Federal Democratic Republic of Ethiopia

Country Strategy and Programme Evaluation

National (in-person) Workshop

06 January 2023 - Hilton Hotel Addis - Ababa (Ethiopia)

Introductory Statement by Mr Indran Naidoo, Director of the Independent Office of Evaluation of IFAD

- Excellency Mr the Minister
- Distinguished representatives of the Government of Ethiopia,
- Representatives of IFAD's partner institutions and international organizations,
- Dear colleagues
- Ladies and gentlemen,

It is my pleasure to participate in this in-person national workshop, organized by the Independent Office of Evaluation of IFAD in collaboration with the Government of Ethiopia and the Eastern and Southern Africa Division of IFAD. This workshop follows the finalization of the Ethiopia country strategy and programme evaluation, implemented in 2022. The workshop provides the opportunity to share the main findings and discuss the implications of recommendations with the Government and IFAD representatives, as well as other key stakeholders of the IFAD supported strategy and programme in Ethiopia.

I would like to start by expressing my appreciation to the Government officials and relevant stakeholders for their collaboration on this evaluation. Our appreciation goes to the project teams and partner organizations for sharing insights, contributing to gather information

during the field mission, and responding to numerous requests for data and information from the evaluation team. I would also like to recognize the contribution of the IFAD Programme Management Department, in particular: Mr Donal Brown, Associate Vice-President of the programme management department; Ms Sara Mbago-Bhunu, ESA Regional Director; Mr Mawira Chitima, IFAD country director; and the regional team of the Eastern and Southern Africa Division.

Finally, I would like to thank the evaluation team, led by Mr Maximin Kodjo, IOE – Lead Evaluation Officer, and the team of national and international consultants. Ms Cristina Spagnolo provided efficient administrative supports to the team and to organizing today's event.

Ladies and gentlemen,

Let me first highlight the importance of the independent evaluation function. The Independent Office of Evaluation of IFAD undertakes impartial and evidence-based evaluations of projects, country programmes, thematic and corporate matters, to assess the results achieved and to generate lessons to enhancing the impact of IFAD-supported operations.

Since 1980, IFAD approved 21 loan-funded projects in Ethiopia with a total cost of US\$2.33 billion, of which US\$839.5 million (36%) financed by IFAD. The evaluated portfolio amounted US\$1.6 billion, with an IFAD financing of 565.5 million, for five completed and three on-going projects, over an evaluated period of 2015 to2022. During this period, the country has faced challenges of droughts and conflicts in several regions. Despite of those challenges, the country recorded a significant increase of its GDP per capita, which increased from 640.5 in 2015 to 921.1 in 2021 (according to World Bank data).

The evaluation found that the country strategy and programme was successful in contributing to achieving government' strategic priorities; by addressing fragility causes in rural areas such as: food insecurity, lack of access to socioeconomic and financial services, degradation of natural resources and poverty overall. Through effective commitment and ownership by the Government, the programme enabled enhancing the resilience of ecosystems and livelihoods in remote vulnerable areas of Ethiopia.

As such, the partnership with IFAD contributed to: (i) improving the availability of basic socioeconomic infrastructures and their access by dwellers of remote rural areas; (ii) increasing the access of smallholder farmers (in particular women) to financial services. Moreover, the increase of agricultural productivity (of crops and animals) was enabled due to small-scale irrigation schemes supported and introduction and adoption of improved farming and husbandry practices.

On the other hand, some areas deserve attention, as for instance.

IFAD supported programme has not applied a full value-chain approach to support agricultural development in Ethiopia and this led to insufficient post-production actions, for instance in relation to storage, processing and access to markets through partnerships with private actors. Regarding aspects of natural resources management, although there were actions for better managing watersheds and rangelands, the scale of those actions was limited to induce significant impact.

In terms of rural finance, there are still persistent challenges in

relation to: (i) consumers' protection, (ii) sustainable access to credit lines for smaller MFIs, and (iii) effective uptake of Islamic friendly financial service.

As evaluators, we have provided an impartial assessment of the IFAD's country strategy and programme in Ethiopia. With this event and with your contribution, we can gain a better understanding of future opportunities and ways to overcome constraints preventing the achievement of inclusive and enhance farmers' resilience as well as rural transformation in rural areas of Ethiopia.

I thank you for your attention.