

MINISTRY OF FINANCE

**Channel One Programs
Coordinating Department
(COPCD)**

**Ethiopian Human Capital
Operation (HCO) (P172284)
Project Operational Manual
(POM)**

April, 2025

ACRONYMS

ALB	Abnormally Low Bid
ACG	Anti-Corruption Guidelines
AWPB	Annual Work Plan and Budget
BOA	Bureau of Agriculture
BOE	Bureau of Education
BOFED	Bureau of Finance and Economic Development
BOFs	Bureau of Finance
BOFRC	Bureau of Finance & Resource Coordination
BOH	Bureau of Health
CALM	Climate Action through Landscape Management
CDR Woreda	Conflict, Displacement and Refugee Woredas
CERC	Contingent Emergency Response Component
CoC	Code of Conduct
COPCD	Channel One Programs Coordinating Department
COVID-19	Coronavirus 2019
CPF	Country Partnership Framework
DLI	Disbursement-Linked Indicators
DLR	Disbursement-Linked Results
DP	Development Partners
DRM	Disaster Risk Management
E&S	Environment and Social
EAC	Ethics and Anti-Corruption
ECE	Early Childhood Education
EFY	Ethiopia Fiscal Year
EMCP	Expenditure Management and Control Program
EMIS	Education Management Information System
EOI	Expression of Interest
EPA	Environmental Protection Authority
ESAP	Ethiopia Social Accountability Program
ESCP	Environmental and Social Commitment Plan
ESDP	Education Sector Development Plan
ESF	Environmental and Social Framework
ESHS	Environmental, Social, Health and Safety
ESMS	Environmental and Social Management System
ESPES	Enhancing Shared Prosperity through Equitable Services
ESS	Ethiopia Statistics Service
ESS 4	Environmental and Social Standards 4
ESSA	Environmental and Social System Assessment
FEACC	Federal Ethics and Anti-Corruption Commission
F&C	Fraud and Corruption
FM	Financial Management
FSA	Fiduciary Systems Assessment
FTA	Financial Transparency and Accountability
FY	Fiscal Year

QCBS	Quality and Cost Based Selection
GBV	Gender Based Violence
GEQIP-E	General Education Quality Improvement Program for Equity
GER	Gross Enrollment Rate
GFF	Global Financing Facility
GOE	Government of Ethiopia
GPG	General Purpose Grant
GPI	Gender Parity Index
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HC	Human Capital
HCI	Human Capital Index
HCO	Human Capital Operation
HD	Human Development
IBEX	Integrated Budget and Expenditure system
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IDP	Internally Displaced Persons
IFAC	International Federation of Accountants
IFR	Interim Financial Report
IGFT	Intergovernmental Fiscal Transfer
IPF	Investment Project Financing
ISA	International Standards on Auditing
JRIS	Joint Review Implementation Support
KPIs	Key Performance Indicators
L&FS	Life and Fire Safety
LMP	Labor Management Procedure
LIG	Local Investment Grant
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MEFF	Macroeconomic and Fiscal Framework
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOF	Ministry of Finance
MOH	Ministry of Health
MOPD	Ministry of Planning and Development
MOWE	Ministry of Water and Energy
MOWSA	Ministry of Women and Social Affairs
NDRMC	National Disaster Risk Management Commission
NNP	National Nutrition Program
OFAG	Office of the Federal Auditor General
OHS	Occupational Health and Safety
ORAG	Office of Regional Auditor General
ORS	Oral Rehydration Salts
PAD	Program Appraisal Document
PAP	Program Action Plan
PBA	Performance-Based Allocation

PBB	Program-Based Budgeting
PBS	Protection/Promoting Basic Services
PDO	Program Development Objective
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PforR	Program-for-Results
PHC	Primary Health Care
POM	Project Operations Manual
PPPA	Public Procurement & Property Authority
PPE	Personnel Protective Equipment
PPSD	Project Procurement Strategy for Development
PSIA	Poverty and Social Impact Assessment
QCBS	Quality & Cost Based Selection
REACC	Regional Ethics and Anti-Corruption Commission
REOI	Request for Expression of Interest
RF	Result Framework
RFB	Request for Bids
RFQ	Request for Quotation
RFP	Request for Proposal
RRS	Refugee and Returnee Services
SBD	Standard Bidding Document
SC	Steering Committee
SDG	Sustainable Development Goals
SEA	Sexual Exploitation and Abuse
SEP	Stakeholders Engagement Plan
SH	Sexual Harassment
SRAMP	Security Risk Assessment and Management Plan
SPD	Standard Procurement Document
SPG	Specific Purpose Grant
SPN	Specific Procurement Notice
STEP	Systematic Tracking of Exchange in Procurement
SRA	Security Risk Assessment
TA	Technical Assistance
TOR	Terms of Reference
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
WASH	Water, Sanitation, and Hygiene
WB	World Bank
WBG	World Bank Group
WOF	Woreda Finance Office
WOFED	Woreda Office of Finance and Economic Development
UB	Unbalanced Bid
USD	United States Dollar

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SECTION 1: INTRODUCTION

1.1. Project Background

1. The Government of Ethiopia (GOE) has been working towards the betterment of citizens' lives through the provision of basic public services (health, education, agriculture, water and sanitation, and rural roads), though there are overwhelming technical and financial limitations. However, the close support of development partners, both bilateral and multilateral, has been instrumental in gaining more access to and improving basic public service delivery. The Human Capital Operation (HCO) aims to leverage the successes of the previous Promotion of Basic Services (PBS) and Enhancing Shared Prosperity through Equitable Services (ESPES) programs. The PBS program was designed to expand nationwide access to essential services, including education, health, water supply, sanitation, rural roads, and agricultural extension services, while improving the quality of these services. Similarly, the ESPES program focused on enhancing equitable access to basic services and strengthening accountability systems at the decentralized level. As a result, the HCO program seeks to build on and consolidate these initiatives to enhance the delivery of essential services in selected least developed woredas, particularly in areas most affected by conflict, drought, and the presence of refugees.

2. The Human Capital concept is primarily catalyzing the improvement of people's lives through the bands of education & training, broader aspects of health & nutrition as well as the overall safety & realization of basic living standards. According to the World Bank, human capital is defined as the knowledge, skills, and health people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of society. Investing in people through nutrition, health care, quality education, jobs, and skills helps develop human capital, and this is crucial to ending extreme poverty and creating more inclusive societies.¹ The Human Capital Index (HCI) measures the potential productivity of a child born today based on their expected health and education outcomes.

3. The experience of Promoting Basic Services (PBS), General Education Quality Improvement Program (GEQIP), Education Sector Development Plan (ESDP), National Nutrition Program (NNP), Enhancing Shared Prosperity through Equitable Services (ESPES) and other impactful project interventions have improved the accessibility and the service standards meaningfully. Despite all these endeavors and substantive investments, the gaps remain wide. Millions of children have been unable to attend school for months or even years in the last few years due to a pandemic, drought, and domestic conflict. Furthermore, food insecurity due to these factors, the high food inflation rate, the global crises, and the pressure from the influx of refugees from neighboring countries have accentuated undernourishment, the prevailing child stunting rate, and inaccessibility to quality education.

