

Rolling Plan for the Federal Democratic Republic of Ethiopia

As of April, 2019

Basic Policy	Support for Quality Economic Growth
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Priority Area 1	Agriculture and Rural Development
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<p>【Background and current situation】 Agriculture employs approximately 70% of the labor force and generates roughly 40% of the GDP of the country and is a core sector for poverty reduction and economic development. Most farmers are smallholders with less than 1ha of farm land, of which the majority is rain fed. The country remains prone to food insecurity caused by natural disasters such as drought, thus establishing stable agricultural production is a major priority. It is also necessary to enhance productivity among small farmers and integrate them into the market in order to achieve sustainable economic development. Population growth in rural areas has become a trigger for deforestation, unecological farming practices and soil erosion due to over pasturing, which all deteriorate agricultural productivity.</p>	<p>【Strategy】 Japan supports the enhancement of agricultural productivity and stability, which underlie the country's food security and economic development, as well as agricultural commercialization that encourages sustainable economic growth. Japan also extends its support to the sustainable management of natural resources that provide the foundation for agricultural production.</p>
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Development Issue 1-1 Agricultural and Rural Development	Program Name	Program Outline	Project Name	Scheme	Timeline						Assistance amount (0.1 billion Yen)	Remarks
					JFY2018 and before	JFY2019 and before	JFY2020	JFY2021	JFY2022	JFY2023		
Agricultural Commercialization Program		Promote the SHEP (Smallholder Horticulture Empowerment & Promotion) approach for small-scale farmers, which is most farmers; support for a transformation to market oriented farming; and enhance human resources and the implementation of systems for domestic market access improvement, in addition to agricultural productivity improvement. In the mid to long term, support infrastructure improvement such as warehouses and farm roads in order to improve market access.	Project for Smallholder Horticulture Farmer Empowerment Through Promotion of Market-Oriented Agriculture (Ethio-SHEP)	TCP	█	█	█	█	-	-	4.60	
			Issue-based Training for Agricultural Commercialization	TR	█	█	-	-	-	-		

Priority Area 2	Industrial Development											
Development Issue 2-1 Industrial Development	<p>【Background and current situation】 In GTP2, the Ethiopian Government lists two main targets that will make Ethiopia a leading African country in light industry and make an economic structural transformation to agriculture and industry. The Ethiopian Government strongly promotes the invitation of Foreign Direct Investment (FDI) and industrial park development through its own initiatives. On the other hand, manufacturing's share of GDP is still only 5% and the shortage of foreign currency, due to continuous trade deficits, is still a serious problem. These problems are caused by the lack of a clear export promotion policy, the Quality/Productivity/Competitiveness of the manufacturing sector, the lack of financial access for SMEs and deficiencies in management knowhow. The Ethiopian Government needs to achieve industrialization by promoting quality FDI, exports and domestic industrial development.</p>					<p>【Strategy】 In order to support an equitable and sustainable industrial development in Ethiopia, Japan has implemented the Industrial Policy Dialogue and other projects, in connection with Long-Term Training Alumni and SV/JOCV. As for the policy level, Japan continues to provide advice on industrial policy through the Industrial Policy Dialogue. On an implementation level, Japan supports: 1) Investment & Export Promotion and ; 2) Domestic Industrial Development, mainly through the promotion of KAIZEN.</p>						
	Program Name	Program Outline	Project Name	Scheme	Timeline						Assistance amount (0.1 billion Yen)	Remarks
	<p>The program aims to provide advice on industrial policy making and implementation through the Industrial Policy Dialogue, and at the same time we provide support for human resource development which contributes to enhancing FDI, developing Industrial Parks, and promoting exports. Also, we support improving productivity and quality through the dissemination of KAIZEN, and for strengthening system infrastructure, such as financial access or supporting management systems, for SMEs and entrepreneurs.</p>		Industrial Promotion Project	TCDP	-	-	-	-	-	-	18.08	
			Project on Capacity Development for KAIZEN Implementation for Quality and Productivity Improvement and Competitiveness Enhancement	TCP	-	-	-	-	-	-	8.12	
			The Project on Construction of the First TICAD Human Resource Development Center	GA	-	-	-	-	-	-	29.31	
			Kaizen PhD & Postdoc Program	TR	-	-	-	-	-	-		
			Women Entrepreneurship Development Project	LA	-	-	-	-	-	-	55.00	
			Project on Business Development Service (BDS) Enhancement for Enterprises Growth	TCP	-	-	-	-	-	-	5.10	TechnicalAssistance Project related to ODA Loan
			Feasibility Survey for Promoting Import Substitution Industry through Advanced Recycling Technology in Ethiopia	SSM	-	-	-	-	-	-		Feasibility Survey
			African Business Education Initiative for Youth (ABE Initiative)	TR	-	-	-	-	-	-		
Community Development			JOCV	-	-	-	-	-	-			
Volunteers/Senior Volunteers in Industrial Human Development			JOCV/SV	-	-	-	-	-	-			

