to strengthen its role of facilitating coordination of aid coming into the country in support of this agenda. Given the growing significance development financing from emerging donors and development partners such as China , the UN system in Ethiopia will further strengthen its partnership with them and attempt to support the Ethiopian government to realize the potential of support from these sources in the area of inclusive and sustainable economic development.

**Outcome 4: PLANET**

**All people in Ethiopia live in a society resilient to environmental risks and adapted to climate change**

**Theory of change**

Ethiopia is faced with a number of environmental challenges, including climate change, land degradation, deforestation, loss of biodiversity and ecosystem services, and pollution of land, air and water, contributing significantly to continuing food insecurity, poverty and conflict. For example, the 2015/16 El Nino demonstrated Ethiopia’s vulnerability to climate induced hazards resulting in one of the worst droughts on record in Ethiopia with 15 million people receiving food assistance at the peak of response operations in 2016. In January 2018, there were still more than 1.6 million IDPs in the country, both droughts induced as well as due to intercommunal conflicts.

The UN will support efforts to reduce environmental degradation, adapt to and mitigate the impacts of climate change on the country and its people by assisting the Government in developing the relevant normative frameworks, institutions and systems to promote the conservation and sustainable use of natural resources, facilitate equitable benefit-sharing, strengthen government capacity across all levels as well as community capacities for disaster risk reduction The UN will also work closely with the Government to promote access to renewable, affordable and sustainable clean energy as well as developing and implementing measures to reduce pollution, including related to transport. Finally, it will strengthen the governance and planning capacities to promote sustainable urban development, especially in primary and secondary cities and towns.

**Partnerships**

To achieve these planned results, the UN needs to further strengthen the on-going and close partnership with national and national level ministries such as the ministries of agriculture, finance; water, irrigation and energy; health; science and technology; peace; tourism; urban development and construction as well as relevant commissions and agencies such as Environment, Forest and Climate change Commission, National Disaster Risk Management Commission, Central Statistical Agency, and Immigration Nationality And Vital Events Agency. Partnership with city and town administrations will be further strengthened in support of sustainable urban development agenda.

The UN system in Ethiopia has been working closely with research institutes such as the Universities, the Ethiopian Environment and Forest Research Institute and Center for International Forestry Research and the National Metrology Institute and Ethiopian Biodiversity Institute over the past years and will continue to do so over the period of the Cooperation Framework in support of the government resilience agenda and sustainable development. The UN system will also continue to strengthen its role of facilitating coordination of emergency aid in the country and strengthen the humanitarian-development-peace nexus that will address chronic vulnerability and lower the request on annual HRP. Given the growing significance development financing from emerging donors and development partners such as China , the UN system in Ethiopia will further strengthen its partnership with them and attempt to support the Ethiopian government to realize the potential of support from these sources in the area of inclusive and sustainable economic development.

# Chapter 3: Cooperation Framework Implementation Plan

This chapter is currently being drafted. It will outline how the Cooperation Framework outcomes will be implemented to achieve the SDGs, based on the following:

* The implementation will be overseen by a joint UN/Government Steering Committee, chaired by the Minister of Finance and the UN Resident Representative and Humanitarian Coordinator
* The Steering Committee will meet regularly, at least twice per year: beginning of the year to review progress and endorse the workplan for the given year and mid-year to review progress, discuss challenges, etc.
* The results matrix will be further elaborated through two-year joint workplans to be developed by the specific agencies who are contributing to the specific outcomes;
* The current UNSDCF coordination structure will be reviewed and simplified; it is proposed that outcome groups/pillar groups are formed led by two heads of agency respectively; in addition selected thematic working groups will be formed/revitalized to focus on issues related to gender mainstreaming, youth, human rights, etc.

# Chapter 4: Monitoring and Evaluation Plan

# Annex 1: The Cooperation Framework results matrix

**OUTCOME 1: All people in Ethiopia enjoy the rights and capabilities to realize their potential in equality and with dignity.**

* 1. Young people, especially those left behind in education and employment, are equipped with the knowledge and skills required to access decent jobs and participate in civic life.
	2. Gender inequalities and violence reduced, rights and accountability mechanisms strengthened and opportunities for women and children enhanced
	3. Equitable access to basic social services is strengthened, benefitting vulnerable, marginalized and displacement-affected people.
	4. Displacement affected persons enabled to find safe and voluntary solutions to rebuild their lives in sustainable ways.