4. The government's ten-year Perspective Development Plan (2021–2030) emphasizes building human capital through equitable and quality services. In furtherance of this perspective development plan, the GOE and the World Bank agreed to design a program that builds upon the previous successful programs with revitalized features under the brand 'Human Capital Operation (HCO).' The design of the HCO aligns with supporting national issues through investments in General Purpose Grant (GPG) to ensure a people-centric approach (targeting frontline service providers, strengthening accountability, and

¹ World Bank, The Human Capital Project: Frequently Asked Questions, March 19, 2019, page 3, paragraph 2

capacity building at the woreda level) for effective and efficient basic service delivery, including in areas affected by conflict, drought, and high levels of refugees. Investment through the Specific Purpose Grant (SPG) targets low-performing areas, with the majority of beneficiaries from regions facing specific challenges (conflict, drought, and high level of refugees), with additional support targeting a child as a center of intervention in a multisectoral framework. In particular, in selected woredas, depending on the needs of specific areas, a child will receive a coordinated intervention in water, nutrition, health, and education starting from when the child is conceived. In addition, the IPF component will provide additional resources for areas facing specific challenges (conflict, drought, and high levels of refugees) and technical assistance for system capacity building, including preparing for future shocks and refugee protection. This program is mainly pinned to improve learning outcomes and nutritional services for girls and boys and strengthen service delivery & accountability in all regions, including areas affected by conflict, droughts, and high-risk levels of refugees.

1.2. Purpose and Structure of the Project Operation Manual (POM)

5. The purpose of this POM is to provide clear guidelines for implementing HCO to all concerned coordinating, executing, and overseeing public bodies, viz. MOF, MOE, MOH, MOA, MOWE, MOWSA, MOPED, ACSO, and EPA at the federal level, BOFs/BOFEDs/BOFRC and HCO sector bureaus at regional levels, and WOFEDs/WOFs, and HCO sector offices at SPG woreda levels, and urban cities.

6. This POM is organized under seven main sections where Section One deals with the introduction; Section Two discusses the project brief overview; Section Three covers the implementation arrangement & institutional setup; Section Four presents financial management and disbursement arrangement; Section Five narrates on procurement arrangement; Section Six elaborates environmental & social risk management; and lastly Section Seven brings up the monitoring & evaluation issues.

SECTION 2: HUMAN CAPITAL OPERATION (HCO) BRIEF OVERVIEW

2.1. Project Development Objective (PDO) and Result Indicators

7. The GOE has launched the ‘Human Capital Operation (HCO)’ program to improve learning outcomes and nutrition services for girls and boys and strengthen service delivery and accountability in all regions, including areas affected by conflict, droughts, and high levels of refugees. The following PDO-level results indicators will measure the PDO:

1. Children who are able to read and understand a simple text by age 10 in 42 Specific Purpose Grant (SPG) woredas. This includes woredas affected by droughts and high levels of refugees;
2. Girls’ survival rate in secondary school in all regions, including areas affected by conflict, droughts, and high levels of refugees;
3. Children 0–59 months with diarrhea receiving treatment with Oral Rehydration Salts (ORS) and zinc in low-performing regions, including in areas affected by conflict, droughts, and high levels of refugees;

4. Children 6–23 months fed a minimum acceptable diet in 42 SPG woredas, including woredas affected by droughts and high levels of refugees and
5. Woredas that engage citizens in planning and budgeting, including in areas affected by conflict, droughts, and high levels of refugees.

2.2. Program Components

8. The Human Capital Operation is a hybrid of Program-for-Results (PforR) and Investment Project Financing (IPF), and it has three components:

Component 1: PforR will support service delivery at the woreda level, including for refugees and host communities.

9. This component, viz., General Purpose Grant (GPG) and Specific Purpose Grant (SPG), will support the government program in the delivery of human capital related services through its decentralized system of Inter-Governmental Fiscal Transfer (IGFT), with special consideration for areas most affected by conflict, droughts, and the presence of refugees. The PforR component has two results areas with eight DLIs designed to achieve the program objectives. These objectives focus on national outcomes that measure improvements in human capital through investment in health, education, water, and agriculture.

Result Area One aims to improve learning outcomes and nutrition services for girls and boys and to support service delivery and accountability in all regions, including areas affected by conflict, droughts, and high levels of refugees. It especially focuses on national outcomes that measure improvements in human capital through investment in health, education, water, and agriculture. The five DLIs specified under this component are planned at the national level, and the three DLIs are planned at SPG woreda levels.

Result Area Two: aims to improve learning outcomes and address stunting in SPG woredas. Under this result area, three Disbursement Linked Indicators (DLIs) are to be achieved at the SPG woreda level.

Component 2: This component is Investment Project Financing (IPF), which aims to improve human capital outcomes across the country with a particular focus in areas affected by conflicts, droughts, and high levels of refugees and strengthens system capacity, including refugee integration and protection through technical assistance.

10. The IPF will allow the MOF to continually adjust to the changing situation in the conflict areas; and to assess and review the situation in conflict areas and adapt accordingly, applying innovative approaches to address barriers identified as affecting essential service delivery, in keeping with the local situation. It has three sub-components, as described below:

Sub-component 2.1: This sub-component plans to design and implement multi-sector interventions in areas affected by conflicts, drought, and high levels of refugees based on area-specific priorities and global evidence.

11. Under this Sub-component, there are three Sub-Sub-components as briefly described in the following ways:

Sub-sub-Component 2.1.1: Support resilience and rebuilding of service delivery systems in areas affected by conflicts, drought, and high levels of refugees.

12. This activity will also focus on recruiting frontline service providers and equipping them with skills required to strengthen system resilience, provide socio-emotional support, and promote inclusiveness, including providing training for key service delivery personnel. It will also support capacity building in transparency, governance, procurement, financial management, and E&S management and provide logistical support to schools and health centers.

Sub-sub-Component 2.1.2: Support the education system in high-risk woredas affected the most by the conflict, droughts, and high levels of refugees to recover learning losses.

13. The activity will finance a menu of interventions to support return to school and boost learning outcomes in high-risk woredas by strengthening community mobilization for school return, school readiness, improving teaching and learning environments, and increasing school retention especially for girls.

Sub-sub-Component 2.1.3: Support nutrition interventions in high-risk woredas affected the most by the conflict, droughts, and high levels of refugees.

14. This subcomponent focuses on multisector interventions that address the key determinants of chronic under nutrition (stunting) in close collaboration with the new health operation (Strengthening PHC Services) that will support the prevention and treatment of acute malnutrition (wasting) and other essential health services in conflict-affected woredas through: (a) Refresher training and supervision for health extension workers; (b) Supporting access to diverse foods and local markets; and (c) Supporting access to water and sanitation through construction, maintenance, and use of improved latrines and hand washing stations.

Sub-component 2.2: This sub-component aims to develop models for innovation designed to address learning poverty and reduce stunting in the 42 SPG woredas.

15. It will finance technical assistance (TA) for federal, regional, and zonal stakeholders, enabling them to play a more effective role in facilitating and supporting quality service delivery. Three sub-sub-components under this Sub-Component:

Sub-sub-Component 2.2.1: To improve learning outcomes

16. It will finance TA and capacity building support to introduce tailored innovations that address context-specific demand- and supply-side barriers faced by the pilot woredas in delivering human capital services via: (a) Developing audio-visual learning programs for young children, their parents, and teachers, with a focus on language learning as well as on cognitive, physical, social, and emotional

development; (b) Establishing virtual science laboratories for secondary schools through digital platforms; (c) Creating e-learning platforms for teachers' professional development; and (d) Establishing demonstration schools for innovative teaching and learning;

Sub-sub-Component 2.2.2: To address stunting

17. To improve nutrition outcomes in the 42 SPG woredas using innovative approaches through (a) Developing/adapting gender-sensitive harmonized behavior change strategies to increase uptake of services and promote optimal health and nutrition practices; (b) Testing innovative tools to strengthen growth monitoring and promotion (GMP) multisectoral referral systems and improve overall quality of health and nutrition services; and (c) Supporting the introduction of innovative, climate-smart, nutrition-sensitive, and agriculture and child-centered water and sanitation interventions that target vulnerable households.

