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Acronyms

AfDB – Africa Development Bank
CCRDA – Consortium of Christian Relief and Development Association
CP – Country Programme
CSO – Civil Society Organizations
CSP – Country Strategy Paper
DAG – Donor Assistant Group
DFID – Department for International Development
E&I – Equity and Inclusion
ECWP – Ethiopia Country Water Partnership
ETB – Ethiopian Birr
EU – European Union
GDP – Gross Domestic Product
GOE – Government of Ethiopia
GTP – Growth and Transformation Programme
HR – Human Resource
INGO – International Non-Government Organization
IT – Information Technology
IWRM – Integrated Water Resources Management
JMP – Joint Monitoring Programme
MDG – Millennium Development Goals
MMT – Middle Management Team
MoU – Memorandum of Understanding
NGO – Non Government Organization
PASDEP – Plan for Accelerated and Sustained Development to End Poverty
PfWS – Partners for Water and Sanitation
PM&E – Planning, Monitoring and Evaluation
PSNP – Productive Safety Nets Programme
RiPPLE – Research-Inspired Policy and Practice Learning in Ethiopia and the Nile Region
SMT – Senior Management Team
SWAP – Sector Wide Approach
TVET – Technical and Vocational Education and Training
UK – United Kingdom
UNICEF – United Nations International Children’s Fund
USD – United States Dollar
WA - WaterAid Ethiopia
WAE – WaterAid in Ethiopia
WASH – Water, Sanitation and Hygiene
WASHCO – Water, Sanitation and Hygiene Committees
WHO – World Health Organization
WRM – Water Resources Management
WSF – Water and Sanitation Forum

Executive Summary

Ethiopia is part of the East African region commonly referred to as the “Horn of Africa” and borders Sudan, Somalia, Eritrea, Djibouti and Kenya. Ethiopia is located in the highlands of East Africa and this combined with its abundant water resources leads Ethiopia to be called the ‘Water Tower of Africa’.

Ethiopia ranks 157 out of 169 in the Human Development Index, 130 out of 135 in the Human Poverty Index, and 85 out of 109 in the Gender Empowerment Measure¹. The country has an agrarian economy dependant on subsistence rain-fed agriculture. Food insecurity is a defining feature of rural poverty in Ethiopia, particularly in drought-prone areas and an estimated 10% of the Ethiopian population is chronically food-insecure. About 44.6% of the GDP, 90% of exports and 85% of employment comes from the agriculture sector. However, the performance of the sector is highly vulnerable to variations in rainfall. In 2005, 23% of Ethiopians were estimated to be living on less than a dollar a day, and 77% living on less than \$2 (USD) a day.

The WASH sector in Ethiopia has changed significantly in the last five years. Investment, particularly in water supply has increased from approximately ETB 1.19 billion (approximately USD 72 million) in 2005 to ETB 1.66 billion (approximately 100 million) in 2010². One of the main challenges facing the sector is lack of reliable data and there is a great variation in official Government of Ethiopia figures and internationally accepted Joint Monitoring Programme (WHO and UNICEF) figures. Official reports show access to water supply at 68.5 % -- 81.5 % for urban and 65.8% for rural. Access to sanitation facilities is reported to be 60%³. The same report highlights hand washing practice at 7% and open defecation at about 15%⁴.

Major WASH sector challenges include weak intra-sector coordination in planning, implementation and monitoring, low levels of capacity – at local level less than 40% of Woredas (districts) have a Woreda WASH Team in place, yet they are expected to deliver services to the vast majority of the country.

While water supply has a clear financing mechanism - with a separate and substantial budget line, sanitation and hygiene financing mechanisms are not well developed. Sanitation has no separate budget line and is not sufficiently considered in the budget process. Only the salaries of health extension workers and environmental health promoters are included as sanitation and hygiene related budget lines.

The WASH sector in Ethiopia has significant potential for transformation due to the existing political will and policy environment. However, practical challenges plague the sector and progress on key priorities such as greater intra-sector coordination, prioritising sanitation, improving the record on cost-effectiveness and sustainability, harmonization, capacity building and strengthening sector performance mechanisms has been slow.

This strategy introduces some key shifts and areas of focus for WaterAid in Ethiopia (WAE) in the next five years. Overarching themes that will guide our work include a more explicit focus on **equity and sustainability in WASH services, sector performance monitoring as a basis for improving accountability**, including accountability and monitoring results, **targeted capacity**

¹UNDP, Human Development Report 2010

² Ministry of Finance and Economic Development Consolidated report. This figure does not include off-budget investments made by NGOs and other bilateral donors. A report by the Ministry of Water Resources highlights that utilisation is only Birr 794 Million, which is about 66% of the total budget.

³ Ministry of Health, 2009.

⁴ All Government of Ethiopia figures vary significantly from international figures. This is because of differences in methodologies, standards, definitions and also because of weak sector data in the country.

building at local and national levels, and a stronger urban portfolio of work focusing on urban sanitation and capacity building of water utilities. A key area of work in the strategic period will be highlighting the marginalisation of sanitation and **working towards a credible national strategy, plan and budget for sanitation.**

We will build on our strong history and track record in Ethiopia to increase the impact of our work in the coming five years. In line with external evaluation recommendations, WAE will also increasingly create strategic links between different areas of its work through the development of three strategic hubs which will facilitate partnership, learning, knowledge sharing and deepening services in our **targeted 20 Woredas and 7 towns, reaching 1.52 million direct and an additional 6.1 million people indirectly** through our influencing work.

WAE therefore will work towards the following six objectives in the coming strategic period:

- 1. 1.52 million people including marginalised groups in target areas have access to safe water, improved hygiene and sanitation due to WAE and partners initiatives.***
- 2. WASH stakeholders at national level and WAE target areas are better able to plan, monitor, coordinate and deliver equitable and sustainable WASH services.***
- 3. A credible national action plan and budget for sanitation exists that includes rural and urban sanitation that can be implemented by regional and local governments.***
- 4. Institutional WASH, particularly WASH in schools and health institutions, is integrated into local level plans in WAE target Woredas and monitored and reported in the overall national WASH progress reports.***
- 5. WASH components under the food security sector in Ethiopia and WASH sector programs are effectively linked and coordinated***
- 6. WAE is recognised for its influence, effectiveness and efficiency in reaching its objectives, both within the WaterAid family and externally by other actors in Ethiopia and beyond.***

WAE has projected essential and desirable levels of operations and at the essential level proposes to reach a total of 1.52 million poor and marginalised Ethiopians with WASH services with a total resource requirement of ETB 596,405,040⁵ and a staffing level of 60 staff over the five year period.

⁵ This is equivalent to Pound Sterling 22,938,658 million and USD 36,2 million

1. Introduction and Background

After being established in 1981 as a UK based charity in response to the UN Water Decade (1981-1990), WaterAid currently operates in 26 countries throughout Africa, Asia and Latin America promoting its vision of a world in which all people have access to safe water and sanitation. WaterAid's work focuses on using practical solutions to provide safe water, improved sanitation and hygiene education to the world's poorest people and on seeking to influence policy at national and international levels.

WaterAid has a long track record of working in Ethiopia. The organisation began funding projects in Ethiopia in 1983, followed by the establishment of the Country Programme office in 1991. WaterAid in Ethiopia (WAE) supports projects and programs that deliver effective and sustainable solutions while providing evidence and experience on which national level influencing can be based. WAE is committed to working with local partners and facilitated the creation of a specialized sector NGO, Water Action, which became a legal entity in May 1995 and is now one of the leading Ethiopian NGOs working on water, sanitation and hygiene (WASH) issues.

A lot remains to be achieved in Ethiopia to address the huge levels of need exacerbated by rapid population increases, low current levels of coverage and the severe environmental degradation taking place in large parts of the country. WaterAid's new strategy therefore aims to make a crucial contribution to helping address these and other challenges facing the water, sanitation and hygiene sector in Ethiopia in the coming years.

This new WAE country strategy is the outcome of careful reflection and strategic planning by WaterAid staff together with partners and other stakeholders in the WASH sector. Details of the steps followed can be found in Annex 1. WAE's 2011-2015 strategy links directly to WaterAid's global strategy, through the development of strategic objectives that contribute to the achievement of the four global aims to:

- 1. Promote and secure poor people's rights and access to safe water, improved hygiene and sanitation*
- 2. Support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation*
- 3. Advocate for the essential role of safe water, improved hygiene and sanitation in human development*
- 4. Further develop as an effective global organisation recognized as a leader in our field and for living our values*

Following this introduction, Section 2 reviews the main achievements, lessons and key shifts going forward from the previous strategic period. Section 3 presents our analysis of the situation in Ethiopia in general and specifically the key WASH sector blockages in the Ethiopia country context. Section 4 outlines WAE's aims objectives and indicators in response to our understanding of the situation and explains the major strategic choices made and interventions planned. Sections 5, 6, 7 and 8 respectively present the human resource and financial requirements, risk assessment and M&E plans of the strategy.

2. Looking back – progress and key shifts over the last strategic period⁵

WaterAid opened its Ethiopia office in 1991 with a few core staff and limited service delivery oriented activities. In the years since then, WAE has grown tremendously in terms of its portfolio of activities and interventions, staffing, budget and sophistication of interventions. In 2005/6 WAE had a total of 33 staff and its actual expenditure was ETB 19,578,672⁶. In 2009/10 WAE had a total of 55 staff and spent a total of ETB 41,089,954⁷. In the same period, WAE opened two sub-offices (2005 and 2007) in remote areas of the country. Starting from a country strategy with seventeen strategic objectives, WAE embarked on a mid-term strategic review in 2007 that focused down on five main strategic objectives. These were to:

1. Improve sector performance and accountability through monitoring and learning from processes and programmes
2. Build capacity of partners and support them to implement pro-poor policies, strategies and sustainable services
3. Encourage innovative and adaptive approaches and technologies in WAE and others' programmes that can be taken to scale
4. Develop further WAE's own organisational capacity to support delivery of the strategy
5. Contribute to and guide WA regional and global forums and initiatives with quality evidence, case studies, research material and advocacy

WAE is now recognised in Ethiopia as the leading INGO working in the sector and is active in service delivery, influencing work, research and documentation, capacity building and has a particular expertise in rural water supply, sanitation and hygiene.

2.1 Partnership

Achievements

WAE's work has been implemented in close partnership with government, local and international NGOs, communities and to a more limited extent small-scale local private sector. WAE has provided support to partners in the form of funding, technical assistance, capacity building, innovation and sharing of learning and best practices. WAE has also learned a great deal from partners and tried to share these learnings more widely to others in the sector. WAE started from a strong base of service delivery partnerships to implement integrated water supply, sanitation and hygiene education projects with an emphasis on technologies that are appropriate to local conditions and conducive to community management and empowerment – affordable and easy to maintain.

In the last strategic period, WAE has significantly diversified its partnership base, as well as strengthened its support to sector networks with a wider influence and voice than individual NGO partners. Examples include two university partners, a research partnership with the Ethiopian Economic Association, as well as WAE's key contributions to launching the first civil society network on water and sanitation, the Water and Sanitation Forum. In 2005/6 WAE had 6 partners and in 2010/11, WAE has 15 partners including those focusing on rural, urban, cross-sector programs. A full list is included in Annex 2. Since 2008, WAE has been issuing a competitive call for proposals in order to select new partners.

WAE has responded to opportunities that have emerged from its sub-office presence at Woreda level. Collaboration with Woreda government offices has evolved into important work on Woreda level capacity building, local level WASH networking and coordination, regional level policy dialogue and most recently, WAE support to Woredas in developing Woreda WASH Strategic Plans. WAE has benefited tremendously from the involvement of Woreda-level staff

⁶ This is equivalent to Pound Sterling 753 thousand and USD 1.1 million

⁷ This is equivalent to Pound Sterling 1.4 million and USD 2.4 million

through long-term secondment and also through day to day engagement in project design, community interaction and the implementation of activities. This contributes usefully both to capacity building and to relationship building.

As WAE has built up local partners' human resources, technical competence and accountability, other INGOs have had the confidence also to support them. Several (including Water Action and EOC-DICAC) have leveraged significant non-WaterAid funding, often accounting for 70% or more of total income.

Challenges and constraints

While partnerships and partner capacity building have been cited as a strength in WAE's recent external evaluation, challenges remain. These challenges include weak objective setting in partnership agreements, with partners' expected performance often described only in terms of physical outputs, rather than resulting outcomes. The lack of an overall partnership strategy or guideline has also limited the quality, consistency and depth of WAE's partnership approach. Related to this, while partner capacity building has certainly been taking place, it appears to take place on an *ad hoc* basis.

What we will do differently

WAE will develop a partnership strategy that guides its engagement with partners over the coming strategic period and sets out WAE's strategic approach to partnerships, partner capacity building, as well as a clear exit strategy and indicators for measuring success. Important elements of this will be the continuing diversification of WAE's partnership base to reflect the full range of WASH sector institutions and a greater focus on demand responsive and longer term partner capacity building. WAE will also develop a more nuanced approach to fit the needs of different types of partner institutions, ranging from community-run WASH institutions, to NGOs, to local governments, training institutions and networks. WAE will have to balance providing a more structured and consistent package of support with responding to the specific needs and desires of various institutions.

WAE's move to develop its three strategic hubs will also facilitate closer interaction and engagement with regional and local level institutions and open up opportunities to develop holistic partner-led programmes in the strategic hub areas. (See below and under WAE Objective 4, p.32 for more on strategic hubs).

2.2 Service delivery

Achievements

During the last strategic period, WAE partners and sub offices reached 360,273 people with water and 435,721 people with sanitation in increasingly remote and marginalised areas. During the strategy period WAE worked with 15 implementing partners and eighteen local governments and a total of 64 WASH sector institutions in funded and non-funded relationships to improve access to WASH in Ethiopia. Government contributions to WAE's service delivery work ranged from participation in project design, implementation to monitoring and evaluating WAE's work. Government contributions towards projects was significant with support in the form of materials (pipes, fittings, etc) seconded staff, and cash.

WAE built on its community management approach developed with large schemes and came up with an adapted model for small schemes where WASHCOs of smaller schemes can be associated into a board that represents a number of small schemes in the same geographical area. WAE continued to strengthen its support to the Oromia region water boards⁸ through cost-sharing the biannual water board meetings. These water boards sustain WASH services to over 350,000 people in Oromia region, and the meetings provide an opportunity for board members

⁸ those previously financed by WAE as well as those financed by others including government

to exchange experiences, peer review their performance and raise their concerns and challenges to government representatives.

The three sub-offices which were created due to lack of local NGOs in the increasingly remote areas WAE was moving into have helped WAE to test and learn from more 'hands on' work in partnership with local governments. WAE has shifted its service delivery to more remote and marginalised areas, one indication of this is that out of the current 18 Woredas where WAE works, 16 are food insecure Woredas.

WAE has also made significant advancements in innovation, including piloting and most recently scaling up the sand dam and implementing biogas technology, piloting the deep well hand pump.

Challenges and Constraints

The recent external evaluation has pointed to gaps in technical quality of water and sanitation work which need more focused and consistent technical oversight and backstopping support as well as technical capacity building of both WAE and partner staff. WAE has not made the best use of existing technical and process standards or guidelines within WaterAid globally or those that exist nationally or internationally for both hardware and software to ensure that WAE and partners' work is consistently up to the standard and that it offers the best value for money. A clear phase out strategy and better planning and budgeting will also help to strengthen WAE's work in this area.

WAE's work is geographically spread across Ethiopia, in six out of ten regional states. WAE has traditionally selected project sites in consultation with regional governments and their prioritisation. More rigorous and consistent pro-poor selection criteria could be applied in the upcoming strategic period. Evaluation findings suggest that this geographical spread be reconsidered due to the difficulties in regular supervision and increased overhead costs. WAE's three sub-offices which have created opportunities for testing and learning have also led to ambiguity on WAE's role as a direct implementer.

What we will do differently

WAE will build on its experience and ensure consistency of technical quality and focus to its service delivery work. WAE will tap into WA global experience and expertise to adapt and implement guidelines and standards for more effective and efficient implementation of water and sanitation infrastructure and social mobilisation processes. More attention will be placed on WAE's backstopping and technical support role to partners and ensuring that WAE is adding value to partner-led work. WAE's focus in the upcoming period will be on **equitable** and **sustainable** WASH services and its service delivery work will focus on these two elements. WAE's approach to equity and inclusion will be two-pronged: 1) a focus on reaching geographically marginalised areas and communities and 2) reaching all members within the communities where we work.

In line with evaluation recommendations, WAE will develop its existing field presence (3 sub-offices) into strategic hubs that facilitate integrated and linked programmes of work, moving away from the current 'projectized' approach. These 'hubs' will allow us to integrate various aspects of our work, increase our technical oversight and cost effectiveness. We will also increasingly focus our partnerships in these strategic hub areas and maximise opportunities for joint learning and sharing within the 'hubs'.

The strategic hubs will better respond to the decentralised government structure in Ethiopia and allow for more context-specific support using different technologies and approaches. These are proposed in three regions: Benishangul-Gumuz (a remote and marginalised region where our

sub-office has organically evolved into a 'hub'), SNNPR (the most densely populated and diverse region of the country) and Oromiya (by far the largest region of the country). These hubs will lead on piloting, demonstration and dissemination of learning around new technologies (sand dam, biogas, deep well hand pump, solar) and programme methodologies (CLTSH, community management and board system for small scattered schemes, community monitoring approaches), coordinating with local level stakeholders and institutions and creating momentum behind key WASH issues. The role of these strategic hubs will be coordinating (rather than directly implementing) a holistic programme of work that responds to the specific WASH needs of the region or zone where the hub is located and providing close capacity building, monitoring and technical support to a group of implementing partners in that specific area. This in turn is also expected to create opportunities for mutual learning amongst partners as well as WAE.

We will help to bring attention to issues of sustainability at sector level and improve the sustainability of our own work as well as benefit from greater value for money for our investments. WAE's approach will be to address these both in its own work and also in influencing sector policies and practices. This will also serve as an entry point for a greater focus on water resource management in general, with WAE's service delivery work mainstreaming Water Resource Management (WRM) approaches for increased sustainability and better water quality in our target areas. WRM analysis will be included in project planning and design, appraisal, monitoring and evaluation. WAE will also start to implement adapted environmental impact assessments prior to undertaking service delivery work.

2.2 Innovation and adaptation

Achievements

WAE's work on equity and inclusion, particularly the development of inclusive designs for latrines and shower facilities, is perhaps the best-known strength of the country programme within WaterAid globally. It is renowned for critically analysing such approaches, and using this experience to inform WaterAid's global guidelines and frameworks, such as the Equity Inclusion Framework. A number of innovative and adoptable technologies like sand dam, biogas, inclusive designs and approaches were piloted and some of them are scaled up to other areas. On approaches for sanitation and hygiene, a flag system and coffee ceremony were applied and scaled up by NGOs like Food for the Hungry working in the neighbouring areas. In addition, these projects were visited by Gondar University and TVET students and other likeminded organizations as part of an educational tour. WAE conducted a study on the key connections between water, hygiene and sanitation provision and HIV/AIDS. The study findings were disseminated to sector actors to consider during implementation of WASH projects in their respective areas. The main role for WaterAid in innovation and adaptation is to pilot, document and disseminate the best practices to sector actors so that they can learn from them and eventually consider them during project planning and implementation.

Challenges and Constraints

WAE has supported a number of innovative approaches for sanitation and hygiene like the flag system⁹ and coffee ceremony which adapt the CLTS approach to the Ethiopian context. However, there has been little progress on adapting social marketing and other demand side approaches. WAE has also been slow to clearly articulate and promote its approach to hygiene and sanitation as well as its own analysis of the strengths and weaknesses of the approaches of other sector actors.

