

Country Name	Project on Strengthening Multi Sectoral Planning and Budgeting Capacity in Oromia Region
Federal Democratic Republic of Ethiopia	

I. Project Outline

Background	Decentralization process has been underway in Ethiopia since the establishment of the Federal Government in 1995. Due to this reform, it was incumbent upon the regional governments to establish lower administrative structures and to decentralize its power to the lower levels of the governments. Since 2002, fiscal decentralization to Ana (“District” in Oromiffa language ¹) level has progressed. As a result, in Oromia region, about 60% of the total budget that could have been allocated to Anas and the Region was allocated to Ana level. It was, therefore, increasingly important to strengthen the capacity of Anas to prepare plan and compile budget.										
Objectives of the Project	<p>Through development of the draft of guideline/manuals on Ana planning/budgeting/monitoring and its replication system, the project aimed at formulation of an Ana planning/budgeting/monitoring model, thereby contributing to improvement of capacities of Regional, Zonal and Ana officers in Oromia Region for using the funds of Anas, the Regional government and other funding sources.</p> <ol style="list-style-type: none"> Overall Goal: Capacities of Regional, Zonal and Ana officers are improved with the model of the planning/budgeting/monitoring, which utilizes the funds by Ana as well as the regional government and other funding sources. Project Purpose: An Ana planning/budgeting/monitoring model is formulated, which utilizes the funds by Ana as well as the regional government and other funding sources. 										
Activities of the Project	<ol style="list-style-type: none"> Project Site: Oromia National Regional State Main Activities: 1) drafting of guideline/manuals for Ana planning/budgeting/monitoring, 2) identification of information and methodology for collection, accumulation and analysis on Ana planning and budgeting 3) identification of achievements and lessons from pilot Ana planning/budgeting/monitoring using the drafted guideline/manuals, 4) establishment of supporting functions in Region and Zones for Ana planning/budgeting/monitoring and information management in pilot areas, 5) strengthening Regional budgeting process reflecting the drafted guideline/manuals, and 6) to develop a replication system for the drafted Ana planning/budgeting/monitoring guideline/manuals. Inputs (to carry out above activities) <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Japanese Side</td> <td style="width: 50%;">Ethiopian Side</td> </tr> <tr> <td>1. Experts: 11 persons</td> <td>1. Staff Allocated: 11 persons</td> </tr> <tr> <td>2. Trainees Received: 14 persons</td> <td>2. Land and Facilities: Office rooms</td> </tr> <tr> <td>3. Equipment: cars, projectors, PCs, photocopy machine, motorbikes, etc.</td> <td>3. Local cost: Cost for utility (electricity, water and internet connection) and maintenance cost for project office</td> </tr> </table> 			Japanese Side	Ethiopian Side	1. Experts: 11 persons	1. Staff Allocated: 11 persons	2. Trainees Received: 14 persons	2. Land and Facilities: Office rooms	3. Equipment: cars, projectors, PCs, photocopy machine, motorbikes, etc.	3. Local cost: Cost for utility (electricity, water and internet connection) and maintenance cost for project office
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Project Period	October 2010 – September 2013	Project Cost	(ex-ante) 380 million yen, (actual) 423 million yen								
Implementing Agency	Oromia Bureau of Finance and Economic Development (Oromia BoFED)										
Cooperation Agency in Japan	International Development Center of Japan (IDCJ), Koei Research Institute International Corp. (KRI)										

II. Result of the Evaluation

1 Relevance
<p><Consistency with the Development Policy of Ethiopia at the Time of Ex-Ante Evaluation and Project Completion></p> <p>The project was consistent with the development policies of Ethiopia stated in the “Plan for Accelerated and Sustained Development to End Poverty (PASDEP) (2005/06-2009/10),” and the “Oromia National Regional State Five-year Development Plan (Regional GTP²) (2010/11-2014/15)” aiming at the administrative capacity development on region level for accelerating decentralization which was stated to be prioritized in the “Ethiopian Federal Government Constitution (1995).”</p> <p><Consistency with the Development Needs of Ethiopia at the Time of Ex-Ante Evaluation and Project Completion ></p> <p>Due to the fiscal decentralization, it was incumbent upon the regional governments to establish lower administrative structures, and powers had to be decentralized to the lower levels of the governments, i.e. the districts. Although, the capacity of districts’ planning and budgeting was still challenging and supporting functions of regions and zones for districts were not enough. Therefore, the project was consistent with the development needs of Ethiopia at the time of ex-ante evaluation and the project completion.</p> <p><Consistency with Japan’s ODA Policy at the Time of Ex-Ante Evaluation></p> <p>The project aimed to improve the social services through the capacity development of local administration and thus consistent with Japan’s ODA Policy for Ethiopia since the “Japan’s Country Assistance Program for Ethiopia (June 2008)” placed high priority on the capacity development of regional and local level skills such as management, administration, and planning in order to promote the decentralization.</p> <p><Appropriateness of Project Design/Approach></p> <p>There were three Important Assumptions for attaining the Overall Goal stated in the PDM, namely, 1) approval of the draft</p>