**OUTCOME 2: All people in Ethiopia live in a cohesive, just, inclusive and democratic society.**

* 1. Government of Ethiopia's ability to improve the performance of institutions and promote participation, transparency and accountability increased at national and sub-national level.
	2. Capacities and mechanisms strengthened at the national and sub-national level for enhanced protection of human rights, rule of law, access to justice and protection for vulnerable populations.
	3. Peace architecture strengthened to prevent, mitigate and manage conflict and promote peace, reconciliation and social cohesion at national and local level.
	4. Civil society and the media empowered to exercise their rights and enjoy increased participation in political, economic and civic space.

**OUTCOME 3: All people in Ethiopia benefit from an inclusive, resilient and sustainable economy.**

* 1. Policies, regulations and institutions strengthened to create decent jobs and to promote equal access to finance for Ethiopian micro, small and medium enterprises to invest in their productivity and competitiveness.
	2. Access to innovation and new technology is increased, fostering an inclusive and diversified green economy.
	3. Social protection programs and systems strengthened to enhance resilience of the most vulnerable people.
	4. 2030 Agenda integrated in development plans and budget allocations at national and sub-national level with adequate financing mobilised.

**OUTCOME 4: All people in Ethiopia live in a society resilient to environmental risks and adapted to climate change.**

* 1. Minimum capacities exist at national and sub-national levels for climate adaptation and disaster preparedness to reduce negative impacts and improve resilience.
	2. Normative frameworks, institutions and systems strengthened
	3. Institutions and systems strengthened, and solutions adopted to reduce pollution and increase access to clean, affordable and sustainable energy.
	4. Governance and planning capacities strengthened at national and sub-national levels to promote sustainable urban development, especially in primary and secondary cities/towns.
1. CSA (2013). Population Projections for Ethiopia 2007-2037. [↑](#footnote-ref-2)
2. Ministry of Health and United States Agency for International Development (USAID), Ethiopia Demographic and Health Mini Survey Report, 2019. [↑](#footnote-ref-3)
3. Ministry of Education, Education Statistics Annual Abstract, 2016/17. [↑](#footnote-ref-4)
4. Ibid. [↑](#footnote-ref-5)
5. Planning and Development Commission, Poverty and Economic Growth in Ethiopia (1995/96 – 2015/16), 2019. [↑](#footnote-ref-6)
6. UNDP (2019) Multidimensional Poverty Report (MPI) [↑](#footnote-ref-7)
7. See Table Figure 1 in the 2017 VNRs on SDGs\_Ethiopia (page 5) [↑](#footnote-ref-8)
8. Ethiopia 2017 Voluntary National Review on SDGs Government Commitments, National Ownership and Performance Trends; PDC, 2017, p 8 [↑](#footnote-ref-9)
9. The assessment used a period estimate of 2016 – 2030 to align the SDG agenda with the national planning frameworks [↑](#footnote-ref-10)
10. World Bank (2016). Ethiopia Public Expenditure Review 2015. [↑](#footnote-ref-11)
11. Ibid [↑](#footnote-ref-12)
12. Ethiopia: Sustainable Development Goals Baseline Assessment Report; PDC, 2018 [↑](#footnote-ref-13)
13. UNDP (2018), Ethiopia’s progress Towards Eradicating Poverty: Paper for the Inter-agency group Meeting on (implementation of the 3rd UN Decade for Eradicating Poverty (2018 – 2027), p 2 [↑](#footnote-ref-14)
14. Interim Poverty Report, 2017 [↑](#footnote-ref-15)
15. Global Multidimensional Poverty Index 2019: Illuminating Inequalities; United Nations Development Program and Oxford Poverty and Human Development Initiative, 2019 [↑](#footnote-ref-16)
16. Ethiopia 2017 Voluntary National Review on SDGs Government Commitments, National Ownership and Performance Trends; PDC, 2017, p 16 [↑](#footnote-ref-17)
17. For instance, occurrence of extreme weather events have increased in recent years and are associated with climate variability and change resulting in in more crop and livestock pests and diseases, shortage of feed and water for the pastoralist, all leading to livestock deaths and total crop losses, as well as frequent emergencies, food insecurity, infrastructure damages and high economic costs. [↑](#footnote-ref-18)
18. Ibid [↑](#footnote-ref-19)
19. IMF (2020). *2019 Article IV Consultation and Requests for Three-Year Arrangements Under the Extended Credit Facility and the Extended Fund Facility*. <https://www.imf.org/~/media/Files/Publications/CR/2020/English/1ETHEA2020001.ashx> [↑](#footnote-ref-20)
20. CSA (2018) Urban employment unemployment survey [↑](#footnote-ref-21)