Priority Area 3	Infrastructure Development												
Development Issue 3-1 Diversification of Power Source and Efficient Power Supply	<p>【Background and current situation】 The Government of Ethiopia has put an emphasis on the expansion and rehabilitation of economic infrastructure, and set goals in GTP2 to promote industrialization such as: 1) Power supply capacity improvement; 2) The reduction in the cost of logistics, including road expansion and; 3) Improving access to safe water.</p> <p>In the power sector, the Government of Ethiopia set its policy to expand the export of power to neighboring countries by utilizing its abundant hydro power capacity. However, in order to match power demand increases and realize a stable power supply, it is necessary to develop 1) a domestic primary system, 2) international transmission lines and 3) a stable power generation system that is not affected by seasonal variations.</p> <p>Key issues for the transport and urban infrastructure sectors are 1) development and the facilitation of an international logistics network, 2) the development, operation & maintenance improvement of the infrastructure and 3) capacity of implementing organizations in rapidly urbanizing areas.</p> <p>Key issues for the water sector are: establishment and dissemination of water supply facilities in rural areas and strengthening systems and human resource development for operations & maintenance in urban areas. In addition, due to the serious environmental pollution caused by the ever growing population and industrialization in urban areas, the demand for water & sewerage systems and capacity development of operations & maintenance for these systems has rapidly increased.</p>					<p>【Strategy】 1. Power Japan mainly focuses on: 1) A domestic primary system and international transmission lines for the export of power; 2) Power source diversification through geothermal development and; 3) Upgrading the transmission and distribution networks in Addis Ababa, as it is the center of demand.</p> <p>2. Transport and urban infrastructure To develop an attractive market and environment for investment and to reduce the cost of logistics, as stated in GTP2, Japan is supporting 1) the development and facilitation of an international logistics network, 2) the development of capacity for implementing organizations for road asset management and 3) development of capacity for urban planning, management and development.</p> <p>3. Water and sanitation Japan focuses on its support for the urban water supply and integrated sanitation and sewerage facilities, as well as human resource development demands in the country.</p>							
	Program Name	Program Outline	Project Name	Scheme	Timeline						Assistance amount (0.1 billion Yen)	Remarks	
Stable Power Supply Program	The program is aimed at power source diversification and reduced power loss through geothermal energy, and the development of transmission and distribution networks.	Preparatory Survey for Aluto Langano Geothermal Power Generation Project	PS	■	■	■	■	■	-	-	3.90	Technical Assistance Project related to ODA Loan	
		Geothermal Development Advisor	EXP	■	■	-	-	-	-	-	-	18.42	Technical Assistance Project related to ODA Loan
		The Project for Geothermal Wellhead Power System	GA	■	■	-	-	-	-	-	-	-	Technical Assistance Project related to ODA Loan
		Geothermal Development Support Project	TCP	-	-	-	-	-	-	-	-	-	Technical Assistance Project related to ODA Loan
		Transmission Development Advisor	EXP	-	-	-	-	-	-	-	-	-	Technical Assistance Project related to ODA Loan
		KCCP for stable power supply	TR	■	■	-	-	-	-	-	-	-	-
Development Issue 3-2 Transport and Urban Infrastructure Development	Program for Transport and Urban Infrastructure Development	The program aims to develop an attractive environment for investment and to decrease the cost of logistics by supporting international road network development and facilitation, the capacity development of capacity for implementing organizations for infrastructure asset management and urban infrastructure improvement.	The Project for Development of Road Maintenance Capacity of Addis Ababa City	TCP	■	■	-	-	-	-	3.62	-	
		Preparatory Survey for the Project for Upgrading Road Maintenance Equipment in Addis Ababa City	PS	■	■	-	-	-	-	-	-	-	
		Road Asset Management Technology (Core Human Resource Development for Road Asset Management)	TR	-	-	-	-	-	-	-	-	-	
		The Project for Development and Operation Model of Plant-derived Soil Additives for Road Disaster Reduction on Problematic Soil	STC	-	-	-	-	-	-	-	-	3.55	-
		Project for Capacity Development for Urban Planning and Management	TCP	-	-	-	-	-	-	-	-	2.00	-
		KCCP for Transport and urban infrastructure development	TR	■	■	-	-	-	-	-	-	-	-