⁹ See WAE publication **The Color of Change**, 2008

On water supply, WAE has piloted and is now scaling up sand dam technology, and is also piloting the deep well hand pump technology. However, clear planning from the start on the purpose of pilots, the plan for scaling up and documenting the process of innovation are all areas that could be strengthened. As pointed out by the external evaluator, WAE could also do much better on understanding and analysing existing information within WA globally and externally on technologies and processes before undertaking new work.

What we will do differently

WAE will make better use of existing documentation and experience within and outside of WaterAid, for more rigorous analysis and application of its innovation and adaptation work. This will also involve working closely with the Technical Support Unit. A more focused institutional reputation will emerge from developing clear expertise in selected technical areas such as urban sanitation, inclusive designs for WASH, community management, adopting WRM mechanisms and working towards to social marketing on sanitation and hygiene. WAE will also be more deliberate in planning its innovative and pilot work with documentation and scale-up in mind from the start.

2.3 Sector monitoring and influencing

Achievements

WaterAid is now widely known in Ethiopia for its work in establishing local institutions for the management of complex water supply schemes. WaterAid has developed effective mechanisms to bring these committees together for more complex, inter-linked schemes. This has earned it a reputation for community-level know-how, from which larger actors such as the WB have been able to learn.

With the Ministry of Water Resources, Intermon Oxfam and Plan International, WAE initiated a process to create legal provision for independent operation of community-run water management institutions¹⁰. These community-run Water Boards are constituted as self-governing institutions, greatly improving their prospects for sustainability as they can then develop and implement their own commercial strategies.

WAE has also enhanced its strategic partnerships, particularly with two networks – the Water and Sanitation Forum, which is the only Ethiopian civil society network of WASH NGOs, and the WASH Ethiopia Movement, a voluntary coalition of government, donors, private sector, media and NGOs focused on hygiene and sanitation related advocacy and public awareness raising. WAE support to the WSF has been crucial in guiding the Forum, chairing the Steering Committee and fundraising. The Forum, which now has 79 members is recognized by government and development partners as the representative institution for WASH civil society and takes part in national level decision-making and coordination mechanisms. With regards the WASH Ethiopia Movement, this strategic period has seen a revitalization and greater institutionalisation of the Movement with particular strengths in public awareness raising and developing media capacity to promote and report on WASH issues.

¹⁰ A major breakthrough was achieved in November 2008 when the Regional Council of Benishangul Gumuz passed the first such legislation under Proclamation 71/2008 to “provide for the determination of the organisation and the powers and functions of Rural Domestic Water Supply Users Association. This was a result of much lobbying by WaterAid over several years. More recently, Oromiya, the largest region in Ethiopia has also passed the legislation and WaterAid is replicating this process in collaboration with Intermon Oxfam, and which Plan International is supporting in SNNPR.

Influence through leveraging the work of hosted partners was an important part of the last strategic period. WAE hosted the Ethiopian Country Water Partnership – focusing on IWRM capacity building in the country and demonstration through two pilot sites in two regions; the Partners for Water and Sanitation, focusing on urban WASH capacity building, mainly for utilities; WAE hosted the coordinator of the WASH Movement described above, and the DFID-funded RiPPLE consortium working on action research in the sector. In all cases, hosted partnerships have enabled WAE to gain additional knowledge, capacities and credibility in areas beyond its direct interventions.

Challenges and Constraints

While WAE's work in the area of sector monitoring and influencing has clearly progressed and gained sophistication in the last strategic period. However, it has not always been clearly linked with other parts of WAE work under a clear framework with organisationally well-understood objectives. The links between research, communication and policy influencing have also been weak

What we will do differently

As a matter of priority, WAE will develop a holistic sector monitoring and influencing strategy with clear objectives that is owned and understood by the whole organisation. This strategy will allow WAE sector monitoring and influencing work to be planned and purposeful and effect changes in policy or changes in the way policies are implemented. WAE will be more deliberate about developing differentiated messages and recommendations for government at different levels, donors, civil society and community. In general the strategy will target actors working in the WASH sector.

Another shift will be reaching out to sectors such as education, health and food security. These respond to challenges faced on institutional WASH – particularly school and health institutions as well as the disconnect between large food security related programs that are taking place in Ethiopia, often with significant water components, and the mainstream WASH sector.

2.4 Research, Learning and Communications

Achievements

WAE's programme of research and communications has targeted some highly relevant topics in the Ethiopian context, looking in depth at community-based management modalities for water supplies, reasons for the success and failure of rural water supply schemes, effective models of partnership, and means of working productively with local government and sanitation options for people with disabilities and other marginalised groups. The cross-cutting principles of Equity and Inclusion underpin WAE's research agenda and almost all the work done has addressed disenfranchised groups and focused on extracting useful lessons and experiences from field experiences for the development of more effective ways to serve poorer and more marginalised groups. WAE publications have received acclaim from sector actors nationally and internationally, and are widely referenced in sector documents in Ethiopia.

Challenges and Constraints

It has already been observed that the links between research, learning, communications and policy influencing and service delivery remain weak. While WAE is well-known and recognised for high quality publications and documentation, this learning is not always applied in our own work with partners, nor has there been a targeted dissemination plan that is aimed at changing practice or policy based on the findings and learning.

What we will do differently

The focus in the coming strategic period will be on greater integration between research, learning, influencing and communications functions of our work, and application of learning into WAE and partners approaches. This involves being more focused on our core objectives and organising our research, learning and communications work clearly in support of these objectives. WAE will develop a targeted dissemination plan that will help us get the most out of our research and learning, communicate emerging findings in the most effective and targeted ways and ultimately increase the impact of our work.

2.5 Organizational Strengthening

Achievements

WAE has come a long way in the last strategic period. It has significantly improved its internal systems and procedures, re-visited its staffing and structures, and dramatically improved its IT and internal communications. Substantial progress has been made in delegation and institutionalising a strong and dynamic senior management team, and empowering team leaders and middle managers.

Challenges and Constraints

Integrated holistic planning, implementation and monitoring of a programmatic approach is an area that needs further strengthening. WAE is still in the transition from a project-focused to a programmatic approach and this transition has not always been smooth. The organisational restructuring implemented in 2008 was overdue, but did take significant time and attention. Planning, budget management, document and information management, cross-departmental working and maintaining and improving quality standards are areas that need focus. Unclear roles and responsibilities related to fundraising and contract management have also posed challenges. Some adjustments are required in staffing and minor structural adjustments to respond to evolving needs, the findings of the external evaluation and our move away from direct service delivery to strategic hubs.

What we will do differently

Careful consideration of the staff skills and mix required for delivering our new strategy, adjusting organisational functions, improving internal systems such as information and document management, improving planning and budget management, and developing and investing in selected areas of expertise (such as urban WASH) will be important in the coming strategic period.

Table 1: Summary of Achievements, Lessons and Key Shifts

	Achievements	Lessons learnt	Key shifts
Partnership	<ul style="list-style-type: none"> Expanded partnerships from 6 to 15 implementing partners, in new areas including research & documentation, E&I and urban sanitation. Worked with 18 local governments and forged close partnerships with the 3 local governments where WAE sub-offices are located. Supported 3 local governments with Woreda WASH strategic plans Continued to facilitate joint learning and sharing among Oromiya WASH Boards representing over 350,000 people. 	<ul style="list-style-type: none"> Need for a clear exit strategy Need for a partnership strategy to provide overall directions and guidance. Scope for expanding WASH Board meetings to other regions. Partner capacity building activities have often been ad-hoc. 	<ul style="list-style-type: none"> Development of partnership strategy with clear guidance on exit strategy. More focus on demand-responsive capacity building of partners including local governments Introduce the WASH board meetings in other regions Strategic hubs will provide greater partner support, opportunities for joint learning and sharing
Service delivery	<ul style="list-style-type: none"> Reached 360,273 people with water and 435,721 people with sanitation Worked to strengthen the financial sustainability of the Oromia water boards representing 350,000 people Moved WAE service delivery to more remote and marginalised areas Started work in more technically challenging areas (water stressed/water scarce) 	<ul style="list-style-type: none"> Gaps in technical quality of water and sanitation works Wide geographical distribution of project areas hindered the supervision and backstopping of partners and also increased overhead costs. 	<ul style="list-style-type: none"> Adopting a clear and strong focus on equitable and sustainable services Adapting and utilising guidelines and standards for technologies and approaches used by WAE and partners. Project sub-offices evolving into strategic hubs to facilitate strong linkages between partner-led service delivery, capacity building, influencing, research – the whole gamut of WAE supported work. Deepening rather than widening the scope of our work (focus on 20 Woredas; already in 16; and 7 towns)
Innovation and adaptation	<ul style="list-style-type: none"> Working on Equity and inclusion and sharing to other Water Aid programmes Innovative approaches like flag system, coffee ceremony Piloting of innovative technologies like sand dam, biogas attached with latrine and inclusive designs, deep well hand pump 	<ul style="list-style-type: none"> Lack of clear plan on purpose of piloting and scaling up and documentation Lack of analysis of our and other sector actors strength and weakness on hygiene and sanitation approaches 	<ul style="list-style-type: none"> More rigorous analysis and planning from the start, with a clear emphasis on documentation and learning. Our sanitation and hygiene approaches will be analysed and guides will be prepared. More focus to learning, demonstration and practice-based influence on sustainability and equity. More work on urban sanitation, adopting

	Achievements	Lessons learnt	Key shifts
Sector monitoring and influencing	<ul style="list-style-type: none"> • Establishment of local institutions for management of big gravity water systems • Legalization of community managed water supply schemes. • Enhanced strategic partnership with the two net works i.e. Water and Sanitation forum and WASH movement and built their capacity • Influenced the sector through leveraging the works of hosted partners(ECWP, PfWS and RIPPLE) 	<ul style="list-style-type: none"> • Little progress on adopting social marketing and demand side approaches of hygiene and sanitation • Progress of influencing is not clearly linked with other parts of WAE work under a clear frame work with organizationally well understood objectives 	<p>WRM mechanisms and social marketing on sanitation and hygiene.</p> <ul style="list-style-type: none"> • Developing and implementing Influencing strategy to support the delivery of this country strategy. • Ensuring influencing work is widely understood by WAE staff and incorporated into their roles.
Research, learning and communication	<ul style="list-style-type: none"> • Developed and published research and learning relating to community managed models, partnership, sanitation and hygiene options and Equity and Inclusion • WAE publications widely referenced in sector documents 	<ul style="list-style-type: none"> • The link between research, learning and communication and policy and at the same time with service delivery remain weak • Research findings are not always disseminated in a form for the right people to access and apply 	<ul style="list-style-type: none"> • Produce a dissemination plan that aimed at changing practice or policy based on the findings and learning's • Clearly link research, learning and communications with policy influencing and service delivery under the key objectives of this country strategy.
Organizational Strengthening	<ul style="list-style-type: none"> • Improved internal system and procedures • Revisited WAE staffing and structures • Improved IT system • Institutionalized senior management team and empowered team leaders and middle managers 	<ul style="list-style-type: none"> • Integrated holistic planning, implementation and monitoring of programmatic approach needs further strengthening • Need some adjustments to structure and staffing to respond to external evaluation finding 	<ul style="list-style-type: none"> • Improving planning, budgeting contract and document management • Careful consideration of staff skills and mix for delivering our new strategy including areas of expertise needed such as urban WASH and for the strategic hubs

3. Situational analysis

National Context

Ethiopia is part of the East African region commonly referred to as the “Horn of Africa.” With an area of approximately 1.13 million km², Ethiopia borders Sudan, Somalia, Eritrea, Djibouti and Kenya. Ethiopia is located in the highlands of East Africa and this combined with its abundant water resources leads Ethiopia to be called the ‘Water Tower of Africa’.

Political

Ethiopia is a multi-ethnic country with about 83 different languages and more than 200 dialects. Administrative boundaries are based on ethnic settlement patterns. Christianity and Islam are the two main religions of the country. Despite some historical conflicts between the Muslim and Christian populations, current relations are mainly peaceful and there is a strong culture of peaceful coexistence.

Ethiopia has a 4-tier plus system of government: the Federal Government; Regional Governments (9); Zonal (66) and Woreda (district) Administrations (810). Woredas are further subdivided into Kebeles (16,000). Kebeles further reach out to villages and sub-villages. This deep-reaching structure of administration and governance is well-developed in the country.

The ruling Ethiopian Peoples’ Revolutionary Democratic Front (EPRDF) has been in power for nineteen years, and the fourth parliamentary and regional council elections took place in May 2010 with an emphatic victory for the ruling party with a 99% majority in parliament as opposition candidates won only 2 out of 536 seats. In the 2005 elections opposition candidates won nearly 200 seats. In the period running up to the 2010 elections, Ethiopia’s human rights record has been criticized as has its stance on freedom of political expression, freedom of speech, press and media freedom and space for civil society engagement. Concerns have also been raised regarding the politicization of development aid and large scale government programs¹¹.

Socio-economic

Ethiopia has a rapidly growing population: from 1980-1990, the population grew at 2.9% per annum, since 2000 the rate has slowed only slightly at 2.73% per annum⁹. The Ethiopian population was 31 million in 1980, 65.2 million in 2000, 74 million in 2007¹² and projected to be 83 million in 2010¹³. If the current rates of population growth continue, the Ethiopian population in the year 2020 is expected to exceed 100 million. As of 2007 approximately 84% of the population were rural residents and 16% urban residents¹⁴. A striking 54% of the total population is under 19 years of age.

This rapid increase in population has many implications in terms of the development of the country. One major challenge is related to the massive pressure on the natural environment and natural resources, another related to the continuing challenge of increasing access to basic services such as health, education and water supply and sanitation.

There are about 935 urban settlements with a population size of over 2000 people and 22 large towns with a population of more than 50,000 people. There is wide diversity in urban areas in terms of population size, social complexity, infrastructure development and economic significance. Urban populations are growing even faster than the national average

¹¹ See Human Rights Watch Report, 2010 <http://www.hrw.org/en/reports/2010/10/19/development-without-freedom-0>.

¹² Different sources used for the figures, statistical abstract for 1980, 1990 of different years and UNDP; MDG Need Assessment for the 2000.

¹³ Different sources used for the figures, statistical abstract for 1980, 1990 of different years and UNDP; MDG Need Assessment for the 2000.

¹⁴ CSA, December 2008.

as a result of rapid and continuing migration to urban areas, the average population increase in urban areas is estimated at about 4% and an estimated 6000 people per week move from rural to urban areas¹⁵. Overall population growth as well as rapid growth of urban centers poses a big stress on planning, providing basic services and developing infrastructure to keep pace with the needs of the population. In urban areas, sanitation in particular is becoming a crisis and one that remains neglected by most sector actors in the country.

Urban poverty and inequality are also increasing, while on the other hand urban populations are now contributing a larger share of GDP growth. For example, Addis Ababa with 4% of the population of the country contributes about 35% of GDP growth. The majority rural population now only contributes 40% to the GDP growth of the country.

Ethiopia ranks 157 out of 169 countries in the Human Development Index, 130 out of 135 in the Human Poverty Index, and 85 out of 109 in the Gender Empowerment Measure¹⁶. The country has an agrarian economy dependant on subsistence rain-fed agriculture. About 44.6% of the GDP, 90% of exports and 85% of employment comes from the agriculture sector. However, the performance of the sector is highly vulnerable to variations in rainfall (WB, 2006). In 2005, 23% of Ethiopians were estimated to be living on less than a dollar a day, and 77% living on less than \$2 USD a day.

Adult (15 and above) illiteracy rate is significant at 64% (54.4% male illiteracy and 45.6% female illiteracy). Combined gross enrolment rate for primary, secondary and tertiary education for 2007 was 49%. Education is the first sector expected to meet the MDG target. Despite advances in the education sector, the country faces a high rate of “brain drain” of educated professionals¹⁷.

A National Bank of Ethiopia report shows the economy grew at an average rate of 11.8% between 2003/04 and 2007/08. Despite reports of high rates of economic growth, inflation and hard currency shortages have seriously affected the economy. Official records of inflation exceed an average of 40% for 2008/09. The National Bank was forced to revise its monetary policy, followed by the reduction of government local borrowing. Along with the global financial crisis, this has threatened capital investment in the pro-poor sectors.

Agriculture, Environment and Climate Change

The agricultural sector is by far the most important in Ethiopia: it directly supports about 85% of the population in terms of employment and livelihood and is the prime contributing sector to food security. Small-scale farmers dependent on low input and low output rain-fed mixed farming with traditional technologies dominate the agricultural sector.¹⁸ While the government of Ethiopia has prioritized this sector and taken steps to increase its productivity, many problems are holding back progress. Recurrent drought is one major cause of underproduction, often leading to famine and flood and making Ethiopia dependent on food aid.

While it is widely acknowledged that the effects of climate change will be particularly damaging to countries such as Ethiopia, which are dependent on rain fed agriculture and under heavy pressure from food insecurity and often famine caused by drought, there are few studies addressing the impact of climate change on Ethiopian agriculture and the farm level adaptations to mitigate the potential impacts of climate change. Thus, little is known about how climate change may affect the country's agriculture, seriously limiting policy formulation and decision making on adaptation and mitigation strategies.

¹⁵ WaterAid Ethiopia, Urban Approach Paper, 2009.

¹⁶ UN Human Development Report 2010.

¹⁷ Human Development Report 2009, Country Fact Sheet Ethiopia, http://hdrstats.undp.org/en/countries/country_fact_sheets/cty_fs_ETH.html

¹⁸ Centre for Environmental Economics and Policy in Africa (CEEPA) *Policy Note No. 25, August 2006*

Ethiopia suffers high levels of environmental degradation. Soil erosion and degradation remains one of the most critical and far ranging environmental issues affecting the country. Rapid population growth, increased crop cultivation in marginal areas and increased livestock grazing pressure has contributed to severe deforestation and soil erosion. In the forested areas of the South and South West, deforestation is occurring at an alarming rate with major forestry threats including resettlement, commercial farming and fire. In the eastern and southern lowlands, commercial agricultural investments, rangeland enclosures, (re)-settlement schemes, charcoal production and the relentless expansion of very aggressive invasive alien species are having a profound and detrimental effect on the natural resources availability, the traditional rangeland management systems and institutions in place and ultimately the livestock based pastoralist livelihoods of the Afar, Somali and Borena people. Other major ecosystems in Ethiopia (wetlands and afro-alpine areas) are also increasingly being threatened and degraded.

With regard to urban environment, air quality has sharply declined in Addis Ababa and other major towns as a consequence of dramatic increase in new and second-hand vehicles and no control on emission levels. Insufficiently regulated expansion of the flower and horticulture industries and the concurrent use of unauthorized pesticides and fungicides in the Rift valley are also a growing concern¹⁹.

Equity and Inclusion Analysis

Ethiopian society remains one characterised by great disparities in power relations and high levels of exclusion and marginalisation. A summary of the seven main excluded groups, particularly with regards to WASH service provision, as well as in terms of provision of other basic services in the country follows. A full narrative analysis is included in Annex 3.

¹⁹ EU Environmental country profile – Ethiopia 2007.