Sub-component 2.3: Strengthening systems and accountability for improved service delivery at various levels.

18. It includes building capacity in multisectoral coordination and data measurement, enhancing Accountability, Fiduciary and Environmental, and Social (E&S) management at sub-national levels to improve service delivery, and supporting the creation of medium to long-term development opportunities for refugees and their host communities. The sub-component is further split into five sub-Component:

Sub-sub-component 2.3.1: Strengthening capacity in multisectoral coordination and data measurement for improved service delivery

19. Support participatory, multisectoral planning and budgeting, as well as quality data collection, utilization, and verification through: (a) Strengthening systems and capacity for quality service delivery; (b) Increasing capacity to prioritize local needs using available data and improving multisectoral planning and budgeting skills to address these priorities at the Woreda level; and (c) Improving the quality of data collection, local verification, and utilization at the Woreda level, including support for the establishment of the unified nutrition information system in the selected SPG woredas

Sub-sub-component 2.3.2. Strengthening accountability, fiduciary and E&S management at sub-national levels to improve service delivery.

20. This sub-component aims to strengthen the promotion, institutionalization, and sustainability of social accountability, financial transparency, and grievance redress mechanisms to improve service delivery. (a) Strengthening public financial management through (i) provision of training on Program-based budgeting ("PBB") processes; (ii) defining roles, responsibilities, and coordination mechanisms; (iii) piloting PBB at the regional level, including development of a regional PBB manual; (iv) testing financial and human resource incentives to support a performance culture; (v) creating regular monitoring and reporting systems for financial and nonfinancial performance; (b) Strengthening environmental and social management systems through (i) development of environmental and social

assessment guidelines and standards at sub-national levels; (ii) provision of associated training for regional and Woreda staff; (iii) strengthening coordination between environmental and social regulatory agencies and human capital sectors at subnational levels; (iv) supporting capacity-building of environmental protection offices in the SPG Woredas; (v) supporting revisions of the women development groups guidelines and trainings; and (vi) supporting a pilot of a gender equality hub;

Sub-sub-component 2.3.3: Support the creation of medium- to long-term development opportunities for refugees and their host communities.

21. This is envisaged to be achieved through provision of technical assistance for the adoption and operationalization of the ten-year National Comprehensive Refugee Response Strategy;

Sub-sub-component 2.3.4: Support drought-affected areas for better preparedness for mitigation and adaptation of climate-related shocks

22. Strengthening the technical capacities of drought-affected areas for better preparedness for mitigation and adaptation of climate-related shocks and build resilience to future shocks;

Sub-sub-component 2.3.5: Support the implementation, coordination, and management of the Project's activities and results, including:

23. This subcomponent will provide support for the following areas: (a) Environmental and social management systems; (b) Operational and fiduciary oversight for the SPGs; (c) Carrying out various audits, monitoring, and verification; (d) Design and implementation of an impact evaluation of interventions that address learning poverty and stunting reduction; (e) Development of a Project operations manual; and (f) Development of environmental and social instruments for the Project.

Component 3: Contingent Emergency Response Component (CERC) will be triggered and respond to emergencies if and when deemed appropriate.

24. The detailed conditions for triggering CERC are portrayed in Annex 1. CERC is a zero-dollar component that will give particular emphasis on:-

- Drought situation,
- New arrival of refugees,
- Conflict situation in some parts of the country,
- Associated political, social, and economic uncertainties, and
- Natural disasters that may affect the delivery of basic human development services.

25. The detailed disbursement conditions shall further be developed through an Emergency Response Manual with fiduciary, monitoring and reporting, and any other necessary conditions and implementation arrangements. Thus, disbursement will be made based on the approved list of goods, works, and services needed for crisis mitigation, response, recovery, and reconstruction.

2.3. Program Cost & Financing

26. The overall estimated program cost of the HCO is US\$ 6.9773 billion over the five years (2024 – 2028), of which the share of the GOE is US\$ 6.5732 billion and, according to the Restructuring Paper, US\$ 395.52 million (US\$ 49.52 credit and US\$ 346 million grant) will be financed by IDA, and US\$ 5.0 million trust fund from Global Financing Facility (GFF). The IDA financing is split between US\$279.63 million for the PforR component (US\$ 196.75 million for the GPG and US\$ 82.88 million for SPG) and US\$115.89 million for the IPF component. The GFF allocation of US\$5 million supports Program-Based Budgeting (PBB) and innovations under the IPF component. The following table exhibits the summary of the cost & financing of HCO.

Table: 1 Project Cost and Financing

Program Components (US\$ Millions)	Program Costs	GOE Financing	IDA	GFF	% GOE	% IDA	% GFF
HCO program cost	6973.73	6573.21	395.52	5	94.26%	5.67%	0.07%
Component 1 /PforR	6852.84	6573.21	279.63	-	95.92%	4.08%	-
Component 2 /IPF	120.89	-	115.89	5	-	95.86%	4.14%
Component 3	-	-	-	-	-	-	-

Table 2: HCO Costs and Financing, Year by year

Program Components (US\$ Millions)	HCO Financing Period					
Component 1 /PforR	2024	2025	2026	2027	2028	Total
Government Contribution	386,070,000	1,498,970,000	1,533,870,000	1,558,900,000	1,595,400,000	6,573,210,000
World Bank Contribution/						
Component 1 /PforR	-	80,890,206	58,147,552	73,666,932	66,934,132	279,638,822
Component 2 /IPF	11,278,000	26,478,000	27,378,000	28,278,000	27,478,000	120,890,000
Component 3 /CERC	-	-	-	-	-	-

2.4. PforR Components: Disbursement Linked Indicators (DLIs), Targets and Fund Allocations

27. **Result area One:** ‘Improve learning outcomes and nutrition services for girls and boys, and support service delivery and accountability in all regions, including areas affected by conflict, droughts, and high levels of refugees.’ The total allocated budget for the result area one is US\$ 196.75 million equivalent. The five DLIs specified under this result area are presented below:

Table 3: DLIs under result Area One, Targets and Allocated Fund

Disbursement Linked Indicator (DLI)		Baseline	End Target	Allocation
DLI		USD Million		
DLI 1	Girls' promotion rate from grade 11 to 12, nationwide	83%	88%	46.34
DLI 2	Children 0–59 months with diarrhea treated with ORS and zinc in low performing regions	72%	82%	77.19
DLI 3	Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in selected SPG woredas.	0%	20%	9.80
DLI 4	In all SPG pilot Woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year's allocation amount for the subsequent years	No	Yes (GPG allocation maintained at the baseline for Year 2 and each previous year from year 3 to year 5 (yes/no))	43.69
DLI 5	Regional procurement regulatory bodies in 12 Regions and Dire Dawa city administration report procurement performance in their respective Regions, nationwide (Number)	0	13	19.73

28. **Result area Two:** 'aims to improve learning outcomes and address stunting in selected woredas.' This result area has the budget support of US\$82.88 million, equivalent to an IDA grant. As illustrated in the table underneath, three DLIs have been inked with result area two.