Development Issue 3-3 Improvement of Access to Water Supply and Urban Sanitation Facilities	Program for Improvement of Access to Water Supply and Urban Sanitation Facilities	For the water supply sector, the program focuses on water supply and integrated sanitation and sewerage facilities in main cities such as Addis Ababa, as well as human resource development demands in the country through the Ethiopian Water Technology Institute (EWTI), which may work together with other projects. Besides, we are considering new support for urban water, sewerage and solid waste management.	The Project for Strengthening Capacity for Training Operation and Management for Ethiopian Water Technology Institute (EWTI)	TCP		-	-	-	-	4.33	
			The Project for Non-Revenue Water (NRW) Reduction and Management in Addis Ababa	TCP		-	-	-	-	2.00	
			The Project for Improvement of Water Supply in Bahir Dar City in the Amhara Regional State	GA		-	-	-	-	18.36	
			Preparatory Suvery for the Project for Development of Water Supply Facilities of Small Towns in Oromia Region	PS		-	-	-	-		
			The Project for Capacity Development of Wastewater Management through Revising the Wastewater Management Master Plan in AAWSA	TCDP		-	-	-	-		
			Training for Improvement of Solid Waste Management through the Fukuoka Method	TR		-	-	-	-		
			W-SAT on water and sanitation	JOCV/SV		-	-	-	-		
			KCCP for improvement of access to water supply and urban sanitation	TR		-	-	-	-		
			Economic and Social Development Program	GA		-	-	-	-		