Table 2: Equity and Inclusion Analysis

Group	Key Characteristics in Ethiopia	WASH issues
People with Disabilities	Official rate of disability 1.09% considered under-estimate. Visual impairment and non-functional limbs make up for 57% of all disabilities.	While they have an increased need for WASH services, their access is limited due to physical, institutional, environmental and social constraints.
People living with HIV/AIDS	National prevalence rate of 2.9%, with young women and girls particularly affected and vulnerable due to gender violence and poverty. High level of HIV orphans – over 1% of the population.	Discrimination and stigma result in denial of access to WASH facilities and services. This is not limited to shared facilities but also discrimination from family members or landlords for those with private facilities. Increased need for WASH services and decreased access.
Children and Older People	Children (0-14) make up 45% of the population and elderly (>65) 3.2%. Infant mortality rates are 69 out of 1000 live births and average life expectancy at birth is 56.1 years ²⁰ .	Needs and rights of both groups often overlooked in WASH programs. WASH related diseases contribute to high rates of child mortality and morbidity. Girls miss out on education due to burden of collecting water, or drop out of school due to lack of facilities for menstrual management. The elderly are often physically not able to collect water and face difficulty using standard sanitation facilities.
Women	Ethiopia ranks 89 out of 102 on the Gender equality index ²¹ , and the vast majority of Ethiopian women live in conditions of poverty and dependence, they have lower literacy rates (49.3% against 64.4%) than men. Violence against women is widespread ²² . It is estimated that 80% of Ethiopia's female population is subject to female genital mutilation. Women's ownership rights are very limited: women who separate from their husbands are likely to lose their homes and property, and when a husband dies, other family members often claim the land over his widow.	Although women's roles in domestic water supply have been long recognized, WASH projects overlook their participation in decisions and management. Where women are represented, it is often tokenistic and ineffective. Lack of access to sanitation and hygiene facilities makes women more vulnerable to violence as they often travel under the cover of darkness to defecate in privacy. The long hours women spend in water collection and waiting times also negatively impact on the care and health of their children. For younger women and girls, their WASH related responsibilities often keep them out of school.
Geographically remote residents	Pastoralists, those living in under-served and remote areas have had a history of political, economic and socio-cultural marginalisation. Pastoralists make up a little over 10% of the population and due to their	Due to their 'invisibility' to policy makers, residents of geographically remote areas remain underserved. They also live in some of the most water-stressed and water scarce areas of the

²⁰ UNDP, Human Development Report, 2010

²¹ Genderindex.org/country/ethiopia

²² A 1999 World Bank study estimated that 88% of rural women and 69% of urban women believed their husbands have the right to beat them. (Gender and Law: Eastern Africa Speaks, World Bank, 1999), and while this study is out of date, the finding is still alarming.

Group	Key Characteristics in Ethiopia	WASH issues
	vulnerability to natural disasters, as well as policies and practices that further impoverish them, they have emerged as one of the poorest groups in the country. They are also less served in terms of the basic services (gross enrolment in Afar and Somali regions for primary education were 31.2 and 35% respectively compared with national average of 94.2% ²³	country. For pastoralists, service delivery needs to meet the requirements of their lifestyle, and most services are designed for settled populations. Though it is difficult to generalise on technology options, in many remote areas, rain water harvesting may be the only option.
Informal settlers and slum dwellers	There is very little information about the numbers of informal settlers and slum dwellers. This group faces a constant lack of basic services as well considerable vulnerability due to the fact that they do not have rights to the land they occupy. They are often not counted at all as they do not have proper documentation including the 'kebele' ID cards that are a basis for access to public services. Recent urban upgrading in Addis Ababa has displaced many without any compensation and the homeless in urban areas are among the most marginalised and poor people in the country.	This group normally does not have access to WASH services and resort to open defecation and buy water at inflated prices. They remain invisible to most WASH programs and have no rights to water connections, to build sanitation facilities or to use shared or communal facilities.
Internally displaced people	After decades of conflict and famine, there are an estimated 300,000 to 350,000 internally displaced people in the country ²⁴ . In almost all cases, displacement is caused by conflict between different ethnic groups, conflict over scarce resources such as water, and pastoral or agricultural land.	Lack of access to safe water, sanitation and hygiene often causes serious health problems among IDP populations who are already more likely to live in poor quality housing with few or no basic services. Lack of sanitation often contaminates the water causing diseases such as typhoid and cholera.

²³ Ministry of Education: www.moe.gov.et, Education Statistics Annual Abstract 2008/9.

²⁴ IDP in Ethiopia, Internal Displacements Monitoring Centre, <http://www.internal-displacement.org>

Major barriers to inclusive service provision

In a country with such low levels of coverage and access to WASH, there is great momentum to increase general service coverage rather than targeting particularly disadvantaged or marginalised groups. This can lead to service provision being targeted to those who are the easiest and least expensive to reach and an inequitable distribution of services which further exacerbates existing inequalities in the society. There is also a general lack of experience and awareness, as well as limited technical skills to adapt basic services including WASH services to the needs of those that are excluded.

The level of awareness on the special needs of the marginalized and vulnerable groups in WASH services is generally low at all levels. While in general NGOs tend to focus more on excluded groups, most WASH NGOs do not have a track record of working with particularly marginalized or excluded groups. National sector policies, strategies and programs do not have any provisions for the special needs of excluded communities. The government has adopted a universal access approach, which can make excluded people and their special needs invisible. The general assumption is that once water and sanitation facilities are provided, everyone in the community will be able to access these services.

Excluded groups and duty bearers

It is clearly stated in the Ethiopian constitution that every citizen has the right to an improved living standard and to sustainable development (Art 43:1), one of which is the right to clean, safe and adequate water and sanitation. The government has ratified several international conventions to implement the right based approach to development; however, translation into practice at national and local levels lags behind.

The recently endorsed Charities and Societies legislation limits the ability of international and internationally funded local NGOs to work on rights-based approaches to development. The legislation was passed by the government in 2009, and led to the establishment of a new agency mandated to oversee the work and management of civil society organisations called Charities and Societies Agency in the country. The law restricts international and Ethiopian Resident²⁵ NGOs from working on issues related to human rights and advocacy. Only Ethiopian NGOs who are able to raise more than 90% of their funds from local sources are allowed to work without these restrictions. Local fund raising is a big challenge for most local NGOs, as a result most local NGOs registered as resident NGOs rather than local NGOs and are therefore disallowed from working on human rights related advocacy.

Civil society organizations work at the interface between rights holders and duty bearers. They work with the community and usually advocate for their voices to be heard. Lack of space for civil society organizations to take part in decision making processes at local, regional and federal levels, coupled with the focus on delivering services, have made them less effective in holding duty bearers to account. The new legislation further discourages civil society engagement in policy processes.

²⁵ Any Ethiopian organization that receives more than 10% of its funding from foreign sources is categorized as an 'Ethiopian Resident' organization.

Ethiopia WASH Sector Review

3.3.1 Coverage

The WASH sector in Ethiopia has changed significantly in the last five years. Investment, particularly in water supply has increased from approximately ETB 1.193 Billion (USD in 2005 to ETB 1.66 Billion in 2010²⁶. One of the main challenges facing the sector is lack of reliable data and there is a great variation in official Government of Ethiopia figures and internationally accepted Joint Monitoring Programme (WHO and UNICEF) figures. Official reports show access to water supply at 68.5 % -- 81.5 % for urban and 65.8% for rural²⁷. Access to sanitation facilities is reported to be 60%²⁸. The same report highlights hand washing practice at 7% and open defecation at about 15%²⁹.

The JMP figures, however, show that Ethiopia has among the lowest rates of safe water coverage in the world with only 41%. Out of this 31% of the rural and 96% of the urban population is using an improved drinking water source. The national sanitation coverage is only 11% out of which 27% urban and 8% of the rural population are using an improved sanitation facility³⁰.

Despite differences in figures, Ethiopia is making considerable progress in WASH in recent years, albeit starting from a very low base. The Universal Access Programme, the government's main WASH plan sets ambitious targets, and clearly highlights the political commitment in the country towards achieving universal coverage, particularly for drinking water supply. As per the JMP estimates, which is depicted on figure 1 below Ethiopia will need to make much stronger efforts to meet the MDG target. At the current pace, except for Urban Water supply all other WaSH components will not be achieved. Even if the country achieves the target there will be a substantial number of people who will not have access. Figure one below depicts the trend of sanitation and water access for rural and urban settings. Of the challenges facing the sector, the issue of harmonisation, coordination and sector performance monitoring have been taken as an important undertaking of the Multi Stakeholders Forum for the coming years.

²⁶ Ministry of Finance and Economic Development Consolidated report. This figure does not include off-budget investments made by NGOs and other bilateral donors. A report by the Ministry of Water Resources highlights that utilisation is only Birr 794 Million, which is about 66% of the total budget.

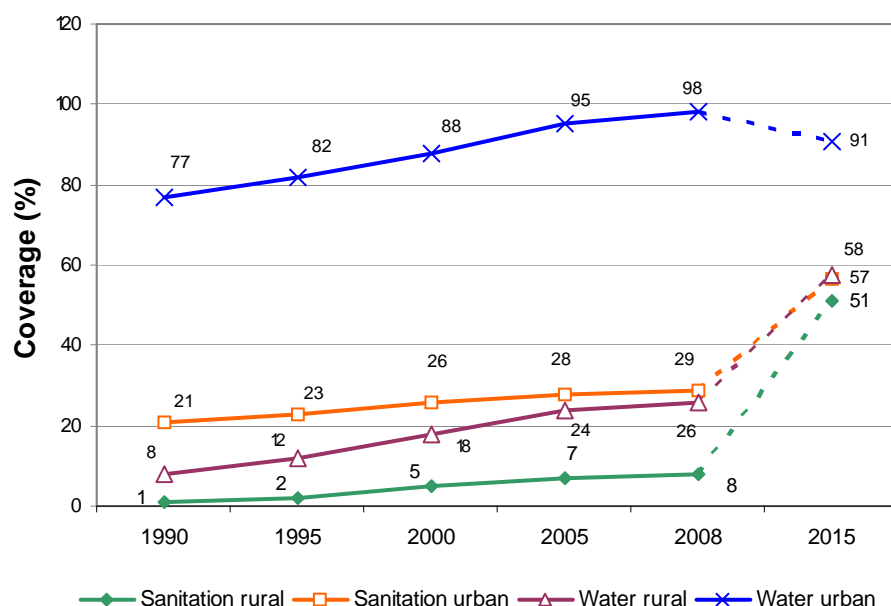
²⁷ Ministry of Water Resources Performance Report 2009

²⁸ Ministry of Health 2009

²⁹ All Government of Ethiopia figures vary significantly from the internationally accepted (JMP) figures for Ethiopia; this is mainly due to differences in definitions and methodologies

³⁰ Millennium Development Goals (MDGs) database: <http://mdgs.un.org> (July 2009).

Figure 1: Ethiopia's progress towards the sanitation and water MDGs 1990-2008 and progress required to achieve the MDGs³¹



3.3.2 Sector Policies, Plans and Strategies

Overall, WASH sector policies and strategies are well-developed and comprehensive. The challenge in Ethiopia is largely on policy implementation; translation of policies to locally implemented plans and actions has proven to be elusive. The lack of a monitoring mechanism for policy implementation also makes it difficult to make evidence-based amendments or changes in policy direction. The Universal Access Programme and the Plan for Accelerated and Sustained Development to End Poverty (PASDEP)³² are the main documents that contain Ethiopia's plans for achievements in the WASH Sector. Currently the WaSH section of the next five year plan, the Growth and Transformation Plan (GTP) is being prepared. Progress has not been achieved as planned under the Universal Access Programme and the government is now revising targets and changing its approach to low-cost technologies as well as considering self-supply.

3.3.3 Key Institutions and their roles

Key stakeholders of the WASH sector in Ethiopia are user communities, district, regional and federal levels of government, particularly the sector offices of Water, Health and Education, public enterprises, utilities, donors, and NGOs both local and international. Private sector is an emerging stakeholder with potential for a larger role in future. On the government side, the three key ministries, Water Resources, Health and Education are instrumental in the development of WASH policies, strategies and sector development programs. They signed a memorandum of understanding, commonly referred to as the 'WASH MoU' in 2006 to recognize the strong linkages between the three and to facilitate joint planning and implementation. A National Steering Committee has been selected from members of the

³¹ End water poverty: Sanitation and water for all: A global framework for Action; Ethiopian economic for WaSH, analysis based on 2010 JMP figures.

³² This is the third Ethiopian PRSP document.

three line Ministries³³, and current coordination is through the Ministry of Water Resources where a coordination office has been established assigning professionals from the three Ministries. The role of the Ministry of Water Resources mainly focuses on design, standard development and quality mapping of water supply projects, and large scale sanitation. On the other hand, the Ministry of Health has mandate over on-site sanitation and hygiene practices while Ministry of Education is focused on supporting and guiding regions on the development and implementation of School Water and Sanitation Plan of Action. Unfortunately, progress has been slow in implementing the MOU, though it does provide a credible umbrella for more integrated WASH programming.

The Ministry of Water Resources is instrumental in developing and issuing water related policies, strategies and development plans. Drinking water supply is one of the three water related areas covered by the Ministry of Water Resources (the other two are grouped together as irrigation and drainage, and dams and hydropower) and has approximately 29% of the Ministry's overall budget³⁴.

The Water Resources Development Fund is constituted under the Ministry of Water Resources to avail loans for urban water supply and irrigation projects able to operate with cost recovery principles. The Fund is used actually to administer loans and grants from donors as well as GOE treasury funds for urban water supply development. There is no experience of funding urban sanitation initiatives through the Water Resources Development Fund.

Sanitation and Hygiene officially falls under the Ministry of Health although there is a mention of sanitation and hygiene also within the mandate of the Ministry of Water Resources as well as the Ministry of Works and Urban Development. The Ministry of Education is responsible for school WASH facilities and promotion in order to create an enabling learning environment. There is no one clear sanitation and hygiene plan for the country that includes rural and urban and clarifies the mandates and roles of the various agencies involved in sanitation and hygiene. While under Federal Proclamation, the mandate related to environmental health protection and hygiene promotion is given to the Ministry of Health, there are various institutions involved in sanitation and hygiene work, and the institutional landscape of urban sanitation is particularly complicated.

As evidenced by recent research by WAE³⁵ major barriers to increasing sanitation coverage in the country and meeting the governments universal access targets are a lack of a clear national plan and budget line for sanitation and clear mechanisms for planning and implementing sanitation activities. Not having separate public budget line means sanitation is overlooked in planning and budgeting processes. Institutional arrangements and mandates are also complicated, particularly for urban sanitation and in the absence of a clear national lead institution; budget and national action plan, sustainable progress on sanitation and hygiene seem unlikely.

³³ Under the federal system of governance, and with the current further decentralisation of functions in Ethiopia, the role of implementation lies with the districts and to some extent with the Regional States. The role of Federal Ministries is therefore broadly focussed on preparation of guidelines, standards, planning and monitoring implementation progress.

³⁴ Analysis made for the year 1981/82 to 2006/07 shows a share of 29% for water supply. Analysis of actual expenditure decreases the share to 20%.

³⁵ See WAE publication, Think Local Act Local II: Impediments to Effective Financing of Local financing of sanitation services in Ethiopia: The case of three local governments, 2009 http://www.wateraid.org/documents/plugin_documents/think_local_act_local_ii.pdf

Urban Water Utilities are public owned semi- autonomous entities. There are about 125 legally established utilities which have the responsibility of managing water supply and sewerage while more than 300 small town utilities are mandated to manage water supply. Legally constituted urban utilities are accountable to the board of directors that is composed of public and private institutions. Except Addis Ababa and a few other big towns the overall capacity of the utilities is very low. Capacity challenges include network management, leakage detection and management, financial and administrative capacity (such as for billing), governance and the incorporation of sanitation and sewerage services is weak. The Ministry of Water and Energy and respective Regional Water Resources Development Bureaus play the overall regulatory role.

Donors meet once a month under the auspices of the Donor Assistance Group Technical Working Group on Water (DAG-Water) to share information and discuss major sector issues. Participation in this group has been declining of late and as of now it is not a strong influence on government policies and strategies. There is a move to revitalize donors' engagement and common platform by developing a clear strategy and guiding document.

There are over 100 NGOs, both international and local, with different levels and scope of operations in the WASH sector. They are important implementers of WASH programmes in the country and among sector stakeholders have the strongest experience in sanitation and hygiene work. While NGOs' experience in rural water supply is particularly strong, there are few NGOs that operate in urban WASH (particularly urban water supply). Most NGOs in the sector are working on service delivery and implementing in agreement with local and regional governments. There are very few NGOs working on WASH sector policy and influencing at the federal level, and WaterAid is one of the few that is clearly working at federal level and is also supporting two sector networks, the Water and Sanitation Forum as well as the WASH Ethiopia Movement to take a lead role in this regard.

The Water and Sanitation Forum (WSF), the network of CSOs working on WASH was officially launched in February 2008 and now comprises 79 member organisations. The WSF, while an emerging network, has played an important role as a coordinating mechanism for WASH CSOs and is increasingly representing WASH CSOs in federal level policy dialogue and debate. Although the WSF has made significant progress since its formal establishment, the forum is not yet a fully independent, sustainable network able to fulfil its stated objectives. The forum is currently housed within a large NGO umbrella organisation (CCRDA), has only one full-time staff person and most member institutions have limited exposure on networking, policy dialogue, and evidence-based influencing. WAE supported the establishment of the Forum and is supporting it financially and technically as well as serving as a chair of the steering committee for two terms of two years each.

Another important sector network is the Ethiopia WASH Movement, a coalition uniting more than 70 governmental, non-governmental, faith based, media, private sector organizations, UN agencies as well as individuals. Its main focus is on sanitation and hygiene advocacy, public awareness and increasing the political and social commitment for progress in these areas. WAE is one of the key actors to establish the movement and host it in its office. WAE serves as a chair of the steering committee.

The private sector could potentially play a vital role in the development of the WASH sector. Currently in Ethiopia, the role of the private sector is limited to consultant, contractor and supplier (of parts and equipment). Even in these areas, the performance and capacity of the private sector is weak. Furthermore there is a general reluctance to increase the role of private sector into distribution and management of water resources, operations and maintenance or even in sanitation marketing and more market driven approaches to sanitation. The case of drilling has been documented, and in addition to low levels of

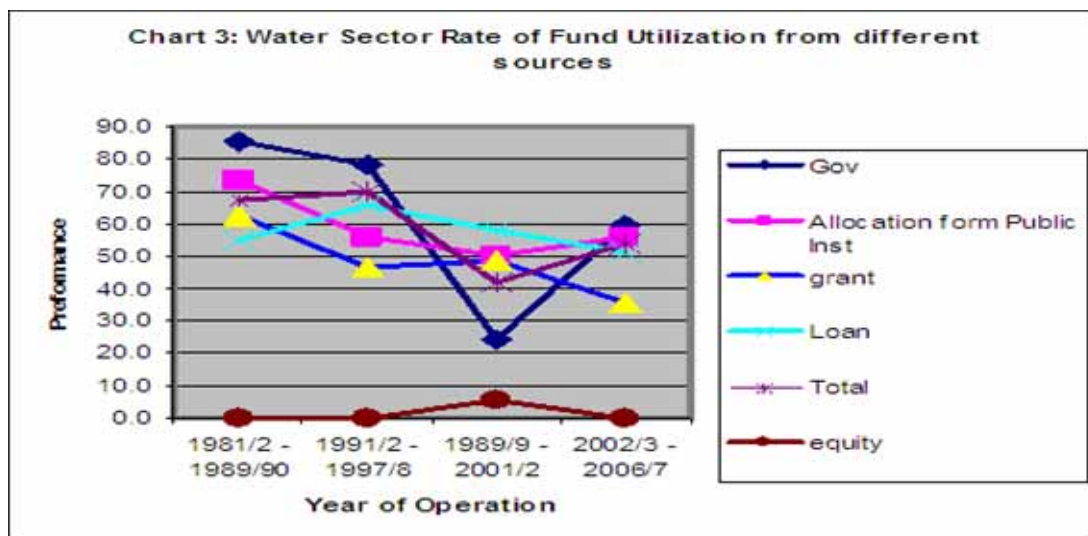
capacity, Ethiopia is also one of the most expensive places in Africa for deep well and borehole drilling³⁶.