Table 4: DLIs under result Area Two, Targets and Allocated Fund

Disbursement Linked Indicator (DLI)		Baseline	End Target	Allocation USD Million
DLI 6	Share of new entrants in the first grade of primary school who attended pre-primary education in selected SPG Woredas	To be determined	Percentage increase of new entrants in the first grade of primary school who attended pre-primary education in selected SPG Woredas from baseline (aggregate 9% increase)	33.10
DLI 7	Pregnant women and caregivers of children 0-23 months participating in community conversations sessions in selected SPG Woredas (percentage)	0%	10%	24.89
DLI 8	Quarterly reports of minutes of multisectoral committee meetings in selected SPG Woredas (Number)	0	4	24.89

It should be noted that the allocation in USD varies on the exchange rate of SDR against USD.

2.5. Program Action Plan (PAP)

29. The PAP (Annex 6 of the PAD) summarizes the key actions to be taken regarding the institutional arrangement (according to which a Steering Committee at the federal level and HCO Technical Committees at the federal, regional, and woreda levels are established), staffing, capacity building, reporting, and preparation of essential documents for HCO implementation and monitoring.

2.5.1. Staffing

30. Additional staff requirements are identified in the PAP for properly coordinating, implementing, and monitoring HCO and producing required reports on time. Given that, at COPCD, the assignment of the HCO coordinator, internal auditors, accountants, and a social specialist is done, and they are performing their duties while the recruitment of an E&S specialist is under process. Program managers/HCO focal

persons responsible for implementation and budget execution are assigned in HCO implementing entities. Additional HCO consultants will be hired in MOH and MOE to support coordination of nutrition and learning objectives. As proposed in the PAD, the assignment of Ethics Officers that has been started through ESPES PforR at all woredas and the hiring of a dedicated planning staff to support multisectoral planning, implementing, and M&E at SPG woredas need to be addressed. The MOF/COPCD has developed a draft staffing strategy for implementing donor-financed programs after thoroughly reviewing the previous strategy regarding contract staff, but it requires finalization and approval.

2.5.2. Capacity Building

31. Regarding capacity building, the MoF and BOFs/BOFED/BOFRC continue to provide institutionalized PFM training to regions and woredas, focusing on the government's PFM system. Other relevant training and skill enhancement programs identified in the PAP shall be arranged based on the timeline. These training components are regularly cascaded to the zone and woreda staff to gain a shared vision. The MOF and the World Bank will play a pivotal role in enhancing the capacity of the staff's technical knowledge as well as skills so that productive & motivated personnel will carry out the duties vested in them effectively to achieve the desired goals. Particular capacity building training on:

- Recording and reporting complaints related to maladministration, poor service delivery, and procurement to the assigned Ethics officers;
- Budget oversight and Audit follow-up in the first year to the 42 pilot woredas and subsequently a cascaded training to the remaining Woredas;
- Environment and social management at national, regional, and woreda levels based on the program E&S guidelines.

2.5.3. Preparation of Important Documents for HCO Implementation

32. As per the PAP, the preparation of essential documents for HCO implementation and monitoring, including 1) Environment and Social Risk Management Guideline, 2) Need assessments at federal, regional, and woreda levels to (i) prioritize and tailor intervention, (ii) review of existing model and identification technologies support under IPF/TA and (iii) identify capacity building checklist at woreda level. And 3) Detailed project operations manual to guide the implementation of the operation, which is in progress. Reporting is discussed in detail under section 3.2.3. The Program Action Plan is attached in Annex 2.

SECTION 3: IMPLEMENTATION ARRANGEMENT & INSTITUTIONAL SETUP

3.1. Overview of Ethiopia's Decentralization Feature

33. The existing constitution of Ethiopia which is promulgated in 1995 has formed a four-tier (region, zone, woreda and kebele) administrations system of government to devolve power into the lower tier to facilitate operational engagement close to the people. This kind of governance would promote citizen engagement and empower communities to participate in the service provision delivered by the government. The constitution has stipulated nine regional states (Tigray, Amhara, Oromia, Southern

Nations Nationalities and Peoples, Benishangul-Gumuz, Gambella, Somali, Afar and Harari)² and two chartered city administrations - Addis Ababa³ and Dire-Dawa.⁴ Between June 2020 and August 2023, four new regions emerged from the SNNPR (Sidama, Southern Ethiopia, South West, and Central Ethiopia) which makes the total regional states twelve as of this date.

34. The HCO will be implemented through institutional arrangements at the federal, regional, and woreda levels with a clear division of tasks and responsibilities among the three levels. The power dynamics in regional states follow the suits of division into zones, woredas /urban administrations, and kebeles. The two city administrations of Addis Ababa and Dire-Dawa have different structures that are assumed as the equivalent of regions. The woredas and urban administrations are considered as the key level of local government units in each region with significant responsibility for the provision of basic services.

3.2. Implementation Arrangement

3.2.1. Planning and Budgeting

3.2.1.1. GPG

35. The PforR component has two sub-components: the General Purpose Grant (GPG) and the Specific Purpose Grant (SPG). The planning and budgeting for the GPG component will be based on the Ethiopian plan and budget system, which reflects the fiscal decentralization structure of government and is subject to deliberation at all levels of government: federal, regional, zonal (in some regions), Woreda and municipality levels. The guiding document for the preparation of the budget is the medium-term Macroeconomic and Fiscal Framework (MEFF) that would be prepared by MOF during the first half of each fiscal year for review and approval by the Council of Ministers by 31 December. The MEFF explains the allocation for the regional block grants, the federal Capital, and the recurrent budget, including the source of finance. Referring to the MEFF, MOF prepares and notifies ceiling to each Budgetary Institution every fiscal year. Based on the budget ceiling, the Budgetary Institutions prepare their detailed budget proposal and submit it to MOF within six weeks following the budget call.

3.2.1.2. SPG

36. **The 42 SPG woredas (Annex 3)**, using an integrated multi-sectoral planning approach following the needs assessment and priority setting, will prepare a more general five-year plan & budget from which a detailed annual work plan and budget (AWPB) will be drawn. Chaired by WOFED heads, the woreda HCO technical committee (comprising representatives from HCO sector woreda offices) receives initial plans from HCO sector offices, reviews and prepares a consolidated five-year plan & budget, and the AWPB. Once woreda councils approve, BOFEDs/BOFs/BOFRC review, consolidate, and endorse these plans & budgets and submit them to the regional council for final approval. In compliance with this, the coordination of the AWPB process among all implementing agencies and levels of government for the learning and nutrition-related objectives of the HCO is mandated to MOE and MOH respectively during

² Federal Negarit Gazeta, Proclamation of the constitution of Federal Democratic Republic of Ethiopia, No. 1/95, Article 47, 49/3, page 17-18.