¹ Oromiffa or Oromo is a language mainly spoken by Oromo people in Oromia region in Ethiopia.

² GTP: Ethiopian Poverty Reduction Strategic Paper (PRSP) named “Growth and Transformation Plan.”

guideline/manuals, 2) implementation of training for replication of the guideline/manuals, and 3) preparation of budget for replication of the guideline/manuals. However, all of these three assumptions have been failed as stated below. Because of that, the Overall Goal was not achieved, and the effects of the project have not been sustained. These assumptions were out of control of the project. Although both parties had several discussions and applied some adjustments including changing PDM since the mid-term evaluation, these were hardly included in the project components. Therefore, although the logical framework of the project design was appropriate, the Effectiveness/Impact is to be lowly evaluated.

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement for the Project Purpose at the time of Project Completion>

The Project Purpose was achieved by the time of project completion. The project made the necessary preparation by the time of the project completion by submitting the final draft guideline/manuals (Indicator 1) and the plan on budget, institutional arrangement and business processes necessary for disseminating the draft guideline/manuals (Indicator 2) to RPEDC (the Regional Planning and Economic Development Commission) (former BoFED) for approval.

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

The project effects have not been continued. The guideline/manuals on Ana planning/budgeting/monitoring was drafted and approved by BoFED but only the English version. Moreover, the dissemination plan of the guideline/manuals was drafted but not approved yet at the time of ex-post evaluation because of the low quality of translation of the plan into Oromiffa language, and reshuffle and turnover of personnel especially the high-level officials affected the continuation of the activities for dissemination. As a result, the guideline/manuals have not been disseminated and utilized.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

The Overall Goal has not been achieved at the time of ex-post evaluation because the guideline/manuals have not been disseminated and utilized as stated above. However, there is a possibility of utilizing the guideline/manuals with some revisions. The BoFED has been restructured into one bureau and one commission as stated below. The restructured commission, which is in charge of planning, monitoring and evaluation of public works, is planning to revise the guideline/manuals and conduct training on the revised versions.

<Other Impacts at the time of Ex-post Evaluation>

No negative impact on natural, social and economic environment has been observed.

<Evaluation Result>

In light of the above, through the project, while the Project Purpose was achieved at the time of project completion, positive effects by the project have not continued, and the Overall Goal was not achieved at the time of ex-post evaluation. Therefore, the effectiveness/impact of the project is low.

Achievement of Project Purpose and Overall Goal

Aim	Indicators	Results
(Project Purpose) An Ana planning/budgeting/monitoring model is formulated, which utilizes the funds by Ana as well as the regional government and other funding sources.	1. Preparation is done for submitting the final draft guideline/manuals to BoFED for approval.	Status of the Achievement: Achieved. (Continued) (Project Completion) The project made the necessary preparation by submitting the final draft guideline/manuals to RPEDC (former BoFED) for approval by June 2013. (Ex-post Evaluation) The guideline/manuals were approved by PREDC on Sept. 2013.
	2. Preparation is done for submitting the plan on budget, institutional arrangement and business processes necessary for disseminating the draft guideline/manuals in all the Anas to BoFED for approval.	Status of the Achievement: Achieved. (Not continued) (Project Completion) The project made the necessary preparation by submitting the dissemination plan of the guideline/manuals to RPEDC (former BoFED) for approval by the project completion. (Ex-post Evaluation) The dissemination plan was submitted on Sept. 2013 but not approved due to disqualified translation and organizational restructuring.
(Overall Goal) Capacities of Regional, Zonal and Ana officers are improved with the model of the planning/budgeting/monitoring, which utilizes the funds by Ana as well as the regional government and other funding sources.	1. More than X% of Regional Zonal and Ana officers in charge of planning and budgeting has taken training on Guideline/Manuals. (The target level will be decided in the formulation of the replication plan.)	Status of the Achievement: Not achieved. (Ex-post Evaluation) Since the dissemination plan was not approved, the training on guideline/manuals has not been implemented.
	2. Planning and budgeting officers in Anas are able to conduct planning, budgeting and monitoring by utilizing the Guideline/Manuals.	Status of the Achievement: Not achieved. (Ex-post Evaluation) Since the dissemination plan was not approved, the guideline/manuals have not been disseminated, and the training on guideline/manuals has not been implemented.