3.3.4 Financing

The WASH sector is mainly funded by donors in the form of loans and grants. The World Bank is the biggest donor with more than USD 200 million in investment for rural and urban water supply projects. Although many of the projects and programs are called water supply and sanitation, they are mainly water supply projects with a very minimal role and consideration for sanitation and hygiene. The World Bank is also the donor with the largest influence and leverage in negotiations and discussions with the GOE. The African Development Bank is the other multi-lateral donor financing both urban and rural water supply projects. UK Aid is the largest bi-lateral donor investing in rural and urban water supply with an investment of about USD \$ 100 million, which is channelled through and administered by the World Bank. Other important donors in the sector are the European Union, Italian Cooperation, French Development Cooperation and Arab bank in urban and UNICEF, Finland Embassy and Japan in rural. Historically UNICEF was the only donor funding sanitation and hygiene with the rate of 70% water and 30% for sanitation. Though the rate of allocation varies World Bank, DFID and AfDB have also started putting fund to sanitation and hygiene.

Budget decisions are made at different levels of government. The federal government, the regional state and Woreda council make their own decision. As a result, it is challenging to have consolidated information on the allocation of resources. A preliminary study highlights the water sector has a share of 2.5% to 5% of the national budget. Water supply claims between 26% and 45% of the allocation (Delta 2008 & GWP, Gulilat 2007). The contribution of the government is estimated to be about 30% of the capital budget while the remaining 70% is funded by donors and NGOs. The contribution of NGOs is estimated at about 18% of the total WASH sector capital budget.

Figure 2: Water Supply Budget and Expenditure from 1981- 2007



³⁶ Ministry of Water Resources in collaboration with Rural Water Supply Network and Water and Sanitation Program, June 2006.

3.3.5 Sector Coordination

Intra-sector coordination in planning, implementation and monitoring remains a challenge for the sector. At national level, the National WASH steering committees, National WASH Technical Team, and the Program Management Units within the Ministry of Water Resources, Health and Education are coordinating implementation of the National WASH Program, which is expected to be implemented at Regional, Woreda and Kebele level.

A few donors have started coordinating their approach. The World Bank and DFID have fully harmonised their implementation modality while AfDB is adopting a major part of the procedures. Other multilateral and bilateral organisations have been slow to join this effort because of variations in their aid regulations and procedures embedded in their country specific support strategies. The sector is now moving, albeit slowly towards, a sector wide approach (SWAP) with the principles of 'one plan, one report' and aims to gradually move to 'one plan, one budget and one report'.

Since 2005 there has been a growing discussion among sector stakeholders on the need for greater harmonisation and integration. The EU Water Initiative helped to facilitate the first WASH Multi-Stakeholder Forum (MSF) in 2006, which has evolved into an important annual sector event and played a significant role in bringing various sector actors to one discussion platform. The dialogue has been particularly important in developing consensus on the main sector blockages and priority actions that need focus each year.

3.3.6 Sustainability

Sustainability of WASH services remains an important and neglected sector issue. One indicator, the rate of non-functionality of schemes, is unofficially estimated to be about 40% in Ethiopia. Most actors are also keen to invest in new infrastructure and not enough is being done to look back at the non-functioning schemes to understand the underlying causes of failure and to learn from these. One case study conducted by RiPPLE in Mirab Abaya Woreda in the Southern part of Ethiopia cites institutional factors affecting sustainability/functionality including the capacity of WASHCOs, lack of backstopping and technical support capacity of local government offices, lack of clear roles and responsibility of the different actors; communication and coordination between the different stakeholders. Among financial factors were rate of tariffs and tariff setting and financial management systems and technological issues included technology choice and availability of spare parts.

WAE will also be learning and adapting lessons from the Community Development Fund (CDF) approach implemented at some scale by the Rural Water Supply and Environmental Programme (RWSEP) in Amhara Region with Government of Finland support. The key feature of CDF is that it transfers funds and project management responsibilities for physical construction directly to communities via a micro credit institution. Communities, through Water and Sanitation Committees (WASHCO), are fully responsible for the development process, through planning, implementation (including procurement of most materials and labour) and maintenance. A 2010, Water and Sanitation Program evaluation³⁷ found that implementation rates increased by up to a factor of five, technical quality of the facilities was satisfactory and functionality rates for CDF schemes were 94%; well above the national or regional average. Utilisation of budgets was close to 100%.

³⁷ WSP Water and Sanitation Program (2010), Mainstreaming the Community Development Fund Financing Mechanism, Final Evaluation Report.

4. Country programme strategic objectives, major interventions and indicators³⁶

In response to the national context and WASH sector challenges and opportunities discussed in previous sections, and in line with recommendations of the recent independent evaluation, WAE aims for some key shifts and focus areas for the upcoming strategic period to deliver maximum impact for the millions of Ethiopians living without access to basic WASH services. This section introduces some of these key shifts and focal areas and goes on to outline WAE's major strategic objectives, intervention areas and indicators for the next five years.

In summary, the overarching themes that will guide our work include the following:

- A **greater focus on sustainability** including deepening WAE and sector understanding of the causes of high rates of non-functionality in Ethiopia. WAE will more deliberately address these causes by working on rehabilitation of both physical as well as management systems and structures and backstopping support needed to sustain WASH services in the long term. National level influencing work on the issue will be complemented by experience and evidence from partners' service delivery and action research.
- A **more explicit focus on improving the equitable distribution of WASH services** both through partner-led service delivery to the marginalised communities as well as through advocating for more equitable distribution of WASH services by government and other sector actors. WAE's support to hard to reach populations will help to ensure that the most marginalised are not missing out on their basic rights to water and sanitation³⁸. Our approach will be two-pronged: 1) reaching out to geographically marginalised groups and 2) ensuring an inclusive WASH approach within the communities where we work, aiming to reach everyone in the community. In relation to the analysis of excluded groups in Table 2, WAE will focus its work particularly on women, people with disabilities, children and older people and geographically remote populations. While WAE will aim for an inclusive development approach, we acknowledge that there will be times when a more targeted approach may be necessary, and our approach will include and respond to the needs and demands of the people we seek to reach. WAE will also explore implications on technology choice and technical innovation in order to reach excluded groups.
- WAE will continue to work on **sector performance monitoring as a basis for improving accountability in the sector**. Key initiatives will include our support to sector networks and CSOs to play a greater role in sector level dialogue and debate as well as partnership with government on key initiatives such as the National WASH Inventory process to map WASH facilities and improving the quality of sector management information including the annual CSOs performance reporting.
- WAE will work on **targeted capacity building at local and national levels**. Capacity building initiatives will be demand responsive; and in addition to training, coaching and mentoring, will focus on joint learning and sharing. At local levels, the major areas of focus will be improving Woreda capacities to plan, implement and monitor WASH services, and more informed planning and decision-making, and building on WAE's current efforts on mapping and sector management information systems. Through the development of its strategic hubs, WAE will be able to decentralise its capacity building work and facilitate support to other regional and

³⁸ This is particularly relevant in Ethiopia where a strong push to achieve the ambitious targets of the government's plans means that the easier to reach populations will be benefit first.

local level institutions such as CSOs, technical and vocational training centres, regional universities, associations and others. In urban capacity building, WAE will continue to build the capacity of water utilities in seven towns in the areas of network management, financial management and governance as well as more effective integration of sanitation and sewerage services. At national level, WAE's capacity building work will continue to strengthen WASH sector networks to meaningfully engage in national level policy dialogue as well as efforts to strengthen sector performance monitoring and reporting, including support to the national level efforts to improve the quality and reliability of WASH sector data.

- A **stronger urban portfolio of work focusing on urban sanitation and capacity building of water utilities** in areas of network management and expansion, improving efficiency (e.g. better leakage detection and management) administration, finance and governance as well as better integration of sanitation in their work. Finally, WAE will further develop and strengthen its urban programme of work, focusing on urban sanitation in response to the rapid growth in urban centres and the huge challenge of providing WASH services to the populations that reside in them. Guided by WAE's recently completed Urban Approach paper, WAE will focus first on working in informal settlements in and around Addis Ababa and deepening our own understanding of the urban WASH sector. During this time, WAE will grow its urban partnerships and work on adopting service delivery models, technologies and approaches; promoting partnerships and learning. Urban capacity building related work is further described below.
- A key area of work in the strategic period will be **highlighting the marginalization of sanitation and working towards a credible national strategy, plan and budget for sanitation** that includes rural and urban sanitation and helping to translate this into regional and local implementation.

Learning from all of our work will be deliberately linked to and inform national level processes such as the annual multi-stakeholder forum (MSF), joint technical reviews, and other sector processes.

We will build on our strong history and track record in Ethiopia to increase the impact of our work in the coming five years. Through greater influence and impact we will be reaching and additional 2,550,000 people during the strategy period. In line with the sector and country context analysis presented in sections above, WAE has deliberated on this figure which is based on our assessment of the space for influence and policy responsiveness in the country. It is also a reflection of the fact that monitoring and tracking the outcomes and impact of our influencing and capacity building are areas that will need to be strengthened in the first years of strategy implementation (more on this under Objective 4). In line with evaluation recommendations, WAE will also increasingly create strategic links between different areas of its work through the development of three strategic hubs (at regional and zone levels)³⁹, in the next five years which will facilitate learning, knowledge sharing and scaling up services and innovation in our targeted 20 Woredas and 7 towns.

WAE's objectives and a description of the major interventions under each follow below:

Global Aim 1: We will promote and secure poor people's rights and access to safe water, improved hygiene and sanitation

³⁹ More information on WAE's proposed strategic hubs can be found in section 2.

WAE Objective 1: 1.52 million people including marginalised groups in target areas have access to safe water, improved hygiene and sanitation due to WAE and partners initiatives.

WAE will substantially increase its service delivery through existing and new partners in both rural and urban areas. With the level of need, rapid population growth and strikingly low levels of access to WASH in Ethiopia, service delivery through partners will remain a critical part of WA's work in Ethiopia. **WAE's service delivery will increasingly serve to demonstrate equitable and sustainable WASH services, effectively linked to other parts of WAE work including influencing, research and capacity building for better impact and long term sustainability.** This will allow us to reach an additional 2,550,000 people indirectly through our various interlinked efforts to address sector performance at local, zonal and federal levels.

New partners, will be particularly important in WAE's urban work and in **deepening its work on equity and inclusion.** Through partnerships with experienced organisations will strengthen our own and our partners' capacity to address the needs of all members of the communities we serve.

WAE's **sub-offices currently engaged in direct service delivery will evolve into the proposed three strategic hubs which will help us have more impact and influence at regional and local levels** playing a facilitative, capacity building and responsive role while reducing the costs of monitoring and quality assurance.

A strategic shift will be to **increase the focus on rehabilitation of existing non-functional WASH (particularly water supply) facilities.** In doing this WAE recognizes the need to first deepen our and sector actors understanding of the root causes of the high levels of non-functionality in Ethiopia, and that these causes include water resource and climate related challenges, management and backstopping support related challenges as well as technical or technological challenges.

Guided by its Urban Approach paper, WAE will **develop a strategic urban programme during this period, focusing on urban sanitation in informal settlements in and around Addis Ababa.** Another main area of focus will be the social marketing of urban sanitation, **increasing the availability of low cost sanitation technologies and promoting their use among the urban poor.** WAE's urban programme will also fill sanitation and hygiene gaps in selected existing large-scale urban water supply projects which currently neglect sanitation and hygiene completely. WAE's focus on sanitation and hygiene in urban areas reflects the fact that urban water supply requires huge investment costs, while urban sanitation and hygiene are largely neglected by large infrastructure-led urban projects. In addition to filling the service gap in sanitation and hygiene, this work will be linked to objective 2.2 below, of advocating for a national strategy, plan and budget for sanitation including urban and rural.

Global Aim 2: We will support government and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation

WAE Objective 2.1: WASH stakeholders at national level and WAE target areas are better able to plan, monitor, coordinate and deliver equitable and sustainable WASH services.

With the decentralised delivery of basic services in Ethiopia, local governments' capacity to deliver equitable and sustainable WASH services becomes absolutely critical. Their ability to mobilise the support and energies of other local level sector actors (community-based organisations, NGOs training and technical institutes) and coordinate between the diverse

line offices working on WASH issues (water, health, education but also others such as agriculture/food security, women's affairs) can make all the difference in the quality as well as quantity of services in a Woreda.

As described in previous sections, an important area of work for WAE will be **improving Woreda capacities to plan, implement, monitor and coordinate WASH services, and more informed planning and decision-making, and building on WAE's current efforts on mapping and information systems**. Of particular importance are efforts related to sector finance -- improving the allocation and utilisation of budgets for WASH at the Woreda level and the introduction of a Woreda post implementation budget for WASH investments. There is also an urgent need to work on establishing an effective performance monitoring system for data collection, analysis and reporting at local government level which will be a key area of focus for capacity building initiatives. Finally, WAE will target other relevant institutions to promote WASH at the local level such as building the capacity of health institutions that train health extension workers or Technical and Vocational Education and Training (TVET) colleges to incorporate WASH into their training, for example. In urban capacity building, WAE will continue to build the capacity of water utilities in the areas of network management and expansion, increasing efficiency through leakage detection, financial management and governance as well as greater integration of sanitation and water resource management concerns in a minimum of seven towns. WAE's strategic hubs will also play an important role in facilitating local and regional capacity building efforts and partnerships with a wide array of WASH sector actors including CSOs, technical and vocational training centres, regional universities, associations and others.

As sector coordination in planning, implementation and monitoring is identified as one of the challenges, WAE will continue working with the National WASH Steering Committee, National WASH Technical Team, as well as at Woreda and Kebele levels to support coordination and greater harmonisation among sector actors in support of the National WASH program. WAE will also continue to **leverage all opportunities to push for greater harmonisation and integration** through the annual WASH Multi-Stakeholder Forum (MSF).

Building on our success in advocating for legal recognition for WASH community management structures in order to increase their efficiency and accountability, WAE will replicate the endorsement of WASHCO legalisation in other regions by sharing the experience of regions who have already implemented it. **WAE will also work with urban and rural service providers to develop mechanisms that address the needs of the poor and marginalized**. These will include government authorities, town utilities and large community managed WASH boards.

At the national level, WAE will continue to **support the national level WASH networks such as the Water and Sanitation Forum (WSF) and the WASH movement to enable them to play an increasing role in influencing, sector monitoring, meaningful engagement in policy dialogues and debates as well as bringing the voices of poor and marginalised communities to national level fora where they are largely absent**. WAE will support CSO networks to engage on the development of a common framework for sector performance monitoring as a basis for improved accountability; a key focus of WAE will be to ensure that these sector performance monitoring frameworks are adequately focused on equitable and sustainable WASH services, linked to our objective 1 above. These areas of work will be deliberately linked to and inform national level processes such as the annual multi-stakeholder forum (MSF), joint technical reviews, and other sector processes.

Through all the foregoing, WAE will aim to reach through its influencing work 6,142,910 people in directly with WaSH services.

WAE Objective 2.2: A credible national action plan and budget for sanitation that includes rural and urban sanitation that can be implemented by regional and local governments.

Sanitation and hygiene remain neglected within the WASH sector in Ethiopia. The 'WASH MOU' which conceptually links water, sanitation and hygiene has been slow to be implemented as mentioned in previous sections. WAE with NGOs, networks, donors, local and national government bodies as well as other sector actors will **advocate for and contribute to a credible national action plan and budget for sanitation that includes urban and rural settings**. WAE will push for the implementation of the eThekwini Declaration to which Ethiopia is a signatory, which calls for among other things, one principal accountable institution to take clear leadership of the national sanitation portfolio, allocate a minimum of 0.5% of GDP to sanitation, and develop and implement sanitation information monitoring systems and tools to track progress⁴⁰. Of particular importance will be ensuring that the national plan and budget are realistic and able to be translated to implementation on the ground. This will require that there is some process of 'ground-truthing' and consultation with regional and local level implementers.

WAE is therefore aiming to increase awareness and action on this issue among service providers, stakeholders and the wider public. This will be done, in partnership with the WASH Ethiopia Movement, the National Sanitation and Hygiene Task Force and existing sector structures. We will use and expand our existing evidence base on sanitation planning, implementation and financing and disseminate these through existing WASH forums, networks and media forums. WAE and partners will also target and lobby key decision-makers (government and donors) in the main relevant sectors such as health, urban development, water and education, and **push for their leadership, support and facilitation to improve the record on sanitation and hygiene in Ethiopia**.

Global Aim 3: We will advocate for the essential role of safe water, improved hygiene and sanitation in human development

WAE Objective 3.1: Institutional WASH, particularly WASH in schools and health institutions, is integrated into local level plans in WAE target Woredas and monitored and reported in the overall national WASH progress reports.

Coordination and integration with the health and education sectors is absolutely key if overall WASH services in Ethiopia are to improve. Schools, health posts and clinics are still being built without adequate (or in some cases any) water or sanitation facilities, nor enough thought to personal hygiene requirements. Regional and National level WASH sector reports do not include information on school WaSH, showing integration still has a long way to go⁴¹. During the strategic period, **WAE will prioritise the education and health sectors for better linkages and incorporation of WASH issues at national level**. WAE will raise awareness on the critical linkages and provide practical support in integrating WASH issues in health and education sectors. In the education sector, our efforts will be mainly focused on better planning and coordination around school WASH, on health, linkages particularly with maternal and child health, but also **better WASH services in health sector institutions**. WAE will respond to emerging opportunities to work with health sector institutions as well as tap into the significant human capacity represented by health extension workers to support them in ensuring that the increasing numbers of rural health institutions are equipped with a basic standard level of WASH facilities and services.

⁴⁰ <http://www.wsp.org/wsp/sites/wsp.org/files/publications/eThekwiniAfricaSan.pdf>

⁴¹ RIPPLe Ethiopia, *Working Paper 13: Improving WASH information for better service delivery in Ethiopia: Scoping report of initiatives, December 2009*.

In its service delivery work, as well, **WAE will lead by example so that no school or health institution in its project areas is left without access to basic WASH services.** This will also be an important part of the Woreda WASH strategic plans that WAE will support our 20 target Woredas in completing. This will complement WAE's existing strong record of work targeting the household and community level, and build on the work WAE has started on school WASH.

WAE Objective 3.2: WASH components under the food security sector in Ethiopia and WASH sector programs are effectively linked and coordinated

WAE's work on this objective will be at two levels. At the national level, we will focus on advocating for greater integration and **more effective linkages between WASH components of the major food security programs and WASH sector activities.** As explained in previous sections, food insecurity is a chronic problem in Ethiopia, and there are large investments to address this through food security programs including market based approaches such as cash (or food) for work. Also at the national level, WAE will 1) leverage its existing partnerships and involvement in WASH sector and other development networks as well as the WASH Media Forum and 2) invest in developing new partnerships and relationships with institutions and actors relevant to food security sector to advocate for more effective linkages between these two sectors

At local levels, **16 of our targeted 20 Woredas are food insecure and here we will work to demonstrate effective coordination and linkages between the two sectors.** WAE's role will be in working closely with the Ministry of Agriculture related institutions, the regional and Woreda offices of Finance and Economic Development and major donors supporting the Productive Safety Nets Program (PSNP) for more effective collaboration with WASH sector skills, capacities and activities. WAE will leverage existing GO/NGO forums as well as WASH forums at local and regional levels to advance this work. This will ensure broader links to multiple use of water and sustaining and managing water resources in the areas where we work as well as strengthening community capacities in terms of management.

Work under this objective clearly links with WAE's greater focus on equitable and sustainable delivery of WASH services under Objective 1.

Global Aim 4: We will further develop as an effective global organisation recognised as a leader in our field and for living our values

WAE Objective 4: WAE is recognised for its influence, effectiveness and efficiency in reaching its objectives, both within the WaterAid family and externally by other actors in Ethiopia and beyond.