³ Federal Negarit Gazeta, Proclamation No. 311/2003, Article 1, page 2

⁴ Federal Negarit Gazeta, Proclamation No. 483/2006, Article 1, page 1

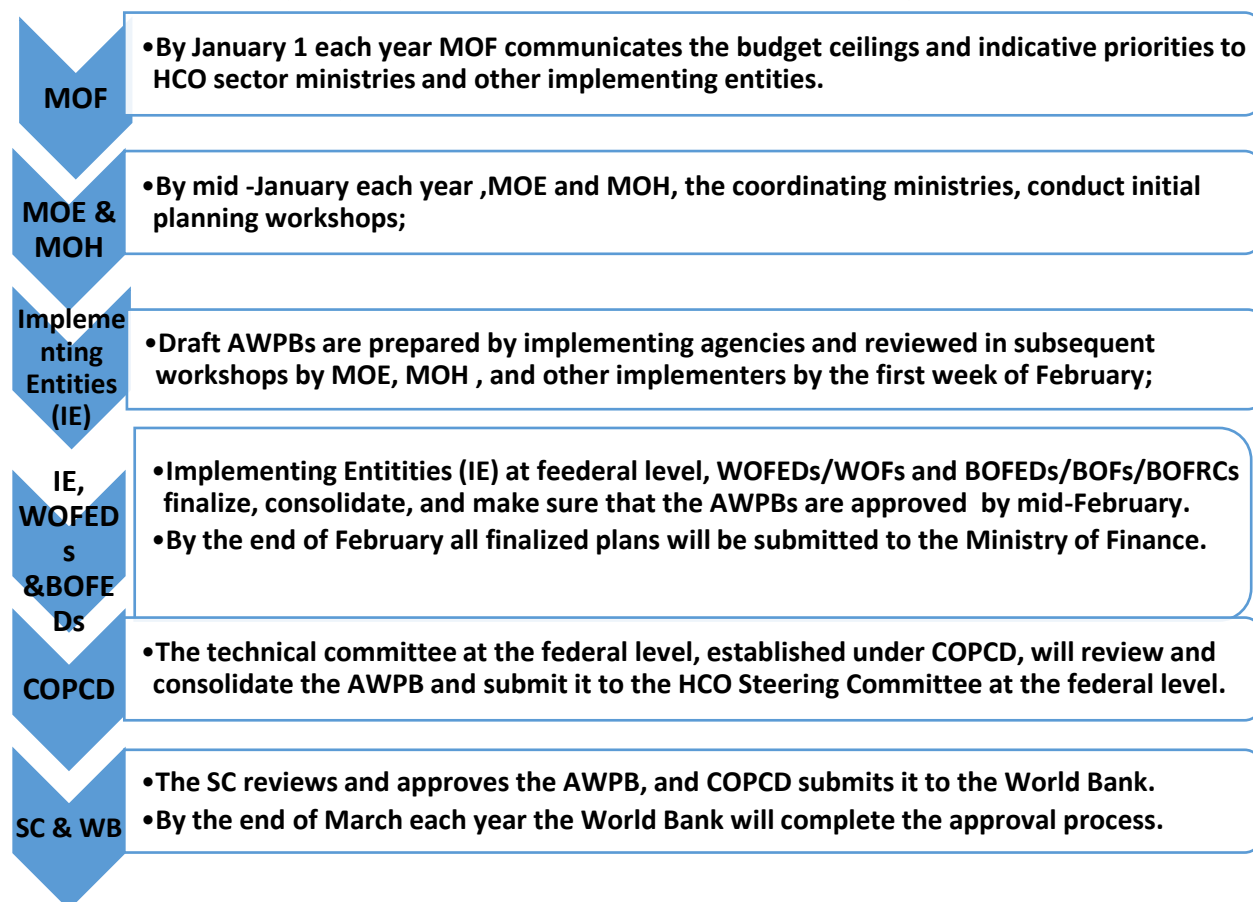
the Implementation and Support Mission held on November 26-29, 2024. Finally, these plans and budgets will be submitted to the respective Federal line HCO sectors (MoE, MoH, MoWE and MOA) for further consolidation and thereafter to MoF. Since this component is result-based, the disbursement, the AWPB, and the cash forecasts for subsequent years will depend on the achievement of DLIs in the preceding year. The details of the DLIs, DLRs, intermediate results and associated disbursements, and verification protocols are discussed under 3.3. The AWPB would, among other things, include the detailed activities and sub-activities to be carried out, indicative starting and ending date for each activity and sub-activity, the responsible unit/department/office responsible for the implementation of each activity, and the annual budget required for each activity indicating the quarterly distribution of the annual budget. Over and beyond the AWPB table the narratives for the annual plans are expected to include project rationale, capacity-building actions, result framework, and monitoring indicators.

3.2.1.3. IPF

37. The implementing entities at the federal and regional levels will prepare an initial five-year plan and a detailed annual work plan and budget (AWPB) for the IPF sub-components. Consistent with the government's planning and budgeting procedures, as stated in the above paragraph, MOE and MOH will coordinate the AWPB process at all levels of government for the learning and nutrition related objectives under the IPF component. The detailed budget preparation and approval steps for the IPF component are explained under 4.2.1.3. As the above paragraph explains, the AWPB should be thorough, including i) the narrative part (ii) a detailed timetable for the sequencing and implementation of said activities; (iii) the types of expenditures required for such activities, including a proposed financing plan; and (iv) a budget establishing the proposed amounts and sources of financing.

38. . The HCO team in COPCD will review and consolidate these as one AWPB. The Steering Committee will approve the AWPB, and COPCD will submit it to the World Bank for no objection **by March 31**, of every project year. The underneath Flowchart portrays the preparation of the AWPB for the IPF component.

Flowchart for the preparation of the AWPB of the IPF component



39. The selection of the 23 high-risk CDR woredas, i.e., woredas affected by conflicts, draughts, and high levels of refugees, was conducted by the respective regions and was finalized in January 2025. Of the 23 CDR woredas, 10 are woredas affected by conflict, 10 are affected by drought, and the other 3 are woredas with high levels of refugees. **The list of the 23 CDR woredas is attached as Annex 4.**

40. The proposed work plan and budget shall specify any Training activities that may be required under the Project, including:

1. The type of training.
2. The purpose of the training.
3. The personnel to be trained.
4. The institution or individual who will conduct the training.
5. The location and duration of the training.
6. The cost of the training.

41. COPCD has developed the guiding principles for reviewing the budget of the IPF component, which should be taken into account while planning:

- The budget for international short-term training, experience sharing visits, and study tours of an implementer should not exceed USD300, 000 throughout the whole project life;

42. The budget for international short-term training should be used only after other activities are implemented or are in the implementation process. In other words, it should not precede other activities of an IPF implementer or should be implemented after the 2nd year of the Operation period;

- Short-term foreign training will not be financed through direct payment by donors from the program/project fund;
- Computers, laptops, printers, etc. will be supported only for those staff who are directly working on the Operation;
- Long-term (Doctorate, MA, BA, and Professional Training) foreign or local training is not allowed with the IPF budget;
- Vehicle purchase and large procurement are not allowed; unless decided by relevant authorities when deemed critically important;
- The IPF does not finance construction and/or rehabilitation of offices;
- As much as possible, the number of consultancy works should be minimized;
- The IPF will not cover costs associated with international workshops, seminars, conferences, and forums;
- The IPF will not entertain office & Vehicle Rent costs;
- IPF could not cover international membership fees and contributions;
- More emphasis should be given to activities that should meet the objective of the Operation and
- Activities that are supposed to be financed through the government's regular budget should not be covered by the IPF budget.