Priority Area 4	Education and Health																						
Development Issue 4-1 Improvement of Education	<p>【Background and current situation】</p> <p>1.Education The Ethiopian Government set up an Education Sector Development Program in 1997. Since then, the access rate to Primary Education has improved from 42% (1997/98) to almost 100% (2014/15). On the other hand, the dropout rate (10%) and the repetition rate (7%) in Primary Education are still high due to a rapid increase in the number of schools and a lack of quality education. Furthermore, the low access rate to Secondary Education, which reflects regional disparities and would be an obstacle to the expansion of Higher Education, is still an important issue. In addition, the importance of improving Higher Education centered on engineering is becoming apparent for developing industrial human resources. Under the circumstances, the implementation of the General Education Quality Improvement Program started in 2009. Curriculums, textbooks, training for teachers, school management and educational administration are to be improved through the program in order to establish quality education.</p> <p>2.Health To be a lower-middle income country by 2025, in GTP2 and HSTP, the Ethiopian Government set up targets to achieve Universal health coverage through the enhancement of primary health care. It is also important to strengthen health service delivery and health systems through human resource development for sustainable economic development.</p>			<p>【Strategy】</p> <p>1.Education The Ethiopian Government has been spending the most on the Education Sector when compared to spending on other social programs. We have been making contributions through the construction of schools and the improvement of school management focusing primarily on Primary Education. On the other hand, following the strong requirement for improvement in the quality of Primary Education and support for Secondary Education and Higher Education, we provide support covering not only Primary Education and Secondary Education (General Education) but also Higher Education. In general education, we provide support for (1) the further improvement of access and (2) the improvement of quality. As for (1) the further improvement of access, we provide support for the mitigation of regional disparities and access to Secondary Education through school construction. As for (2) the improvement of quality, we provide support for the evaluation of school achievements and the improvement of the content of a given class, making use of our comparative advantage. As for Higher Education, we provide support for capacity development at universities for Science and Technology prioritized by the Ethiopian Government through long-term training for teachers' capacity development. Through this assistance program, we contribute to strengthening science and mathematics education (Industrial Human Resource Development), which the Ethiopian Government has identified as a priority.</p> <p>2.Health Cooperate on 1) Human resource development in the health sector and 2) health service infrastructure improvement through the utilization of the past cooperation's assets, and contribute to achieving Universal health coverage in Ethiopia.</p>																			
	Program Name	Program Outline	Project Name	Scheme	<p style="text-align: center;">Timeline</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 12.5%;">JFY2018 and before</th> <th style="width: 12.5%;">JFY2019 and before</th> <th style="width: 12.5%;">JFY2020</th> <th style="width: 12.5%;">JFY2021</th> <th style="width: 12.5%;">JFY2022</th> <th style="width: 12.5%;">JFY2023</th> </tr> </thead> <tbody> <tr> <td colspan="6" style="text-align: center;">[Gantt chart showing project timelines]</td> </tr> </tbody> </table>						JFY2018 and before	JFY2019 and before	JFY2020	JFY2021	JFY2022	JFY2023	[Gantt chart showing project timelines]						Assistance amount (0.1 billion Yen)
JFY2018 and before	JFY2019 and before	JFY2020	JFY2021	JFY2022	JFY2023																		
[Gantt chart showing project timelines]																							
Program for Industrial Human Resource Development	The program aims to improve the quality of education, mainly by improving curriculums, textbooks, education for teachers, school administration, and the capacity of governance in General Education.	The Project for Mathematical Understanding for Science and Technology(MUST)	TCP	[Gantt chart for MUST]						4.58													
		Science and Mathematics Education Management Specialist	EXP	[Gantt chart for Specialist]																			
		The Project for Construction of Secondary Schools in Tigray National Regional State	GA	[Gantt chart for Construction]						14.38													
		Grant Assistance for Grass-Roots Human Security Projects	GGP	[Gantt chart for GGP]						0.33													
Development Issue 4-2 Health	Health Program	To improve primary health care by enhancing the quality of medical & health services. The program is aimed at 1) Human resource development in the health sector and; 2) health service infrastructure improvement.	The Economic and Social Development Programme	GA	[Gantt chart for Programme]																		
		Grant Assistance for Grass-Roots Human Security Projects	GGP	[Gantt chart for GGP]						0.33													

Legend: [PS] = Preparatory Survey, [DD] = Detailed Design, [TCP] = Technical Cooperation Project, [TCDP] = Technical Cooperation for Development Planning, [EXP] = Expert, [EQ] = Equipment, [CTR] = Country-focused Training, [TR] = Issue-based Training / Training Program for Young Leaders, [JOCV] = Japan Overseas Cooperation Volunteers, [SV] = Senior Volunteers, [TEXP] = Third-country Expert, [TTR] = Third-country Training, [ICT] = In-Country Training, [STC] = Science and Technology Cooperation on Global Issues, [JPP] = JICA Partnership Program, [xx-TA] = Technical Assistance implemented by organizations other than MOFA and JICA, [PCP-TC] = Private Companies Proposed-Technical Cooperation, [GA] = Grant Aid, [GAF]=Grant Aid for Fishery, [FA]=Food Aid, [CGA]=Cultural Grant Assistance, [CGGP]=Grant Assistance for Cultural Grassroots Projects, [EGA]=Emergency Grant Aid, [GANP]=Grant Aid for Japanese NGOs Projects, [GGP]=Grant Aid for Grassroots Human Security Projects, [LA] = Loan Aid (ODA Loan), [BIS] = Basic Information Survey, [ML] = Multilateral Cooperation, [SSM] = Support for Small and Medium sized Enterprise, Solid Line [————] = Schedule, Dash Line [- - - -] = Tentative Schedule