In the coming five years, WAE will continue to make improvements in organisational effectiveness. Over the strategic period, WAE will be making a marked shift away from direct service delivery with the current three project sub-offices evolving into strategic hubs that coordinate and facilitate the whole range of WAE's work at the regional and local level. These hubs respond to Ethiopia's federal structure and allow WAE to tap into opportunities to influence policy and decision-making processes at regional level and for WAE to strengthen relationships with and capacities of important stakeholders at Zone and Woreda levels. Thus, strategic hubs will allow WAE to support partners in a more decentralised and context responsive manner and create greater opportunities for joint learning, sharing and capacity building and consolidate a programmatic approach. It is anticipated that the types of work facilitated by these strategic hubs will require different staffing and skills sets than that of project implementation.

The shift away from direct service delivery will mean **that by the third year of the strategic period, 70% of WAE resources will be directed towards partner-led work**. WAE is, in addition, committing itself to making efficiency gains and gains from economies of scale that will allow it to maintain **a 15% organisational effectiveness budget** by the third year of the strategy. .

In order to reach these ambitious objectives we have set ourselves, WAE will continue to develop its **internal capacities and processes** during the strategic period. WAE will ensure that it has the right mix of staff skills and capacities, systems and structures and that it mobilises and focuses these towards the delivery of this strategy. We will strengthen our partnership approach, build on the partnership guidelines currently under development, improve programme and project cycle management, particularly related to planning, monitoring and evaluation, fundraising as well as budget, contract and financial management.

In order to further **promote WAE's profile, and technical approaches**, the learning from best practices and approaches piloted by WAE and its partners will be documented and disseminated towards influencing others in the sector. WAE will increase its engagement with the media to raise public awareness of WASH issues and WAE's profile. WAE will also more strategically link its learning, communications and research functions with its policy and advocacy work to ensure that all are contributing directly to WAE influencing priorities. WAE's influencing strategy to be developed will be an important guide in this regard.

The organization will also focus internally and ensure strong systems for increased accountability and transparency are put in place. One area will be adapting and implementing **minimum standards and guidelines** for WAE and partners programme implementation including those for inclusive designs, community participation, cost sharing, sustainability, community management and exit strategies. These will build on WAE's experience to date, best practice internationally and in Ethiopia and link with national and international level standards as well as WaterAid's own significant global literature and documentation. In addition guiding approach papers will be developed on partnership, capacity building and equity and inclusion.

Another area will be to ensure effective and realistic **planning, monitoring and evaluation** systems across all programmes of work. This will involve developing a standardised Programme Monitoring & Evaluation (PM&E) system with updated WASH indicators to reflect our increasing focus on equity and inclusion, sustainability, influencing work and capacity building across all programmes delivered by WAE and partners. Working with strategic hubs and partners to put in place credible documentation, tracking, monitoring and evaluation mechanisms to ensure that we are able to capture improvements to WASH services that come about indirectly: through our policy influence, capacity building, practice influence, and all the non-direct service delivery aspects of our work will be a critical area of work. This will be built up and strengthened during the first few years of the strategy period, after which we anticipate significant improvement in our ability to report on indirect user figures. This combined with our assessment of the influencing space and climate as well as policy-responsiveness to non-state actors' inputs have led to our indirect user target of 2,550,000 over the strategy period. A full monitoring framework is included in Annex 4.

WAE will also ensure high quality and responsive **administration and financial** support systems for effective operations and better decision making. This will include better use of financial information for management and project/programme related decision making as well as stronger contract management and compliance functions.

Of key importance to the implementation of the strategy will be putting in place effective **human resource** strategies planning and performance management systems – to include

issues of a conducive working environment, a positive organizational culture, being an employer of choice, recruitment and retention, highly skilled, motivated and diverse workforce, staff development and developing leadership skills of the Senior Management Team (SMT) and the Middle Management Team (MMT).

In order to raise the necessary funds to finance WAE's ambitious strategy for the coming five years, an in country **funding** strategy will be developed and put in place, together with a focus on effective contract funding management systems. Further information on resource requirements during this period is included in the Financial Resources section.

4.1 Geographical Focus

Table 3 : Regional Water Supply and Sanitation Coverage in Ethiopia⁴²

Region	Population	Water Supply			Sanitation
		Total	Rural	Urban	Total
Afar	1,411,092	61%	58.4%	77.7%	6.5%
Addis Ababa	2,854,462	95%	---	95%	76%
Dire Dawa	360,183	88.2%	75.8%	94%	48%
Harari	193,002	72%	56%	72%	41%
Somali	4,672,984	39.5%	33.5%	76.5%	3%
Oromia*	28,756,503	62.1%	57.6%	94%	56%
Southern*	15,927,649	74.3%	74.2%	74.9%	75%
Gambella	332,599	51.4%	44.6%	71.5%	10%
Benishangul-Gumuz*	711,702	56.3%	51.5%	84.7%	21%
Amhara	17,804,309	63.1%	59.3%	90.1%	63%
Tigray	4,532,875	79.4%	80%	76.8%	71%

Shaded rows indicate the four regions WAE will be focusing on in the strategic period. Asterisk * indicates regions where WAE will develop strategic hubs.



⁴² Region population based on 2007 census report; water supply coverage according to MoWR annual report calculated based on 20l/c/day for Urban, 15 l/c/d for Rural at radius of 0.5km for urban and 1.5 km for rural. Sanitation figures from Ministry of Health , Policy and Plan Directorate, M&E Team

WAE is using these numbers for water supply and sanitation coverage in the absence of other data while recognizing also that water supply and sanitation data is unreliable in Ethiopia, and generally considered to over-estimate coverage. In addition, there are dramatic variations within Woredas within regions. For example, the reported coverage for water supply in Southern Nations and Nationalities Peoples' Region (SNNPR) is 74.3%, whereas the coverage in a Woreda where WAE has recently supported work within the SNNPR region is 5%. WAE's work in the selected regions will focus on low-coverage Woredas.

As the table above shows, Somali⁴³ and Gambella regions have the lowest water supply and sanitation coverage in the country. However, WAE has decided not to focus on those regions due to periodic security concerns, and weighing its ability to make an impact in these Regions.

WAE will focus on 20 Woredas within 4 Regional States as well as 7 towns in the coming strategic period. Within this geographical scope, WAE will develop 3 strategic hubs at regional or zonal level. If additional resources are available during the strategic period, WAE will still focus on these geographical areas and increase its impact within these areas through its local partners rather than expanding the geographical scope of our work. This is in order to maximise our impact, increase effectiveness and reduce overhead costs in terms of managing and monitoring scattered programmes in a very large country.

This is also in line with external evaluation recommendations, recognizing that if WAE spreads itself too thinly, less impact will be achieved. The four regions selected are Amhara, Benishangul Gumuz, Oromia and SNNPRS. The selection of these regions was mainly as a result of assessing WAE's potential to make an impact. For the selection of Woredas within these regions selection criteria are included in Annex 5.

⁴³ WAE is currently supporting the Ethiopian Rainwater Harvesting Association to scale up Sand Dams in a project that includes locations in Somali Region.

Table 4: Aims, objectives and indicators at a glance

WAE CSP Objectives	Strategic Performance indicators
Aim 1: We will promote and secure poor people’s rights and access to safe water, improved hygiene and sanitation	
Objective 1.1: 1.52 million people ⁴⁴ including marginalised groups in target areas have access to safe water, improved hygiene and sanitation due to WAE and partners initiatives.	<ul style="list-style-type: none"> • 1.52 million poor and marginalized people in 20 Woredas have access to sustainable WASH services. • WaterAid supported services are equitable and inclusive • Low cost sanitation technologies are available for urban areas. <p>90% of WAE supported WASH schemes in target areas are functional.</p>
Aim 2: We will support government and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation	
Objective 2.1 Improved capacity of WASH stakeholders at national level and WAE target areas to plan, monitor, coordinate and deliver equitable and sustainable WASH services	<ul style="list-style-type: none"> • An additional 6,142,910 people have access to WASH services through WAE and partners evidence-based influencing. • 20 Woredas have a Woreda WASH strategic plan with appropriate PM&E system • WASH Boards are legalised, and regularly report to community, government bodies and have audited accounts. • Sector networks lead the push for effective sector performance monitoring, greater focus on equitable and sustainable services and strategically use sector opportunities.
Objective 2.2: A credible national action plan and budget for sanitation that includes rural and urban sanitation that can be implemented by regional and local governments.	<ul style="list-style-type: none"> • A national plan and budget (separate budget line) for sanitation exists • Evidence of increased budget allocation to sanitation at local levels
Aim 3: We will advocate for the essential role of safe water, improved hygiene and sanitation in human development	
Objective 3.1: Institutional WASH, particularly WASH in schools and health institutions, is integrated into local level plans in WAE target Woredas and monitored and reported in the overall national WASH progress reports.	<ul style="list-style-type: none"> • 20 Woreda WASH Strategic Plans clearly include institutional WASH with appropriate monitoring and reporting mechanisms. • National WASH report includes institutional WASH • Joint CSOs Annual WASH Performance Report includes institutional WASH • Evidence of WAE and partners’ institutional WASH influencing other actors.
Objective 3.2: WASH components under the food security sector in Ethiopia and WASH sector programs are effectively linked and coordinated	<ul style="list-style-type: none"> • National level coordination mechanisms between the two sectors exist • Evidence of effective coordination and linkage between the two sectors in the 16 food insecure woredas within WAE target areas. • Evidence of practice influence from WAE and partners coordination with food security sector.
Aim 4: we will further develop as an effective global organisation recognised as a leader in our field and for living our values	
Objective 4.1: WAE is recognised for its influence, effectiveness and efficiency in reaching its objectives, both within the WaterAid family and externally by other actors in Ethiopia and beyond.	<ul style="list-style-type: none"> • Evidence of increasing impact and effectiveness of the country program (projects, partnerships, management systems, policies and processes) • WAE is on track in meeting the previous five objectives • Evidence of WAE research and publications being used by sector and non-sector actors • Increasing percentage of local fundraising each year of the strategic period • High levels of staff motivation and satisfaction • Increased diversity of staff (disability, religion, gender)

⁴⁴ WAE will also reach 6,142,910 people indirectly through its influencing work.

5. Human Resources

WAE is among the largest and most complex country programs of WA globally. It is currently the largest WA CP in terms of staff numbers including hosted partner and sub-office staff. WAE staff are located in four offices – the Addis-based head office and three regional sub-offices. The last strategic period saw an increase in staff from a total of 33 in 2005/6 to a total of 55 in 2009/10, an increase of 66% over a five year period with the accompanying start up of two sub-offices in remote parts of the country. In the same period, there has been a significant investment in human resources including a participatory organisational re-structure, a salary and benefits review that pegged WAE to the upper quartile of INGOs in Ethiopia, a revision of the organisation’s HR manual, the creation of an HR advisor post and a localised version of the global employee engagement survey. Furthermore a new SMT structure was developed and most recently WAE is making moves towards an empowered and efficient middle management team. In the last year WAE has invested ETB 597,890 (USD 32,236) in staff development. Building on these successes and in order to deliver on its new country strategy, WAE will use the rest of the 2010/11 financial year to make HR related decisions and adjustments that will facilitate the most effective start-up of its next strategic period.

To deliver the country strategy WAE anticipates **a total staffing requirement of 60 staff**. The main reason for this level of staffing is that WAE will be more than doubling its service delivery work. With the shift from project sub-offices and direct service delivery to strategic hubs and up to **70% of our resources going to partner-led work, a greater level of partner backstopping is anticipated**. As much as possible, WAE will rationalise its staffing, and limit increase in staff numbers. WAE will also address staff composition and aim for a more balanced ratio of support staff to technical and professional staff. Key priority areas identified for staffing include: urban WASH, hydro-geology, environmental sanitation, capacity building, knowledge management, and policy advocacy and influencing. All of these posts with the exception of urban WASH are included in WAE’s organisational structure for which recruitment was temporary halted. With the move to strategic hubs, WAE will also be decentralising some posts to these hubs.

5.1 Strategic Human Resources Issues

Staff skills: For the most part, WAE has the right mix of staff skills to deliver its new country strategy. There are, however, some gaps that need to be addressed. One such gap is staff experience and skill in the area of urban work. This includes technical water and sanitation related skills as well as urban policy and social analysis expertise. Other areas where WAE needs to strengthen its staff skills and capacities are: stronger focus on sanitation and hygiene within all of our work, water resource management; lobbying, influencing and networking; persuasive communications and presentation skills (including writing for particular audiences and in issue appropriate ways); performance management and coaching; technical capacity building, fundraising and program, budget, contract and time management. WAE staff must also be more conversant in the links between our policy and practice work and be able to confidently work on both aspects. Ensuring the right match between WAE needs and staff skills will be an on-going initiative in the upcoming strategic period as well.

Structures: WAE has a sound and well-thought out structure according to the findings of its recent external evaluation. However, there are areas for improvement even while a full structure review is not deemed necessary at this time. The main structure adjustments that are needed are related to the function of partners’ support and capacity building, assigning a clear institutional lead for research, staffing the Policy and Advocacy Department and making much clearer the links between policy, research and communications. The budget-holder system needs review in response to evaluation findings as does our sub-office system to reflect a more holistic regional ‘strategic hub’. Finally, our existing structure must be cross-

referenced to our three programmes of work – urban, rural and cross-sector – through a matrix approach.

Values and Behaviours: In the coming strategic period, WAE will build on its many positive work cultures such as frequent all-staff meetings, information-sharing, participatory decision-making and make all efforts to promote a positive working culture. In addition, the following areas will be important areas of focus in the coming five years. Strengthening team work, particularly inter-departmental team work and a more proactive and accountable work culture will be important as will better work/life balance and distribution of work loads and responsibilities. Organisational ownership and WA mission and vision driven decision-making (e.g. greater value for money, better prioritisation) will be emphasised. In terms of behaviours, the SMT has highlighted ‘courage’ as an important one for the coming years, this is particularly in the areas of decision-making, taking timely action, being proactive and accountable.

Addressing External Evaluation Findings: including addressing the gaps in the budget-holder system, providing clear institutional leadership of research, and better links between research, advocacy and communications and clarifying the role of the financial monitoring officer in relation to the roles of the finance team. WAE will also be making adjustments to its structure to more effectively deliver the new country program objectives. Discussion on these issues has already started and these will be addressed by the end of this financial year.

The evaluation has also raised questions about WAE’s levels of staffing at the support staff level, and the WAE SMT has decided to freeze all recruitment at this level, including not replacing staff who leave, retire, or get transferred or promoted to other roles. The SMT will also explore further job sharing/merging and outsourcing where appropriate. In light of all these measures, WAE anticipates a small increase in staff numbers mainly in response to the large increase in the scale of our work.

Sub-offices which are currently mainly project-oriented will be reviewed and in line with evaluation recommendations, WAE will develop its regional presence into more strategic hubs for integrated WAE work including service delivery, influencing, capacity building and research (described in Section 2). This will mean adjusting the structure and staffing at sub-office level to more effectively contribute to WAE’s new country strategy.

Maintaining and Strengthening our Position as an Employer of Choice: From a situation of almost zero staff turnover, WAE’s staff turnover in 2009/10 is approximately 12%. WAE needs to maintain a balance of healthy and expected staff turnover in the organisation while strengthening its position as an employer of choice in the INGO sector in Ethiopia. This includes reinforcing recent moves towards more effective performance management, ensuring that high performers and high performing teams within WAE get the right recognition, addressing the findings of the local and global staff satisfaction surveys and continuing to benchmark WAE terms and conditions with the HR market in Ethiopia. Furthermore, in addition to following the INGO trends, WAE can and should be a leader in developing a more creative approach to people management and development.

5.2 Priorities in the Upcoming Strategic Period

HR Planning: The development of an overall HR plan to deliver the country strategy will be an important step. This plan will address key HR priorities for the strategic period, a revised organogram reflecting strategic hubs and other staffing amendments, as well as a plan to address the findings of the on-going skills audit. This will be a first level priority and will be completed during the remainder of this fiscal year, allowing us to start the strategic period with a clear HR plan.

- **Learning, Training and Development**

A more strategic and rigorously assessed learning, training and development system for staff that responds to WAE's strategic objectives and existing staff skill gaps is needed. Leveraging a strong history of staff development the coming period will focus on making these investments more strategic for WAE as well as more equitable for staff.

- **Management and Leadership**

WAE investments in management and leadership development have paid off and results are visible. Now this must also be decentralized to the next level of management – the middle management team. WAE sees continuous management and leadership development as an essential part of delivering its country strategy.

- **Performance Management**

Following on the introduction of a new performance management system, improving staff and line managers' skills in this area will help WAE be more effective and realize the potential of our staff. The effective implementation and follow up of this new system will require all line managers to establish and support a work culture where good performance is encouraged and poor performance is addressed.

- **Pay and Reward**

In order to retain staff and remain competitive, WAE will continue to benchmark with its peer NGOs in the country and emphasis will be on providing more innovative and creative reward elements that are important to staff and help WAE develop into a cutting edge leader in this regard rather than simply keeping up with the market.

- **Diversity and Equity**

This is an area that will require significant time and focus in the coming five years. WAE will move towards a staff composition that is more representative of the Ethiopian national context. This includes: disability, religious background, gender, region, in all respects, WAE will aim to become a more inclusive and representative organization.

5.3 Partner Capacity Building

A partnership approach paper to be developed this year will provide overall guidance on WAE's approach to partnerships – who we are partnering with for what purposes. A first step will be conducting organizational capacity assessments with all WAE partner organizations.

Partner capacity building will take on a stronger, more important and strategic role in the upcoming strategic period. Capacity building will entail not only supporting partners with the skills to implement, monitor and report on WAE funded projects, but more importantly the capacity building will focus on helping WAE partners play their full role in the sector, to become strong, independent voices implementing and advocating for WASH in their own right.

This entails WAE's own staff having a clear understanding of their role as 'capacity builders' as well as being able to tap into external resource people and institutions to deliver capacity building support. Capacity building support will also range from WASH related technical skills to more analytical, research-oriented and influencing skills.

6. Financial Resources

WAE has projected the resources required to deliver the objectives and targets in the preceding sections, at two levels, essential and desirable. At the essential level, WAE anticipates a total budget of ETB 596,405,040 (USD 36.2 million) over the next five years. At this level of financing, **WAE will be able to reach a total of 1,516,707 poor and marginalised Ethiopians with direct services in the provision of water and sanitation. WAE will also reach 6,142,910 people indirectly in water and sanitation through its influencing work to improve sector performance.** At the desirable level, WAE will require ETB 729,585,040 (USD 44.2 million) and will reach just 1,791,078 people with safe water, improved sanitation and hygiene.

The summary schedules below further describe the allocation of funds by category, direct user number projections and by programme area. The charts below further describe the trends over the five year period. These are mainly due to the shift away from direct service delivery and a **greater focus on efficiency gains and economies of scale from a larger budget leading to lower overheads and organisational effectiveness costs.** By the third year of the 5 year strategy period, **WAE will be directing 70% of its overall financial resources towards partner-led work.** Also by the same year, **WAE will have reduced its percentage spend on overheads and organisational effectiveness to 15%.** WAE's operational spend percentage will also reduce significantly – from 50% to 30% -- as a result of the move away from direct service delivery which is currently captured under this category.

The increase in budget, particularly for **the first year of the strategy is more accurately revealed in Pound Sterling as a 13.54% increase from the 2010/11 budget.** Due to repeated devaluation within the last year, the increase in Ethiopian birr is much larger and may be misleading⁴⁵.

⁴⁵ When WAE was preparing its 2010/11 MPB, the exchange rate used was 19.66 ETB to 1 GBP. The current rate is 26 ETB to 1 GBP.