3.2.1.4. Activity based planning

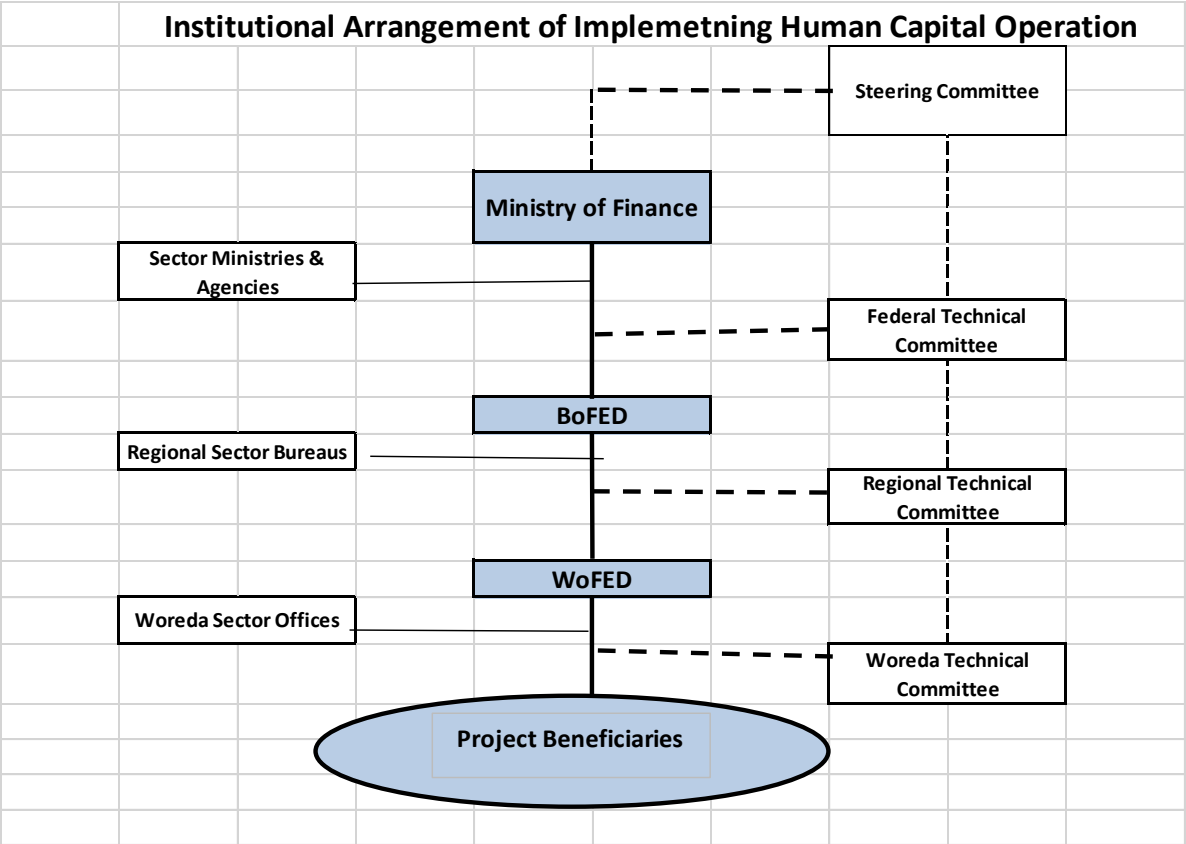
43. While planning and budgeting on activity basis, both for the SPG and IPF components, it is essential to take into account and explicitly narrate:

- How the selected activities are aligned to the overall project goals;
- Why the selected activities are given priority;
- What the expected outputs of the selected activities are;
- How these activities are interconnected within a sector and across different sectors to enhance the synergy;

3.2.2. Execution

44. The Ministry of Finance is the coordinating body that spearheads the HCO project. Within MoF, the COPCD is responsible for coordinating daily activities across the HCO sector ministries, government bodies, and sub-national government entities. Federal-level entities implementing the Project include MoE, MoH, MoA, MoWE, MoWSA, MoPD, RRS, ACSO, EPA, and FPPPA. At the regional level, BOFs/BoFEDs/BOFRCs will have similar responsibilities in their respective regions as that of MOF at the federal level. However, in the case of the four regional states that emerged from the former Southern

Nations, Nationalities, and People Region (SNNPR), namely Sidama, South-West Ethiopia, South Ethiopia, and Central Ethiopia regional states, zones have jurisdiction and hence woreda budget allocations are done at zone level using formula. In the same fashion, fund flow in these regional states differs from the other states because it is from MOF to regional states, regional states to zones, and to woredas. At the woreda level, WOFs/WoFEDs and Finance Bureaus for Urban Administrations have responsibilities similar to those of the BOFs/BoFEDs/BOFRCs in their localities. A detailed description of the roles of these institutions is presented under section 3.4. The diagram below exhibits the implementation arrangement and the apparent relationship among the HCO institutions.



3.2.3. Reporting

45. According to the Financing Agreement and the PAD, the following reports will be furnished to the World Bank.

i. Financial Reports

46. MOF will furnish two Quarterly unaudited ‘Interim Financial Reports (IFRs)’, one for the PforR and another for the IPF components, to be submitted to the World Bank 90 days and 60 days after the end of each quarter, respectively. The annual financial report will be submitted to the World Bank on October 10th.

ii. External Financial Audit Reports for the PforR Component

47. MOF will submit the annual financial report of the PforR Component to the Office of the Federal Auditor General (OFAG) within three months of the end of the fiscal year. OFAG or a qualified auditor nominated by OFAG and acceptable to the IDA will carry out the audit following the International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC). The annual audit report will be submitted to the World Bank within six months after the end of the fiscal year, i.e., end of December.

iii. External Financial Audit Reports for the IPF Component

48. The IPF annual financial statements will be prepared within two months of the end of the fiscal year by MOF and submitted to the auditors. The auditor will express an opinion on the IPF component of the HCO's financial statements and prepare a work plan to ensure adequate coverage of the various institutions that receive project funds and cover all the major risk areas. OFAG or a qualified auditor nominated by OFAG and acceptable to the IDA will carry out the audit, and it will be submitted to IDA within six months from the end of the fiscal year

iv. Program Reports

49. MOF shall monitor and evaluate the progress of the Program and, more particularly, the progress of the Disbursement Linked Indicators and, to that end, shall prepare regular Program. The details of the responsible implementing entity for reporting on the progress of each of the eight DLIs, the verifying agency, and the procedures to follow are discussed under Section 3.3.2 'Disbursement Formula and Verification Protocols.'

v. Program Procurement Audit Reports

50. The MOF shall, through the FPPPA, in each EFY beginning of EFY2017, carry out under terms of reference satisfactory to the World Bank, an audit of contracts procured in the preceding EFY and furnish said audit to the World Bank not later than six months after the end of the EFY to which said audit relates.

vi. Fraud and Corruption Semi-Annual Reports

51. The Federal Ethics and Anti-Corruption Commission (FEACC) shall furnish to the World Bank a bi-annual report of all credible and material allegations or other indications of fraud and corruption in connection with the Program that comes to its attention (or the absence thereof) as well as the investigative and other remedial actions that the Recipient proposes to take or has taken concerning it, all by the provisions of the Anti-corruption Guidelines ("Fraud and Corruption Semi-Annual Reports"). Each Fraud and Corruption Semi-Annual Report shall be furnished to the World Bank not later than one month after the end of such period.

vii. Environmental and Social (E&S) Monitoring and Implementation Reports

52. Commencing after the effective date, MOF, with reports from implementing entities, prepares and submits to the World Bank quarterly and annual monitoring reports on the environmental, social, health, and safety (ESHS) performance of the Project, including but not limited to the implementation of

the environmental and social commitment plan (ESCP), status of preparation and implementation of E&S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism. The reports will be submitted to the World Bank no later than 30 days after the end of each reporting period.

viii. Incidents and Accidents Reports

53. MOF, with reports from implementing entities, promptly notify the World Bank of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, severe or multiple injuries. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate. MOF notifies the World Bank no later than 48 hours after learning of the incident or accident and, upon request, provides subsequent reports within a timeframe acceptable to the World Bank.