Source : Questionnaire survey to and interviews with BoFED, ZoFED (Finance and Economic Development of Zone) and AoFED (Finance and Economic Development of Ana).

3 Efficiency

Although the project period was within the plan (the ratio against the plan: 100%), the project cost exceeded the plan (the ratio against the plan: 111%). Therefore, efficiency of the project was fair.

4 Sustainability

<Policy Aspect>

Further decentralization of public service delivery and infrastructure development as well as enhancement of fiscal decentralization are clearly described in several sections in the current GTP II (2015/16-2019/20). Moreover, establishment of the democratic and good governance through enhancing implementation capacity of the public sector and mobilization of public participation is one of the nine pillar strategies of the plan. The project effects are, thus, expected to be sustainable from the perspective of policy aspect.

<Institutional Aspect>

BoFED has been separated into one bureau and one commission namely the Bureau of Finance and Economic Cooperation (BoFEC) and the Regional Planning and Economic Development Commission (RPEDC). BoFEC is in charge of financial administration and procurement and the RPEDC is in charge of PME (planning, monitoring and evaluation) of public works. RPEDC is planning to implement training on PME for all Zones and Anas with revising the guideline/manuals. According to the interviews with RPEDC, the guideline/manuals should be streamlined fitting to the current institutional structure and work procedures.

<Technical Aspect>

According to the interviews with officials of Zones and Anas participated in the training provided by the project, as they are not utilizing the guideline/manuals for regular PME activities and no refresher training has been conducted, they do not sustain their skills and knowledge obtained in the project. One exception was the case of Arsi ZoFED which conducted a training program on the guideline/manuals once in 2017 for Anas' PME officials. Officials in Arsi ZoFED now and then refer to the guideline/manuals and other materials prepared by the project since they are helpful for their works.

<Financial Aspect>

Since the dissemination plan has not been approved, the guideline/manuals have not been endorsed as official documents, so that budget has not been allocated for Zones and Anas for replication, application and updating of the guideline/manuals.

<Evaluation Result>

In light of the above, major problems have been observed in terms of technical and financial aspects of the implementing agency. Therefore, the sustainability of the effectiveness through the project is low.

5 Summary of the Evaluation

The Project Purpose was achieved by submitting the final draft of guideline/manuals and their dissemination plan to BoFED for approval. However, while the guideline/manuals have been approved, the dissemination plan was not approved. Therefore, the guideline/manuals have not been disseminated and utilized by Anas and Zones. As for sustainability, skills and knowledges transferred in the project are not sustained since the guideline/manuals have not been diffused, and budget by the government has not been prepared for utilizing, disseminating and sustaining them. As for efficiency, the project cost exceeded the plan. Considering all of the above points, this project is evaluated to be unsatisfactory.

III. Recommendations & Lessons Learned

Recommendations for Implementing Agency:

- It is recommended for RPEDC with the support of BoFEC to take initiative in the revision of the guideline/manuals, translation of dissemination plan to Oromiffa language, and preparation of budget for dissemination and utilization of them.

Lessons Learned for JICA:

- All of three Important Assumptions for the Overall Goal stated in the PDM have been failed, and caused the non-achievement of the Overall Goal and insufficient sustainability leading to the low overall evaluation of the project. When Important Assumptions are apprehended to be critical, they could be "Killer Assumptions³." In that case, the project plan has to be changed to mitigate the negative effects of Important Assumptions. In other words, risk analysis should be deliberately conducted at the initial planning stage, and the project is to be planned to reflect the results of the analysis.



An interview with experts at Goma AoFED in the ex-post evaluation.



Motorbike donated by the project to Limu Bilbilo AoFED.

³ Assumptions which may "kill" a project (FASID, "PCM: Management Tool for Development Assistance", 2007).