6.1 Five Year Financial Forecast

Table 5: Five Year Financial Forecast

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	TOTAL (excluding 2010/11)
Essential in ETB	54,700,000	82,050,000	98,460,000	118,152,000	141,782,400	155,960,640	596,405,040
Desirable in ETB	8,558,296	11,275,000	22,550,000	24,800,000	35,490,000	39,065,000	133,180,000
Total E&D In ETB	63,258,296	93,325,000	121,010,000	142,952,000	177,272,400	195,025,640	729,585,040
Essential in GBP	2,779,472 original exchange rate	3,155,769	3,786,923	4,544,308	5,453,169	5,998,486	22,938,655
Year on year % increase in budget (GBP)	N/A	13.54%	20%	20%	20%	10%	N/A
Year on year % increase in users	N/A	23%	32%	28%	10%	6%	N/A

Note: The middle three years (2012/13 – 2014/15) reflect significant increases in budget. Almost all of this increase relates to increases in service delivery, as shown by the corresponding increase in user numbers during those years. Starting from the first year of the strategic period a range of 4% to 7% of the budget will be used for rehabilitation, which will give more user number for water as a result of its low per capita cost requirement. A 10% annual inflation rate is assumed. After taking this into account, the remaining increase to budget range from 2.5 % to 4% during these years and these amounts will allow WAE to restructure its program (develop strategic hubs) and change its cost structure as explained in the pie charts that follow.

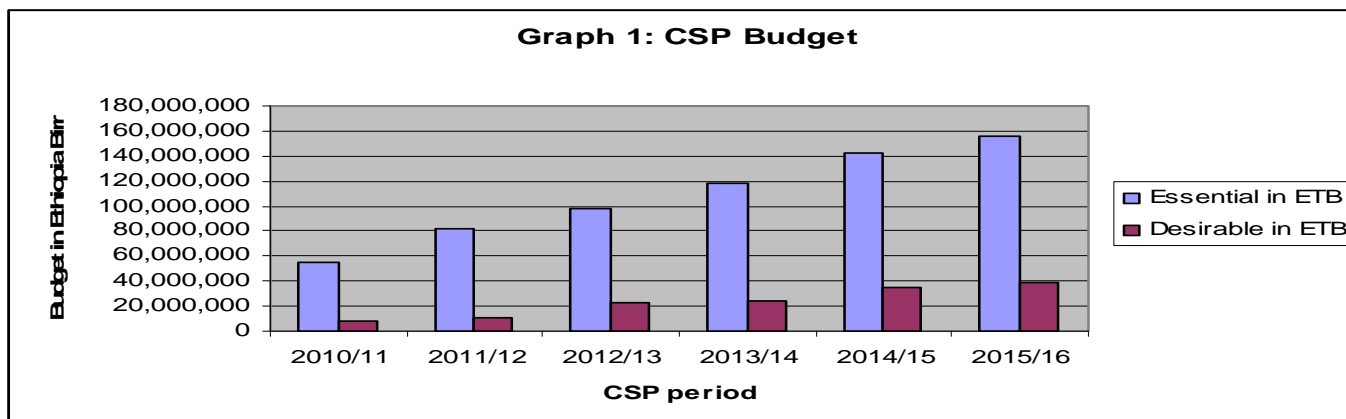


Table 6: Five Year Direct User Forecast

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	TOTAL (excluding 2010/11)
Essential- Total	158,000	194143	255591	325965	360183	380826	1516707
Water	73,900	94493	123154	155556	168951	178159	720312
Sanitation	84,100	99650	132437	170409	191231	202667	796395
Desirable	N/A	23247	46268	51134	73175	80546	274371
Total Essential & Desirable	158,000	217391	301859	377099	433358	461372	1791078

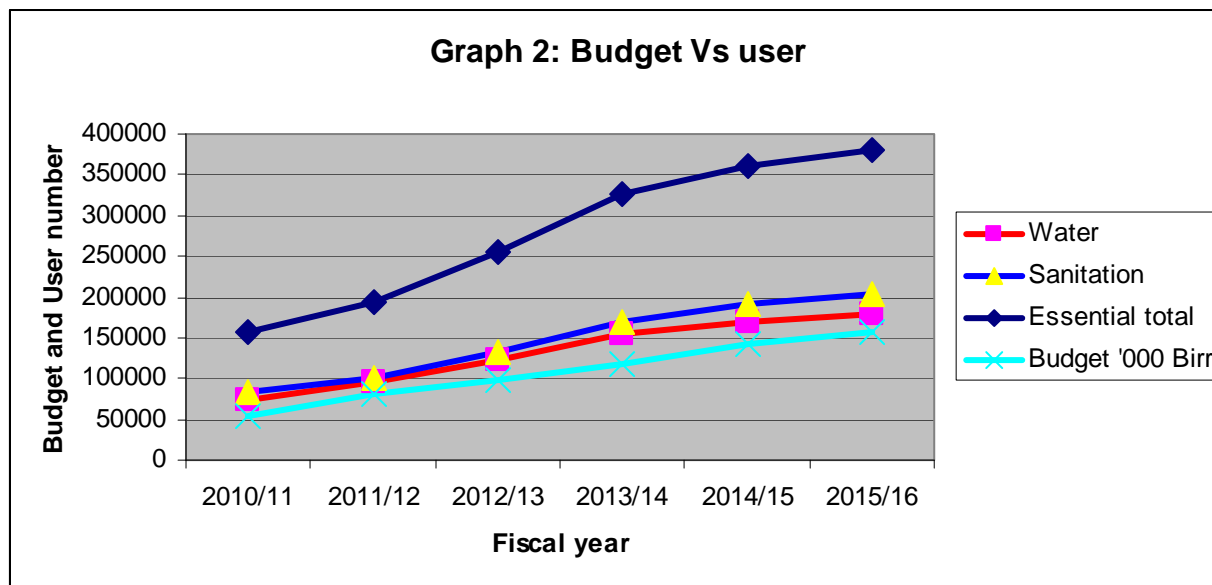


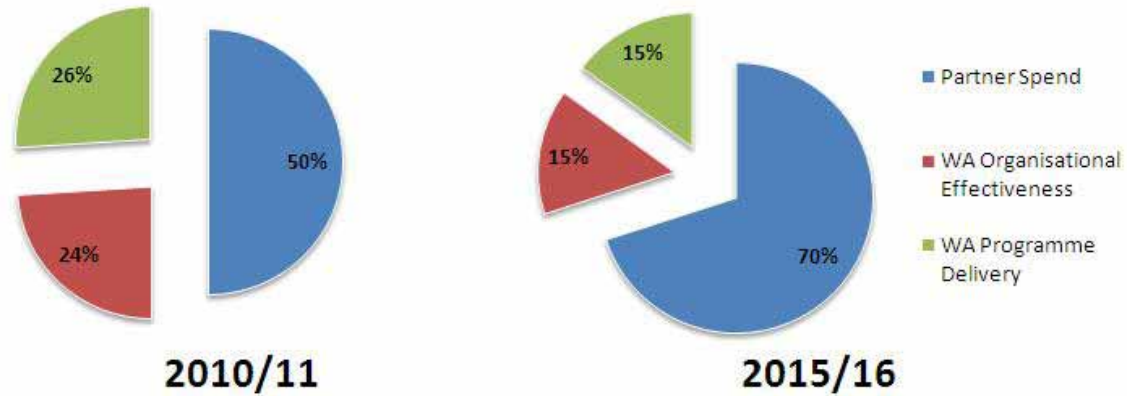
Table 7: Five Year Indirect User Forecast

	2011/12	2012/13	2013/14	2014/15	2015/16	TOTAL
Water	283478	369461	466667	506854	534477	2160937
Sanitation	498251	662185	852045	956157	1013335	3981973
Total Essential	781730	1031646	1318712	1463011	1547812	6142910

Table 8: Essential Plan Breakdown By Spend Category

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Partner Spend	27,397,672	45,127,500	63,014,400	82,706,400	99,247,680	109,172,448
WA Programme Delivery	14,223,773	19,692,000	17,722,800	17,722,800	21,267,360	23,394,096
WA Org. Effectiveness	13,078,555	17,230,500	17,722,800	17,722,800	21,267,360	23,394,096
TOTAL SPEND	54,700,000	82,050,000	98,460,000	118,152,000	141,782,400	155,960,640
% Partner Spend	50%	55%	64%	70%	70%	70%
%WA Operational Spend	50%	45%	36%	30%	30%	30%
% WA Programme Delivery	26%	24%	18%	15%	15%	15%
% Org. Effectiveness	24%	21%	18%	15%	15%	15%

Essential Plan Breakdown by Spend Category



Essential Plan by Programme type

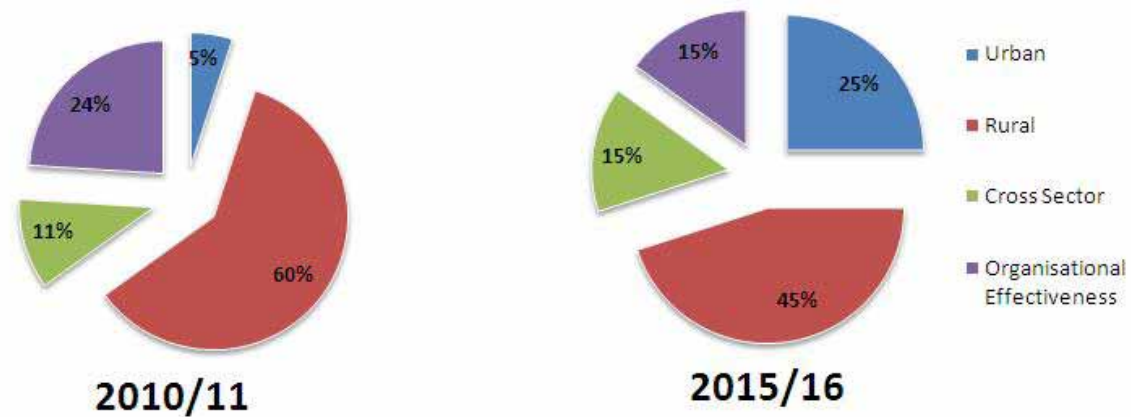


Table 9: Essential Plan Breakdown by Programme Type

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Urban	5%	10%	15%	20%	25%	25%
Rural	60%	54%	54%	50%	45%	45%
Cross Sector	11%	15%	15%	15%	15%	15%
	24%	21%	18%	15%	15%	15%
TOTAL SPEND	54,700,000	82,050,000	98,460,000	118,152,000	141,782,400	155,960,640

7. Risk Management

Over the coming five year strategic period, WAE faces financial, strategic, reputation, operational and hazard risks. The country programme has gone through a risk analysis process and identified control measures and action points to mitigate risks.

Financial risks identified are mainly related with the evolving global economic and financial situation and significant proportion of unsecured funding to deliver the country strategy. Development of a funding strategy, diversification of funding base, and pursuing efficiency gains are the main actions that WAE can take to mitigate this risk. The other financial risk is related to high rates of inflation in Ethiopia and currency devaluation, for which WAE will be monitoring impacts on its work and communicating timely with stakeholders and donors on the issue.

Strategic risks include civil society/government relations in Ethiopia and the impact of the NGO legislation, the risk of WAE partners being more focused on service delivery and less able to contribute to other aspects of our work and WAE and partners' limited experience in urban WASH. WAE plans to regularly share information on the impacts of the legislation, ensure compliance with new rules and regulations and maintain and enhance partnership and working relationships with government at all levels. To ensure that WAE partners contribute to non-service delivery work, we will raise awareness and skills among existing partners and recruit new partners, guided by a newly developed partnership strategy. On urban WASH, WAE will be supporting the development of a local institution focusing on urban WASH as well as building its own and partners' capacities in urban WASH.

Reputation risks could entail unintended consequences of WAE work, and quality of WAE and partners' work. Low levels of sustainability and functionality in WAE's work could pose a big risk to WAE's reputation. To address these, WAE needs to refer to IWRM principles and have a sound analysis of environmental, social, political and economic implications and impacts of its work. WAE will also strengthen its technical oversight and backstopping to maintain and improve the quality of its work.

Operational risks identified include the poor health and safety practice of WAE and partners and inadequate information and document management systems. Contract management and weaknesses in program management also pose risks. For the first, will monitor and follow up on its recently revised health and safety policy and support partners to review their own policies and procedures. For the second, WAE will develop a stronger program, contract, information and document management system and follow up implementation of its IT policy.

Hazards include unexpected climatic conditions (like flood and drought) as well as political instability and global insecurity. These require WAE to work with specialised organisations and influence and contribute to WA global disaster response strategy in the first instance and to develop local security plan, monitor security advisories, and develop and disseminate a clear communications system/protocol for use in the event of an emergency.

A full risk matrix has been completed by the country programme and is available in Annex 6.

Part II - Annexes

December 2010

Annexes

Annex 1: Country Strategy Planning Process

Annex 2: Sub Offices and Partner Projects Status (2010 and 2011)

Annex 3: Equity and Inclusion Analysis

Annex 4: Monitoring and Evaluation Framework

Annex 5: Geographical Focus

Annex 6: Risk Assessment

Annex 1: Country Strategy Planning Process

In line with WaterAid's global standards for developing country strategies, the Ethiopia Country Strategy for 2011-2015 was developed as a result of a participatory process involving a wide range of staff, partners and stakeholders in the WASH sector. Several steps resulted in the development of the strategy being presented in this document:

Step 1: Self assessment, tailoring the process and planning with the team (September 2009)

This first step started with a preliminary SMT discussion and brainstorming on the process. Broader discussions were then held with staff, including a more in-depth planning and discussion session with technical staff and team leaders.

Step 2: Looking back – reflection over the last strategic period (November 2009 and April 2010)

A staff away day was organised in November 2009 and a SLOT analysis session in April 2010 to solicit internal reflections on the last strategic period from all staff. The feedback of external stakeholders was also sought through a SLOT analysis during a one day workshop in April 2010. The external evaluation of the country programme was also an important input for assessing WAE progress during the last strategic period.

Steps 3A-3D: Situational analysis:

Rights, Equity and Inclusion Analysis, Sector Review and Stakeholder Analysis (January – April 2010)

WAE team leaders and technical team members were assigned to work on particular sub-sections of the situation analysis. The analysis was then presented to staff and external stakeholders during the workshops held in April 2010. Valuable comments were provided, which were then incorporated into the final analysis presented in this strategy paper.

Steps 3E-6 and Step 10: SLOT analysis; Making Strategic Choices; Developing a Monitoring and Evaluation Plan (April – May 2010)

Detailed feedback on WAE's Strengths, Weaknesses, Opportunities and Threats was gathered from staff and stakeholders during the workshops held for April 2010. At these workshops, staff and stakeholders also provided their recommendations to WAE regarding the strategic shifts it should undertake in the next five years. This feedback was then used during a more detailed strategic planning workshop with technical and senior management staff to develop country programme strategic objectives and major interventions in May 2010. During this two day workshop, staff analysed the main sector blockages against the achievement of WaterAid's four global aims and prioritised them according to where WAE could achieve maximum impact within five years and where it would have the most added value. These priority problems were then turned into objectives for WAE to achieve, under which major interventions were designed. In addition, a half day monitoring and evaluation session was held later in May, where staff developed a PM&E framework for the country strategy including indicators to measure the strategic objectives and information on what data would need to be gathered, how, when and by whom.

Steps 7-9: Planning human resources; Planning financial resources; Risk Management Plan; (June-July 2010)

WAE staff used the objectives and major interventions developed above to estimate the human resource and financial needs necessary to implement the strategy and the main risks likely to be encountered.

This country strategy paper represents the outcomes of the process outlined above and is being presented to staff, partners and stakeholders in order to validate the strategic direction outlined for WaterAid's work during the coming five years before finalising the strategy.

Annex 2: Sub Offices and Partner Projects Status (2010 and 2011)

S/N	Sub program	Name of projects	Project Number	Implementing partners/sub offices	Region	Zone	Woreda	Town	Kebeles	Current project start year	Current Project life time	Name of budget holder	Remark
1	Rural	Assosa WASH Project	651RE	WaterAid Benishangul sub office	Benishangul Gumuz	Assosa	Assosa	Assosa	Amba 02, Alubo, Selga 22, Afede Onsho, Nebar Komoshiga, Komoshiga 26	2010/11	3 years	Shibabaw Tadesse	
2	Rural	Karo and Karayu WASH Project	651RQ	WaterAid Ticho sub office	Oromia	Arssi	Tena	Ticho	Karo and Karayu	2010/11	2 years	Shibabaw Tadesse	Will be completed by 2011/12
3	Rural	Konso Water Supply, Sanitation & Hygiene Promotion	651RI	WaterAid Konso sub office	Southern Nations, Nationalities and People's Regional State (SNNPRS)		Konso special woreda	Konso	Jarso; Gegelele & Kolmelie; Maderia & Kisaba; and Tebela & Kuchale; Aba Roba (Foro)	2007/08	5 years	Shibabaw Tadesse	
4	Rural	Water Supply, Hygiene and Sanitation Promotion program in South and	651RD	Organization for Rehabilitation and Development in Amhara (ORDA)	Amhara	West Gojjam	South Achefer	Achefer	Kurbaha, Lihudi Delekes, Dilamo, Ahuri Keltafa, Abchicli Zuria	2008/09	4 years	Gossa Wolde	

		North Achefer woredas		Organization for Rehabilitation and Development in Amhara (ORDA)	Amhara	West Gojjam	North Achefer	Achefer	Ambeshen, Qonger, Qualla Baka, Libeben Dankura, Gug Ansugn	2008/09			
		Water Supply, Hygiene and Sanitation Promotion in Legambo wereda program	651RG	Organization for Rehabilitation and Development in Amhara (ORDA)	Amhara	South Wollo	Legambo	Legambo	Key Mebrat, Gedora, Buso, Yetnora, Chiro, Dembesh, Temu	2008/09	4 years		
5	Rural	Alaba Water Supply, Sanitation and Hygiene Promotion Project	651RC	Water Action	SNNPRS		Alaba special woreda	Alaba	Bedene	2007/08	2 years	Kuribachew Mamo	Will be completed by 2010/11
	Rural	Dendi Water Supply, Sanitation and Hygiene Promotion Project	651RA	Water Action	Oromia	West Shewa	Dendi	Dendi	Awash-Bole, Awash-Buluto, Wamura-Seko and Worka-Worabu	2006/07	3 years		
	Rural	Worebabo Water Supply, Sanitation and Hygiene Promotion	651RL	Water Action	Amhara	South Wello	Worebabo		Gedida			Kuribachew Mamo	

		Project											
	Rural	Burie Surrounding Woreda 6 Kebeles WASH Project	651 RX	Water Action	Amhara	West Gojam	Burie Surrounding	Burie	Arbesi-Menfesawet, Woyene-Durbete, Woyenema-Ambaye, Shakuya, Gulem-Denjen and Aleffa-Basi	October 2010/11	Two and half years	Kuribachew Mamo	
6	Rural	Dembia Water Supply, Sanitation and Hygiene Promotion Project	651RF	Ethiopian Orthodox Church (EOC/DICAC)	Amhara	North Gondar	Dembia	Dembia	Atkilt Teleft, Fenja Barcha, Gurandi Wenbe Beha, Dalko Wekerako, Senbet Deber, Gendawa Balanbe, Janda Kobla, Aba Wera	2006/07	3 years for two times	Zelalem Wegarie	Will be completed by 2011/12
7	Rural	Hintalo Wajerat & Emba-Alaje WSSHP	651 RU	Ethiopian Orthodox Church (EOC/DICAC)	Tigray	Southern Zone	Hintalo Wajerat Emba Alaje	Hentalo	Sesat, Keyh-tekli, Tekli-weyane, Seret, Abnet, Maerenet, Egri-albe, Atsela	July 2010/11	2 years and nine months	Zelalem Wegarie	