3.3. PforR Component: DLIs, DLRs, Intermediate Targets & associated disbursements, Disbursement Formula and Verification Protocols.

3.3.1 DLIs, DLRs, Intermediate Targets & associated Disbursements and Formulas

54. The eight DLIs under Result Area 1, and Result Area 2, the baseline and final targets, and the aggregate allocated funds for each DLIs were summarized earlier under 2.5 Table No. 3 The annual work plan and budget (AWPB) will be the basis for the first-year disbursement of SPG resources in the form of advance to the SPG woredas. However, from the second year of implementation onwards, disbursement to the SPG woredas will be based on the achievements of agreed-upon DLI's in the preceding year. The DLIs, DLRs, Intermediate targets, and annual disbursement allocations associated with the preceding year achievements using the figurative and descriptive presentation of the disbursement formula are depicted in the underneath Table.

Table 5: DLIs, DLRs, Intermediate outcomes & associated disbursements using Formulas				
DLI 1: Girls' promotion rate from grade 11 to 12, nationwide				
DLR1: Increased promotion of girls from baseline of 83% to 88% (aggregate 5% increase)				
Type of DLI: It is scalable and unit of measurement is Percentage				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome			46,342,000	
Period	Value	Increment		
Baseline	83			
Year 1			0.00	
Year 2	85	2	4,634,200*4=18,536,800	US\$ 4,634,200 for every

Year 3	86	1	4,634,200*2=9,268,400	half percentage point increase from the baseline year in the range between 83% and 88%
year 4	87	1	4,634,200*2=9,268,400	
Year 5	88	1	4,634,200*2=9,268,400	
DLI 2: Children 0-59 months with diarrhea treated with ORS and Zinc in low performing regions				
DLR 2: Percentage increase of treated children from a baseline of 72% to 82% (10% increase in total)				
Type of DLI: It is scalable and unit of measurement is Percentage				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome		Increment	77,192,000	
Period	Value			
Baseline	72			
Year 1			0.00	
Year 2	75	3	3,859,600*6=23,157,600	US\$ 3,859,600 for every half percentage point increase from the baseline year in the range between 72% and 82%
Year 3	77	2	3,859,600*4=15,438,400	
year 4	80	3	3,859,600*6=23,157,600	
Year 5	82	2	3,859,600*4=15,438,400	
DLI 3: Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in selected SPG woredas				
DLR 3: Percentage increase of schools in SPG woredas from baseline of 0% up to a maximum of 20% ((aggregate: 20% increase)				
Type of DLI: It is scalable and unit of measurement is Percentage				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome		Increment	9,798,000	
Period	Value			
Baseline	0.00			
Year 1				
Year 2				
Year 3				
year 4	10	10	489,900*10= 4,899,000	US\$ 489,900 for every one percentage one percentage point increase from the baseline year in the range between 0 and 20%
Year 5	20	10	489,900*10= 4,899,000	

DLI 4 : In all SPG pilot woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year’s allocation amount for the subsequent years				
DLR 4: GPG allocation maintained at the baseline for Year 2 and each previous year from year 3 to year 5.				
Type of DLI: Not scalable and unit of measurement is Yes/No				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome			43,694,000	
Period	Value			
Baseline	No			
Year 1	No		0.00	
Year 2	Yes		260,083.3*42=10,923,500	US\$ 260,083.3 for every SPG woerda that maintained its GPG allocation at least at the base line level
Year 3	Yes		260,083.3*42=10,923,500	
year 4	Yes		260,083.3*42=10,923,500	
Year 5	Yes		260,083.3*42=10,923,500	
DLI 5: Regional procurement regulatory bodies in 12 Regions and Dire Dawa city administration report Procurement Performance in their respective Regions through the web-based platform, nationwide				
DLR 5: Number of regional procurement regulatory bodies in 12 regions and Dire Dawa city administration that report procurement performance through the web-based platform in their respective Regions, (from a baseline of 0 up to 13 per year)				
Type of DLI: It is scalable and unit of measurement is Number				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome			19,728,000	
Period	Value			
Baseline	0			
Year 1	0		0	
Year 2	7		493,200*7=3,452,400	US\$ 493,200 for every region's annual procurement performance report published through the web-based platform up to the year's target.
Year 3	9		493,200*9=4,438,800	
year 4	11		493,200*11= 5,425,200	
Year 5	13		493,200*13= 6,411,600	
Note: DLR is recurrent and not cumulative.				
DLI 6 : Share of new entrants in the first grade of primary school attended pre-primary education in selected SPG woredas				
DLR 6: Percentage increase of new entrants in the first grade of primary school who attended pre-primary education in selected SPG woredas from baseline (aggregate 9% increase)				

Type of DLI: It is scalable and unit of measurement is Text				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome		Increment	33,100,704	
Period	Value			
Baseline	To be determined			
Year 1				US\$ 43,784 for every half percentage point increase from the previous year in each SPG woreda
Year 2	3%age point increase from the baseline for each SPG woreda	3	43,784*6*42=11,033,568	
Year 3	2%age point increase from the baseline for each SPG woreda	2	43,784*4*42= 7,355,712	
year 4	2%age point increase from the baseline for each SPG woreda	2	43,784*4*42= 7,355,712	
Year 5	2%age point increase from the baseline for each SPG woreda	2	43,784*4*42= 7,355,712	
Note: Applicable baseline and targets will be set for each SPG woreda				
DLI 7 : Pregnant women and caregivers of children 0-23 months participating in community conversations sessions in selected SPG woredas				
DLR 7: Increase in percentage of pregnant women and caregivers of children 0-23 months participating in community conversations sessions in selected SPG woredas from a base line of 0% u0 to a maximum of 10% (10% increase in total)				
Type of DLI: It is scalable and unit of measurement is Percentage				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome		Increment	24,892,000	
Period	Value			
Baseline	0			
Year 1			0.00	
Year 2	4	4	59,267*4*42=9,956,800	US\$ 59,267 for every percentage point increase from the
Year 3	6	2	59,267*2*42= 4,978,400	
year 4	8	2	59,267*2*42= 4,978,400	

Year 5	10	2	$59,267 \times 2 \times 42 = 4,978,400$	previous year in each SPG woreda for each year
DLI 8: Quarterly reports of minutes of multisectoral committee meetings in selected SPG woredas				
DLR 8: Increase in number of quarterly reports of minutes of multisectoral committee meetings in selected SPG woredas				
Type of DLI: It is scalable and unit of measurement is Number				
			Total Allocated Amount in US\$	Formula
Intermediate Outcome			24,892,000	
Period	Value			
Baseline	0			
Year 1				
Year 2	2		$45,590 \times 2 \times 42 = 3,829,538$	US\$ 45,590 for every quarterly report minute submitted by each SPG woreda
Year 3	3		$45,590 \times 3 \times 42 = 5,744,340$	
year 4	4		$45,590 \times 4 \times 42 = 7,659,120$	
Year 5	4		$45,590 \times 4 \times 42 = 7,659,120$	

3.3.2. DLIs and Verification Protocols

55. The achievements of DLIs will be verified and validated by the relevant agencies approved by the World Bank. The data sources, responsible entity for data collection, and relevant verification entity for the 8 DLIs are summarized in the Table below.