8	Rural	Jeldu woreda 3-kebele WASH Solar Project	651 RV	Hope 2020	Oromia	West Shoa	Jeldu		Kursiti, Tulu teji, Alenu Shenkora	July 2010/11	2 years and nine months	Gossa Wolde	
9	Rural	Up Scaling Sand Dams in Eastern and Southern Ethiopia	651RT (Jijiga)	Ethiopian Rain Water Harvest Association	Somali	Jijiga	Gursum		Kuda Mentabo, shek Abduselam and Ela Harlat	2009/10	5 years	Gossa Wolde	Mid term evaluation in 2011/12
			Not yet (Borena)		Oromia	Borena			2009/10				
10	Rural	Action towards integrated water supply, sanitation, hygiene and water resource management in Keber Micro watershed Mettu Woreda, Oromia Regional State	651 RS	Ethio Wetlands and Natural Resources Association (EWNRA)	Oromia Regional State	Ilu Ababa Bora	Mettu Woreda	Metu	Kemise, Tobacha, Madie, Kawona-Cogi, Kawo-Catu. Gaba Guda	2010/11	3 years	Zelalem Wegarie	
11	Rural	Dita WASH Service Improvement Project	651 RO	The Ethiopian Evangelical Church Mekane Yesus	SNNPRS	Gamog ofa zone	Dita		Giyassa, Lisha, Tsella and Haylla	2010/11	1 year	Dr. Muktar Abdukie	will be completed by 2010/11

		Bonke and Sorro WASH Promotion	Not yet	Development and Social Services Commission (EECMY-DASSC)	SNNPRS	Gamog ofa and Hadiya zones	Bonke (Gamog ofa zone) and Soro (Hadiya zone)			October 2010/11	3 years			
12	Urban	Community Based Water, Sanitation & Hygiene Project	651UH	Hibrete Seb Akef Limat Derejet (HALD)	Amhara	North Shewa	Kewot	Shewar obit	01, 02, 03, 04	2006/07	3 years	Kuribachew Mamo	Will be completed by the first quarter of 2011/12 and need be evaluated	
13	Urban	Action Research & Capacity Building on WASH	651UM	Emmanuel Development Association (EDA)	Addis Ababa		Akaki Kality sub city	Addis Ababa	05/06, 07/08/09	2009/10	3 years	Tewodros Wendmneh	Will be completed by 2011/12	
14	Urban	Inclusive Water, Sanitation and Hygiene Promotion for the Urban Poor	651 UP	Cheshire Foundation Action for Inclusion	Addis Ababa		Nefase Silk Lafto and Kolfe Keranio	Addis Ababa	Nefase Silk Lafto Sub-City Kebele 02 & Kolfa Keranio Kebele 02/03	Oct 2010/11	3 years	Mahider Tesfu		
15	Urban	Water, Sanitation and Hygiene Promotion in Weliso town	651 UR	Progynist	SNNPRS	South west Shoa	Weliso	Weliso	01, 02, 03 and 04	Oct 2010/11	3 years	Tewodros Wendmneh		
16	Cross sector al	Advocacy for improved project	651 XP	Water Action	Implemented in the three regions below and a workshop at the national level will be held to build consensus						2009/10	3 years	Girma Aboma	Will be completed by 2011/12

		planning and implementation based on best practices			Oromia	Arsi and Balle	Hitossa and Robe	Itteya and Robe	Gunde-Itteya and Melliyu				Will be completed by 2011/12
					Amhara	South Wollo	Kallu	Kombolcha	Addis Alem and Adami Millo Kusse				Will be completed by 2011/12
					SNNPRS		Alaba special woreda	Alaba Kulitto	Goba Fellka				Will be completed by 2011/12
17	Cross sectoral	Governance Transparency Fund (GTF)	651XL	CCRDA/WSF	National level					2009/10	4 years	Gulilat Birhane	
18	Cross sectoral	Spatial Equity in WASH Service	651 XT	Ethiopian Economic Association	The study will be conducted in Oromia, Amhara, SNNPR, Tigray and Benshangul Gumuz, Dire Dawa and Harari regions and covers 10 Woredas and 20 Kebeles.					2010/11	1 year	Gulilat Birhane	Will be completed by 2011/12 but no need of evaluation
19	Cross sectoral	Back Up Support to Female Students in Arba Minch University, Technology Institute	651 XW	Arba Minch University, Technology Institute	SNNPRS, Arbaminch University					Oct 2010/11	2 years and nine months	Mahider Tesfu	
20	Cross sectoral	Learning and communication in WASH in Amhara	651 XV	Institute of Technology, School of Civil and Water Resources Engineering,	Amhara region all zones and 27 woredas					July 2010/11	1 year and nine months	Manyahlshal Ayele	

		region		Bahir Dar University							
21	Cross sectoral	12 TVETs Capacity Assessment; and Woreda Capacity Assessment	651 XQ (Woreda) and 651 XR (TVET)	SNV and WAE	Regions: Gambella, SNNPR, Benishangul and Oromia			Nov 2009/10 and June 2010/11	Nine months	Gulilat Birhane	
				SNV	SNNPR		Woredas: Kochere, Gibe, Dembagoffa, Yem special woreda, Masha, Duganafango,				
					Oromia	Guji and West Harerghe	Woredas: Kerecha, Darowelabo				
					Gambella		Woreda: Itang				
				WAE	Oromia	Keleme Welega, West Welega, East Welega, Illu Ababora, Jimma and Bale	Woreda: Hawigelana, Jarso, Jimarjo, Chora, Omonada, Ginir				
					Benishangul Gumuz	Metekel, Assosa	Woreda: Mandura, Bambassi				
					Gambella		Woreda: Abobo				
22	Cross sectoral	Promotion of WASH	651 XK	WASH Ethiopia Movement	National level						
23	Cross sectoral	Budget Tracking (research)		PANE	Amhara		Woreda: Libu Kemkem and Huletenuenese				
					Oromia	West Shoa	Woreda: Dendi and Chelia				
					SNNPR		Woreda: Mesrak Bedewacho and Wendogenet				

Annex 3: Equity and Inclusion Analysis

Equity and Inclusion Analysis

Ethiopian society remains one characterised by great disparities in power and access to informAn analysis of marginalisation and exclusion in Ethiopia reveals the following main seven excluded groups, particularly with regards to WASH service provision, but also in terms of provision of other basic services in the country.

1) People with disabilities

Disability is a major public health problem in Ethiopia with an official prevalence rate of 1.09% (according to the 2007 population and housing census in Ethiopia) which is widely considered an under-estimate. The figure does not include those with partial disability (e.g partial blindness), epilepsy and mental health problems. Disability rates are higher among males than females, and the major type of disability is visual impairment which accounts for 30% followed by non-functional limbs at 27.4%. Polio is included as one of the causes for non-functional limbs here even though it is not clearly known how much. Trachoma is one of the major causes of blindness in Ethiopia, mainly caused by lack of water and sanitation and poor hygiene practices.

There is no reliable data that gives information on the type and size of disability in the country or any administration level. Furthermore, there is a huge *misconception on the cause of disability in Ethiopia and the available infrastructure is not also accessible to group of disabled people.*

In the WASH sector, the main barriers to access for people with disabilities is related to a) physical infrastructure such as steps, narrow entrances, slippery floors, high concrete platforms for water and sanitation facilities; b) institutional such as lack of policies/strategies, knowledge, skills, information, appropriate designs, and consultation mechanisms; c) natural environment: rough paths, long distances, steep river banks and muddy springs; and d) social such as prejudice, pity, isolation, overprotection, stigma, misinformation and shame of the family.

In spite of their restricted access to WASH people with disabilities often have an increased demand for WASH. They demand more water for bathing and washing because of frequent falls and crawling that exposes them to dirt and to further health risks. People with disabilities have a particular need for safe sanitation since open defecation is undignified and dangerous, due to the risk of falling, and exposure to dirt and to wild animals. In addition lack of disability friendly sanitation at school discourages attendance of students with disabilities. Furthermore, WASH services play an important role in the prevention of certain disabilities such as blindness caused by trachoma, and stunting caused by under nutrition.

2) People living with HIV/AIDS

HIV/AIDS continues to spread in Ethiopia, with prevalence higher in the urban areas and growing in the rural areas. The current national prevalence rate is 2.9 percent, with approximately 1.2 million people estimated to be living with HIV, about 79,000 of them children. The rate of infections in women particularly young women and adolescent girls was higher than that of men; 2.9% and 1.9% respectively¹.

Young women and girls are the most affected by HIV/AIDS. This is because of their vulnerability to gender violence in the form of rape, abduction and forced marriage to older men who have

¹ Single Point HIV/AIDS Prevalence Estimate, Ministry of Health and Federal HIV/AIDS Prevention and Control Office, June 2007

been sexually active. Due to poverty they are also likely to engage in risky behaviour linked to commercial sex work.

The factors contributing to the spread of HIV in Ethiopia in general include illiteracy, stigma and discrimination against those living with HIV, high unemployment, widespread commercial sex work, gender disparity, population movements including rural to urban migration, and harmful cultural and traditional practices. The total number of HIV orphans in Ethiopia is around 804,184 or 1.09 percent of the total population². Although there is no data, the testing rate to be improving but still fear stigma and discrimination are factors that discourage people from knowing their status.

The provision of WASH is critical in HIV care and treatment programs. Good access to safe water and sanitation is indispensable for people living with HIV/AIDS and for the provision of home-based care to HIV patients. People living with HIV/AIDS (PLWHA) are particularly vulnerable to the health impacts of inadequate water and sanitation. PLWHA have increased demand for safe water and hygienic sanitation. Water is needed for bathing patients and washing soiled clothing and linen. Safe drinking water is necessary for taking medicines. Water is also needed to keep the house environment and latrine clean in order to reduce the risk of opportunistic infections. Nearby latrines are necessary for the weak as well as for those with frequent diarrhoea episodes. For HIV infected people to remain healthy as long as possible and to reduce their chances of getting diarrhoea and skin diseases, adequate water supply and sanitary facilities are of utmost importance.

The main barriers to access to WASH for PLWHA are discrimination and stigma in the community. PLWHA are denied access to WASH facilities by other people due to misconceptions about how the disease is acquired or transmitted. Discrimination is not limited to those using shared facilities. The minority who have private facilities face some of the most extreme forms of discrimination from close family members, or private landlords. Forms of discrimination range from verbal harassment to locking of taps, latrines and showers³. Sickness is also another major access constraint for these people. Fetching water and visiting toilets requires time and energy which PLWHA are likely to have increasingly less of as their condition worsens. PLWHA are often excluded from the process of planning, decision making, implementation, are not likely to come forward to express their needs, and thus their specialized needs are not addressed.

3) Children and older people

Children and older people are particularly vulnerable to poverty and social exclusion. According to the 2007 Housing and Population Census, children (ages 0-14) make up 45% of the Ethiopian population whereas the elderly (age <65) account for 3.2%.

The needs and rights of both groups are often overlooked in WASH programs. Children specifically are very vulnerable to WASH related diseases that contribute to their high rate of mortality and morbidity. According to UNICEF the infant mortality rate in 2008 was 69 out of 1000 live births and an estimated three-quarters of the health problems of children originated from the environment⁴. Girls miss out on education due to the burden of water collection and chores at home. They often fail to attend school when their menstrual needs are not met in the

² 2007 National Housing and Population Census

³ See [Meeting the needs for water and sanitation of people living with HIV/AIDS](#), WaterAid Ethiopia, January 2006:

http://www.wateraid.org/documents/plugin_documents/hivaids_equal_access_for_all_no._6_april_2006.pdf

⁴ UNICEF-Ethiopia statistics 2010- www.unicef.org/infobycountry/ethiopia_statistics.html

school. The impact of properly including and considering children in WASH services can be significant – both in terms of their benefit from the services, but also in their role as change agents who can easily transfer what they have learned.

The elderly who make up 3.2% of Ethiopia's population are often unable to collect and fetch water and most sanitation facilities do not take into account age-related physical problems⁵. Access to WASH is often denied to these groups of people due to discrimination, lack of purchasing power and information, physical isolation, limited mobility, lack of government resources and policies exacerbated by their inability to advocate for their rights. Older people are affected by chronic illness and disability and are vulnerable to communicable disease which makes WASH provision very crucial for this group of people. Older people can bring a huge amount of knowledge to families and communities and to the design of projects if appropriately included in the process.

4) Women

Ethiopian women account for 49.5% of the total population. Women have lower literacy rates than men, 49.3% and 65.4% respectively. In general, Ethiopian men were found to be more economically active than women (75.1% against 63.4%), according to the 2007 National Population and Housing census. In nearly all regions women have very low access to land, except through marriage. Women-headed households may be more vulnerable as they traditionally have much less direct access to land and other productive resources. In regards to access to property according to the civil code, the husband is in control of common property and he can also make all decisions related to such property

Although the Constitution guarantees women equality, practice shows severe disparities still exist in the implementation of gender equity measures. The most critical risk to women's health in Ethiopia is reproductive health related issues. Only 25% of the women give birth in health facilities. Almost all women in the country side give birth at home. The national reported maternal mortality between 2003 and 2008 was 670, while the adjusted figure for the year 2005 stands at 720.⁶ There is low level of participation in parliament, though parliamentary seats occupied by women have gone up from 7.8% to 21% between the previous two elections⁷. Following traditional socio-cultural values and practices, women are considered inferior to men, both in family life and in society at large. Violence against women is a widespread problem in Ethiopia; this includes abduction, rape, forced and early marriage, domestic violence and traditional harmful practices like female genital mutilation (FGM).

Although the important role women play in domestic water supply has long been recognized in development programming, water projects have tended to overlook women's participation and responsibilities in the decision-making and management of water resources. Furthermore, as one moves up the decision-making ladder in the WASH sector, fewer and fewer women are represented in leadership and decision-making positions. In most WASH projects, women may simply be seen as passive users and beneficiaries of water supply. Where women are represented –for example many WASH projects have criteria requiring 50% women's representation on WASH committees – their representation is often tokenistic and ineffective. Women in Ethiopia in general spend much of their time and energy in water collection that can be used to perform other productive activities. WASH provision is indispensable for women due to their reproductive and biological roles, privacy, dignity, and safety matters, exposure to

⁶ WWW.Uncief.org/infobycountry/ethiopia_statistics.html

⁷ *Human Development Report 2009*- Gender empowerment measure and its components, hdrstats.undp.org/en/indicators/127.htm

violence or sexual exploitation and impact on maternal and child health as well as child rearing. Proper inclusion of women will play a vital role to make WASH programmes more sustainable and effective.

5) Residents of geographically remote and challenging areas

This group includes pastoralists and those living in previously underserved areas including the Afar, Somali, Benishangul-Gumuz and Gambella regions. These areas suffered from a long history of political, economic, and socio-cultural marginalization. Pastoralists' problems have been exacerbated by recurrent and complex natural calamities such as drought, flood, disease and conflicts over scarce resources. Due to these as well as development policies and practices that further impoverish them, pastoralists have emerged as the poorest of the poor. Women and children are the first victims of any disasters in these areas. The major problems in pastoralist areas include lack of appropriate livestock development and marketing, lack of roads, and communication infrastructure, low levels of education, adequate public health, veterinary services, and water both for human and for livestock, as well as lack of financial services. For instance, the gross enrolment ratios for primary education in the Afar and Somali regions were 31.2% and 35% respectively as compared to a national average of 94.2%⁸. Discriminatory attitudes towards pastoralists and their lifestyle and livelihoods are common, especially on the part of non-pastoralist populations of the country including most educated professionals.

Pastoralists' skills and knowledge has sustained their livelihoods throughout history. Particularly important are their indigenous knowledge and management systems around disaster and risk management (drought and conflict); natural resource management (pasture, water, wildlife, forest, mineral etc); decision-making, governance and traditional safety nets.

In terms of WASH services, due to their distance from main population centres, scattered populations, patterns of movement, water scarcity, isolation and 'invisibility' to policy makers they remain underserved. Basic services including WASH, health and education are often designed for settled populations and are not adapted to pastoralists' needs and requirements. In addition, it is more difficult, expensive and time consuming to reach these marginalized and excluded areas and people. Though there are many factors in choosing the most appropriate technology, rainwater harvesting is often an appropriate option for the water scarce areas of Ethiopia.

6) Informal settlers and slum dwellers

The informal settlers, the homeless or slum dwellers face a constant lack of basic infrastructure and public services including WASH. This group normally does not have access to communal or shared facilities and consequently they resort to open defecation and buy water at inflated prices from private vendors and shops. They remain invisible to existing WASH programmes and policy work. The informal settlers have no rights to the land they occupy as their status is 'informal'. They also do not have rights to water connections or to build sanitation facilities. As a result the urban reforms do not take their needs into account – in fact they are often not counted at all, as they do not have proper documentation including the 'kebele' identification cards that are a basis for access to most public services. Recent urban up-grading and housing development in Addis Ababa in particular have displaced many informal settlement dwellers without any compensation. The homeless in urban areas are among the most marginalised and poorest people in the country. They have little or no access to any formal public or basic services.

⁸ Ministry of Education: www.moe.gov.et, Education Statistics Annual Abstract 2008/9.

7) Internally displaced people (IDP)

For decades, Ethiopia has been affected by famine and conflict which resulted in high levels of internal displacement. There are an estimated 300,000-350,000 internally displaced people in the country⁹. In almost all cases, displacement was caused by conflicts between different ethnic groups, conflicts over scarce resources such as water and pastoral or agricultural land. There are several conflict-induced displacement situations in Ethiopia, the largest occurring in the administrative regions of Somali, Oromiya, Gambella and Tigray.

Lack of access to potable water is often at the root of serious health problems among IDP populations who are already more likely to live in poor quality housing with few or no basic services. Lack of sanitation facilities often contaminates the water and living environment, causing diseases such as typhoid and cholera. This situation poses more and immediate risk to children, women and the elderly. This fact makes WASH provision very crucial for IDPs.

8) Major barriers to inclusive service provision

In a country with such low levels of coverage and access, there is great momentum to increase general service coverage rather than targeting particularly disadvantaged or marginalised groups. This can lead to service provision being targeted to those who are the easiest and least expensive to reach and an inequitable distribution of services which further exacerbates existing inequalities in the society. There is also a general lack of experience and awareness, as well as limited technical skills to adapt basic services including WASH services to the needs of those that are excluded.

Although government has the authority to hold duty bearers to account in mainstreaming equity and inclusion approaches in the WASH program, this is not actually happening for many reasons. The level of awareness on the special needs of the marginalized and vulnerable groups in WASH services is generally low at all levels. While in general NGOs tend to focus more on excluded groups, most WASH NGOs do not have a track record of working with particularly marginalized or excluded groups. National sector policies, strategies and programs do not have any provisions for the special needs of excluded communities. The government has adopted a universal access approach, which can make excluded people and their special needs invisible.

The general assumption is that once water and sanitation facilities are provided, everyone in the community will be able to access these services.

Service delivery and advocacy efforts, by and large, exclude the needs and concerns of the marginalized and vulnerable groups, partly because of lack of relevant information and data on the size and needs of target communities. For instance, updated data from the Central Statistics Authority shows people with disabilities account for about 1.09% of the population, while the WHO estimates this to be about 10%¹⁰. Lack of clear consensus and understanding on the estimate of the excluded people affects the level of service delivery and advocacy that aims at reaching the special needs of the excluded groups.

In general there are weak or nonexistent links between WASH sector actors and organizations specializing on exclusion.

⁹ IDP in Ethiopia, Internal Displacements Monitoring Centre, <http://www.internal-displacement.org/8025708F004CE90B/>

¹⁰ Interview with Handicap International

Are excluded groups able to hold duty bearers to account?

It is clearly stated in the Ethiopian constitution that every citizen has the right to an improved living standard and to sustainable development (Art 43:1), one of which is the right to clean, safe and adequate water and sanitation. The government has ratified several international conventions to implement the right based approach to development. However, some of the conventions are not localised and even those which have to be localized have not been translated into practice at community level. High level commitments that include MDG and the NEPAD principles are the main ones given emphasis by government and donors¹¹. Some of the Regional declarations and promises are not yet localised. This partly includes the e-Thekwini Declaration, the Accra Plan of Action, and the Sharm-al-Sheikh Declaration. These declarations have not yet been endorsed by the Ethiopian parliament nor are they widely referred to by sector actors.

The recently endorsed Charities and Societies legislation limits the ability of international and internationally funded local NGOs to work on rights-based approaches to development. The legislation was passed by the government in 2009, and led to the establishment of a new agency mandated to oversee the work and management of civil society organisations called Charities and Societies Agency in the country. The law restricts international and Ethiopian Resident¹² NGOs from working on issues related to human rights and advocacy. Only Ethiopian NGOs who are able to raise more than 90% of their funds from local sources are allowed to work without these restrictions. Local fund raising is boldly challenging for most local NGO's and engage in advocacy work. As a result most local NGOs registered as resident NGO's rather than local NGO's.

Civil society organizations work at the interface between rights holders and duty bearers. They work with the community and usually advocate for their voices to be heard. Lack of space for civil society organizations to take part in WASH sector decision making processes at local, regional and federal levels, coupled with the focus on delivering services, have made them less effective in holding duty bearers to account. The new legislation further discourages civil society engagement in policy processes.

Local governments, being the main duty bearers, have the authority to hold other duty bearers to account, but are constrained by lack of motivation (caused by low awareness), and lack of sufficient resources (financial and technical). They have low capacity to draw up plans and budgets due to limited data and planning skills. In addition, there are generally weak mechanisms for translating national level sector policies, programmes, targets, and commitments into credible, locally implementable action plans. In this case, the specific needs and requirements of marginalised and vulnerable groups is often not even a topic on the agenda – at national level, or at regional and local levels apart from some very specific and project-based activities¹³. Since issues of equity and inclusion are not a priority in the sector, this is not an area where local or regional governments will be held accountable by the federal government to be more responsive to the needs of vulnerable and marginalised groups.

¹¹ The emphasis given to different MDG goals varies widely. There are sectors identified as pro-poor, such as agriculture, road construction, education, health and water supply in terms of their priority. Sanitation is usually not prioritised.

¹² Any Ethiopian organization that receives more than 10% of its funding from foreign sources is categorized as an 'Ethiopian Resident' organization.

¹³ For example, mechanisms to waive water tariffs for the poorest, or assist elderly to build latrines.

Annex 4: WAE Monitoring and Evaluation Framework

As part of the strategic planning process, WAE has developed the PM&E framework below, outlining indicators to measure each objective, what information will be needed to measure this indicator, how this data will be collected, when, who is responsible and data sources. Reporting on these indicators will contribute to the WA global strategic performance indicators. WAE has also tried to align these with existing national level indicators. This framework will facilitate the process to organise the mid-review and final evaluation as the indicators and how to measure them will have already been agreed and will be standardised across the different studies for better comparability. WAE anticipates a mid-term review half way through the life of the strategy, a final evaluation at the end of the strategy period, as well as annual impact assessments to fit in with the annual reporting process.

Wherever possible, WAE will use existing information sources and try to align our PME processes with existing ones. We will be working to strengthen monitoring mechanisms to better capture influencing and capacity building related outcomes and impacts.

Objective	Indicators	What information needs to be collected	How	When	Who is responsible	Data source
Aim 1: We will promote and secure poor people's rights and access to safe water, improved hygiene and sanitation						
1.52 million People including marginalised groups in target areas have access to safe water, improved hygiene and sanitation due to WAE and partners initiatives.	<ul style="list-style-type: none"> 1.52 million poor and marginalized people in 20 Woredas have access to sustainable WASH services. WaterAid supported services are equitable and inclusive 90% of WAE supported WASH schemes in target areas are functional. 	<ul style="list-style-type: none"> Disaggregated user numbers as per WAE user number protocol Number of water and sanitation facilities built & used % inclusive water and sanitation facilities Evidence of E&I in processes (e.g. levels of participation) and methodologies (e.g. inclusive development) used Water quality 	<ul style="list-style-type: none"> Base line survey Observation Inventory Focus group discussion Interviews 	<ul style="list-style-type: none"> At the beginning of each program and project During each program and project (bi-annual, annual and midterm) After each program and project (terminal) Mid-term and final 	<ul style="list-style-type: none"> Lead responsibility with Budget Holders supported by PM&E 	<ul style="list-style-type: none"> Reports by partners, donors and government Secondary data and literature WASHCo documents User communities Before and after case studies Geo-referenced data (mapping) Monitoring and evaluation reports Baseline survey reports
Aim 2: We will support government and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation						
Objective 2.1	<ul style="list-style-type: none"> WAE reaches 	<ul style="list-style-type: none"> Number of users 	<ul style="list-style-type: none"> Keeping 	<ul style="list-style-type: none"> Once in two 	<ul style="list-style-type: none"> PMER 	<ul style="list-style-type: none"> Reports

Objective	Indicators	What information needs to be collected	How	When	Who is responsible	Data source
Improved capacity of WASH stakeholders at national level and WAE target areas to plan, monitor, coordinate and deliver equitable and sustainable WASH services	<p>6,142,910 people indirectly by progress on objectives above</p> <ul style="list-style-type: none"> • 20 Woredas have a Woreda WASH strategic plan with appropriate PM&E system • WASH Boards are legalised, and regularly report to community, government bodies and have audited accounts. • Sector networks lead the push for effective sector performance monitoring, focus on equitable and sustainable services and strategically use sector opportunities. • Sector offices in the 20 woredas and 7 towns are better coordinated 	<p>benefitting from our work other than direct service delivery</p> <ul style="list-style-type: none"> • Type of support given • Process of the Woredas' WASH strategy development • Information on the process and utilisation of resources by woredas • Implementation of the strategy • Existence and functionality of the Woreda WASH PME system, including how this is being used to inform planning and decision-making • Boards agree criteria for monitoring service level and quality • Boards seek alternative ways of financing schemes to ensure sustainability • Amount of budget allocated for operations and maintenance 	<p>proper records of non direct service delivery user number</p> <ul style="list-style-type: none"> • Review of reports • Documenting process • Progress reports • Sample woreda based resource allocation and utilisation report • Discussion and observation • Testing the PME system • Boards own reports • Interview • Focus group discussion • Sector level agendas, minutes, issues forwarded by networks • Attending sector joint meetings 	<p>years</p> <ul style="list-style-type: none"> • Annually • Biannually • monthly 	<ul style="list-style-type: none"> • BHs • Regional hubs • Lead responsibility with WAE (PMER, P&A, BHs) • Policy and advocacy team 	<ul style="list-style-type: none"> • JMV's • Project documents and agreements signed • Baseline • Woreda sector WASH strategy • Woreda WASH PME system • Annual report • Annual plan • Monitoring and evaluation reports • Board documentation (agendas, minutes, reports, bylaws, audit reports) • Business plan • WASH CSOs annual report • Minutes of network meetings • Proceedings of the multi-stakeholder forum

Objective	Indicators	What information needs to be collected	How	When	Who is responsible	Data source
		<ul style="list-style-type: none"> Supply chain, private sector involvement Involvement of sector networks on sector-level advocacy Issues discussed and actions set during joint sector meetings and regularity of these meetings Joint Technical Review reports Donor Assistant Group meeting outcomes 	<ul style="list-style-type: none"> Involving in Joint Technical Review Attending DAG meetings 			
Objective 2.2: A credible national action plan and budget for sanitation that includes rural and urban sanitation that can be implemented by regional and local governments.	<ul style="list-style-type: none"> A national plan and budget (separate budget line) for sanitation exists Evidence of increased budget allocation to sanitation at local levels 	<ul style="list-style-type: none"> National level urban sanitation strategy and implementation manual that is costed Existence of a budget line for sanitation and mechanisms in place for operationalisation Record or evidence of an increased budget at woreda level 	<ul style="list-style-type: none"> Document review and budget tracking Interview Observation Financing studies and research 	<ul style="list-style-type: none"> Annually 	<ul style="list-style-type: none"> Policy and Advocacy Department with the support of PME, WASH Movement 	<ul style="list-style-type: none"> Strategy document Financial plan Government Financial budget code (Budget proclamation) Budget proclamation Annual performance report of Woredas and Ministries of water, health and education
Aim 3: We will advocate for the essential role of safe water, improved hygiene and sanitation in human development						
Objective 3.1: Institutional WASH, particularly	<ul style="list-style-type: none"> 20 Woreda WASH Strategic Plans clearly include 	<ul style="list-style-type: none"> Number of institutions developing WASH plans WaterAid partners 	<ul style="list-style-type: none"> Document review Interview Observation 	<ul style="list-style-type: none"> Six month Annually 	<ul style="list-style-type: none"> WASH Department supported by PME and P&A 	<ul style="list-style-type: none"> Six month reports Annual reports Woreda WASH forum

Objective	Indicators	What information needs to be collected	How	When	Who is responsible	Data source
WASH in schools and health institutions, is integrated into local level plans in WAE target Woredas and monitored and reported in the overall national WASH progress reports.	institutional WASH with appropriate monitoring and reporting mechanisms. <ul style="list-style-type: none"> • National WASH report includes institutional WASH • Joint CSOs Annual WASH Performance Report includes institutional WASH • Evidence of WAE and partners' institutional WASH influencing other actors 	including institutional WASH activities in their plans <ul style="list-style-type: none"> • Number of CSOs considering institutional WASH 				<ul style="list-style-type: none"> • Project plans
Objective 3.2: WASH components under the food security sector in Ethiopia and WASH sector programs are effectively linked and coordinated	<ul style="list-style-type: none"> • National level coordination mechanisms between the two sectors exist • Evidence of effective coordination and linkage between the two sectors in the 16 food insecure woredas within WAE target areas. 	<ul style="list-style-type: none"> • Number and content of joint meetings both at national and woreda level • Results of increased coordination • Amount of funding for WASH in food security programs 	<ul style="list-style-type: none"> • Document review • Interview • Observation 	<ul style="list-style-type: none"> • Annually 	<ul style="list-style-type: none"> • P&A department • PMER coordinator 	<ul style="list-style-type: none"> • National WASH report • CSO annual report • Minutes of joint meetings • Woreda WASH reports

Objective	Indicators	What information needs to be collected	How	When	Who is responsible	Data source
	<ul style="list-style-type: none"> Evidence of practice influence from WAE and partners coordination with food security sector. 					
Aim 4: we will further develop as an effective global organisation recognised as a leader in our field and for living our values						

Objective	Indicators	What information needs to be collected	How	When	Who is responsible	Data source
<p><i>Objective 4.1:</i> WAE is recognised for its influence, effectiveness and efficiency in reaching its objectives, both within the WaterAid family and externally by other actors in Ethiopia and beyond.</p>	<ul style="list-style-type: none"> • Evidence of increasing impact and effectiveness of the country program (projects, partnerships, management systems, policies and processes) • . • Evidence of WAE research and publications being used by sector and non-sector actors • High levels of staff motivation and satisfaction • Increased diversity of staff (disability, religion, gender) 	<ul style="list-style-type: none"> • Project evaluations • Staff performance appraisal results • Percent of local fund raised from the total budget • Increased number and quality of funding proposals • Media coverage and external reference to WAE publications • Gender balance in decision making positions and percentage of disabled staff • Evidence of low staff turnover and increase in staff satisfaction and performance. 	<ul style="list-style-type: none"> • By conducting timely evaluations • Partner review meetings • Conducting performance appraisal • Conducting staff engagement\ satisfaction surveys • Disseminate publications and research finding through workshops, seminars, forums and networks, etc • Development of administrative and financial systems • Findings from INGO meetings 	<ul style="list-style-type: none"> • CP every 3 years • Project - midterm and final evaluations • Annually 	<ul style="list-style-type: none"> • Country Representative and SMT 	<ul style="list-style-type: none"> • Midterm review report • CP Evaluation • Employee performance appraisal results • Exit interviews • Staff engagement survey results • Information on the practices of likeminded organisations for benchmarking

Annex 5: Geographical Focus

WAE will focus on 20 Woredas within 4 Regional States as well as 7 towns in the coming strategic period. Through the development of strategic hubs in 4 Regions, WAE will be able to decentralise its support and facilitation and consolidate a programmatic approach in these areas. If resources are available to expand our work to ambitious levels, WAE will still focus on these geographical areas and increase its impact within these areas rather than expanding the geographical scope of our work. This is in order to maximise our impact and reduce overhead costs in terms of managing and monitoring scattered programmes in a very large country. This is also in line with external evaluation recommendations, recognizing that if WAE spreads itself too thinly, less impact will be achieved. A ranking exercise was undertaken by programme staff based on a set of key criteria for choosing the most strategic regions and the outcome was to focus on the four regions of Amhara, Benishangul Gumuz, Oromia and SNNP. This was mainly as a result of their high scores in WAE implementation experience, potential for new partnerships, water resource availability to demonstrate technologies such as gravity water supply, level of water scarcity to demonstrate technologies such as rain water harvesting, potential to work with pastoralist and marginalized communities and security of person and property

Geographical regions ranking

Possible geographical target regions for WAE were discussed and ranked as per the table below. After agreeing on the criteria for selecting the regions, they were ranked on a scale of 0-3 according to the criteria (0 being non-existent and 3 being strong).

Criteria	Benishangul Gumuz Total=12	Amhara 13	Oromia 15	SNNP 14	Afar & Somali 7	Tigray 11
WAE implementation experience in the region	3	2	3	2	0	2
Balance of large and small regions	Small	Big	Big	Big	Big	Medium
Potential for new partnerships	1	3	3	3	1	2
Population	Small	Big	Big	Big	Medium	Medium
Water resource availability / potential for adopting new technologies	2	3	3	3	1	2
Level of need / water scarcity	3	2	3	3	3	3
Presence of pastoralist areas	1	0	1	1	1	0
Security	2	3	2	2	1	2

The regions chosen were therefore Benishangul-Gumuz, Amhara, Oromia and the Southern Nations Nationalities and Peoples (SNNP) Regions.

It was also agreed that it would be realistic to target 20 Woredas in total over the five years of the forthcoming strategy.

The criteria for choosing these Woredas would be:

- Geographically or economically marginalised (scarce resources, geographically distant, presence of marginalised groups e.g. pastoralists)
- Good water potential (to demonstrate technologies such as gravity water supply, etc)
- Scarce water resources (to demonstrate technologies such as rain water harvesting, etc)
- High user numbers
- Low budgetary resource allocation
- Low coverage of WASH services – according to government prioritisation
- Interest of implementing partners
- Accessibility / logistical proximity
- Security
- Availability of potential partners
- Urban paper criteria

Annex 6: Risk Assessment

Inherent Risk	Risk	Controls	Likelihood	Impact (£)	Action Points
Financial					
1	Global economic and financial crisis	<ul style="list-style-type: none"> To keep up-to-date with global situation especially status of major donors. Work closely with grant and program funding department Co-financing projects 	H	30% of the total budget	<ul style="list-style-type: none"> Secure WA reserve especially for multi-year funds Diversify funding sources Longer term planning and Contract funding strategy Maximizing the use of available resources (efficiency gains) Exploring new donors/relationships
2	High inflation rate	<ul style="list-style-type: none"> Monitoring of budgets to actual Budgeting for inflation at official rate 	H	10% of total budget	<ul style="list-style-type: none"> Monitor inflation and impact on projects so we can make informed decisions Clear communication with Donors regarding status of inflation
3	Financial systems related to SUN	<ul style="list-style-type: none"> Capacity building of WAE finance staffs in the New system Increase connectivity Strengthen feedback and support with UK finance and system administrators 	H		<ul style="list-style-type: none"> Review accounts manual, update and communicate to all staff Improve WAE accounting system (GAS) Introduce IT policy
Strategic					
1	The implementation of the New NGO Legislation	<ul style="list-style-type: none"> Follow up the release of any subsequent guidelines Learn from others practice Good relationship and open communication with government at all levels 	M		<ul style="list-style-type: none"> SMT need a thorough understanding of the Legislation, discuss impacts at SMT meetings and with staffs) Revise projects, activities and objectives as per the new legislation Comply with the government reporting requirement Enhance public image of WaterAid Strengthen WAEs work with government partners

2	WAE partners not contributing to WAE strategy	<ul style="list-style-type: none"> • Effective Monitoring and evaluation system in place • Selection criteria for new partners and projects 	M	5% of the Total program budget	<ul style="list-style-type: none"> • Strengthened familiarisation with WAE Country Strategy and share best practices and approaches • Finalise partnership policy
3	Partners' continuing dependence on WAE funds	<ul style="list-style-type: none"> • Review partners budgets funded by WAE • Capacity building on fund raising • Link to other donors 	M		<ul style="list-style-type: none"> • Continue capacity building in fund-raising, project proposal development and contract compliance/management • To fix partnership period
Reputational					
1	Unintended consequences of WAE work	<ul style="list-style-type: none"> • Environmental scanning • Timely information sharing 	M		<ul style="list-style-type: none"> • Increasing awareness and documentation on unintended consequences • Increased multi-sector partnership
Operational					
1	WAE office and staff security	<ul style="list-style-type: none"> • Guards are assigned • Safe protection of liquid and fixed assets 	M		<ul style="list-style-type: none"> • Ensure adequate insurance of assets • Training and guidelines for guards • Security plan and better Information dissemination on security issues • Close down the office in case of high security risk
2	Poor Health and Safety practice of WAE or partner	<ul style="list-style-type: none"> • Revised Health and Safety Policy 	M		<ul style="list-style-type: none"> • Dissemination and implementation of revised Health and Safety Policy • Support partners to review their H&S procedures and ensure adequate in relation to WA standards
3	Inadequate records, documentation and archive retrieval system	<ul style="list-style-type: none"> • effective system on documentation and archiving 	M		<ul style="list-style-type: none"> • Records/filing system and practice reviewed and strengthened • Update website • Back up of soft documents • IT policy implementation
5	Poor quality work due to lack of capacitated	<ul style="list-style-type: none"> • To Check that appropriate person is placed for the job • Close monitoring of 	M		<ul style="list-style-type: none"> • Introduce 'Quality Assurance Group' focused on integrated quality • Review and strengthen the Procedures for selecting consultants and contractors

	consultants and contractors	consultants and contractors work			<ul style="list-style-type: none"> • Shortlist of 'preferred' consultants' based on quality of work, qualifications and sound references • Strengthen report/ study review system
Hazard					
1	Un expected climate conditions (Flood and drought)	<ul style="list-style-type: none"> • Disaster and preparedness guideline 	M		<ul style="list-style-type: none"> • To work with other specialised organizations • Lobby for WA globally to create a mechanism for disaster response.
2	Political instability / local or Global insecurity / terrorism	<ul style="list-style-type: none"> • Local security Plan • To keep up to date with global events and implications for security. • Clear identity as a non-political development organization • Sensitivity in advocacy and policy influence work • Avoid insecure area 	L		<ul style="list-style-type: none"> • Develop local security plan and implement it accordingly • Monitoring security status and travel advisories issued by relevant authorities • Mechanism for demonstrating that WAE is non-political, non-religious and is not ethnically based. Especially at the time of election/political instability. • Develop and disseminate clear communications system/protocol for use in the event of an emergency • System for disallowing use of WAE property (e.g. vehicles with partners) for political purposes. Inclusion of clause in contracts and in handing over documents as well as removal of logos.