Table 6: Protocols to be followed for Disbursement

No.	Result Area/ DLI	DLI No	Data Source	Responsibility of Data Collection	Verifying Agency	Disbursement	
						Proportional fulfillment of Target	Complete Fulfilment of Target
Result Area One: Strengthening basic service delivery system to mitigate the impact of the crises							
1	Girls’ promotion rate from grade 11 to 12, nationwide	DLI 1	EMIS	MOE/EMIS Directorate	ESS	PD	FD
2	Children 0–59 months with diarrhea treated with ORS and zinc in low performing regions	DLI 2	DHIS2,	MoH	ESS	PD	FD
3	Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in selected SPG woredas.	DLI 3	Questionnaire	MoE & EFCCC	ESS	PD	FD
4	In all SPG pilot Woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year’s allocation amount for the subsequent years.	DLI 4	IBEX and Regional Budget	MoF	OFAG	PD	FD
5	Regional procurement regulatory bodies in 12 Regions and Dire Dawa city administration report procurement performance in their respective Regions, nationwide	DLI 5	Performance Report by Regional Regulatory Bodies	MoF, EPPPA	FPPA	PD	FD
Result area Two: Improve learning outcomes and address stunting in selected woredas							
6	Share of new entrants in the first grade of primary school who attended pre-primary education in selected SPG Woredas	DLI 6	EMIS	MoE, WoFED	ESS	PD	FD
7	Pregnant women and caregivers of children 0-23 months participating in community conversations sessions in selected SPG woredas	DLI 7	DHIS2,	MOH	ESS	PD	FD
8	Quarterly reports of minutes of multisectoral committee meetings in selected SPG woredas	DLI 8	Admin Reports	WOFED, MOF	ESS	PD	FD
Not The Approving Agency for all financial and technical including the achivement of DLI's and DLR's is the World Bank's task team							
Key	PD : Proportional Disbursement of the allocated budeget to that specific period (on the basis of actual performance)						
	FD: Full Disbursement of the allocated budget to that specific period						

56. The DLI verification protocol, as clearly articulated under Annex Two of the HCO Program Appraisal Document (PAD), incorporates the DLI description, the source of data/Agency, the verifying entity, and the verification procedure for each of the eight DLIs. It is replicated here because having a clear understanding of this protocol and adhering to it is critical to all parties involved, i.e., implementing agencies, coordinating bodies, verifying entities, and the World Bank.

Table 7: HCO Disbursement Linked Indicators Verification Protocol Table

DLI 1	<i>Girls' promotion rate from grade 11 to 12, nationwide</i>
Description	The improvement in girls' enrollment is measured by the proportion of girls enrolled in grade 11 at a given school year who study in grade 12 in the following school year. The indicator is calculated by dividing the number of new enrolments of girls in grade 12 in school year t+1 by the number of girls enrolled in grade 11 in the previous school year t
Data source/Agency	Education Management Information System (EMIS)
Verification Entity	Ethiopian Statistical Services (ESS) or an agreed independent verifying agency (IVA)
Procedure	DLI 1 is considered achieved when girls' promotion rate from grade 11 to 12 using data reported in EMIS by the MoE for the preceding reporting period reaches the agreed target. The achievement report prepared by the MoE will be reviewed and compiled by the MoF will be verified by the IVA using a representative sample of public secondary schools selected through an agreed sampling strategy to be developed by the IVA. The IVA will calculate the promotion rate of girls from grade 11 to 12 based on the copy of EMIS questionnaire retained at the school for all the schools in the sample. The verified information is then submitted by the MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review. The achievement level from the verification report will be used for calculating disbursements.
DLI 2	<i>Children 0-59 months with diarrhea treated with ORS and Zinc in low performing regions</i>
Description	The indicator will be measured by the percentage of children under 5 who went to a health facility with diarrhea and were treated with ORS and zinc in Afar, Gambella, Oromia, Somali regions
Data source/Agency	DHIS2
Verification Entity	ESS or an agreed independent verifying agency (IVA)
Procedure	DLI 2 is considered achieved when children under 5 who went to a health facility with diarrhea and were treated with ORS and zinc in Afar, Gambella, Oromia, Somali regions using data reported in DHIS2 by the MoH for the preceding reporting year reaches the agreed target. The achievement report prepared by the MoH will be reviewed and compiled by the MoF will be verified by the IVA using a representative sample covering at least 5 percent of public health centers (HCs) for regions that have 100 and more HCs or 4 HCs for regions that have HCs less than 100. The verification will include measurement of the target for all health posts reporting for DHIS2 under the HCs selected for the verification sample using a sampling strategy to be developed by the IVA. The IVA will calculate the proportion of children 0 – 59 months who were treated with ORS and Zinc out of those who visited the health facilities with diarrhea for the sample. The verified information is then submitted by MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review. The achievement level from the verification report will be used for calculating disbursements.

DLI 3	<i>Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in selected SPG woredas</i>
Description	The indicator measures the share of public secondary schools in SPG woredas that received the prepared IEC materials for climate awareness and held at least one school community workshop using these IEC materials. The indicator follows the design and dissemination of IEC materials in public secondary schools in SPG woredas through a dissemination workshop for the school communities (teachers, students, parents and local community).
Data source/Agency	MoE and Environment Protection Authority (EPA) are responsible for designing a format schools can use for keeping detailed record of IEC materials received and workshops conducted.
Verification Entity	ESS or an agreed independent verifying agency (IVA)
Procedure	DLI 3 is considered achieved when IEC materials are distributed to public secondary schools in SPG woredas and climate change awareness workshop conducted for the school communities including teachers, students, parents, and the local community. The achievement report prepared by the MoE using record of IEC material distribution and training workshops (including attendance sheets) will be reviewed and compiled by the MoF. Achievement of the DLI in each woreda will be verified using a spot-check of 2 percent of the reported schools by MoE selected randomly by the IVA. In case of discrepancies between the DLI achievement report by MoF and the findings of the IVA, an additional representative sample of public secondary schools will be assessed, and disbursement will be based on the finding of this assessment. Otherwise, the disbursement will be calculated based on the DLI achievement report of the MoF. The verified information is then submitted by MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review.
DLI 4	<i>In all SPG pilot woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year's allocation amount for the subsequent years</i>
Description	Woredas selected for SPG will receive additional resources through SPG and the DLI will ensure no budget offset due to the SPG
Data source/Agency	IBEX and regional budget
Verification Entity	Office of Federal Auditor General (OFAG) or an agreed independent verifying agency (IVA)
Procedure	DLI 4 is considered achieved when the GPG allocated to each SPG woredas is maintained at least at baseline level for the first year and at the previous year GPG allocation amount for the subsequent years. The achievement report prepared by the MoF will be verified by the IVA using desk review of the regional budget allocation at regional and SPG Woreda level. The verified information is then submitted by MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review. The achievement level from the verification report will be used for calculating disbursements.
DLI 5	<i>Regional procurement regulatory bodies in 12 regions and Dire Dawa city administration report Procurement Performance in their respective region through the web-based platform, nationwide</i>
Description	The DLI measures the number of regional procurement regulatory bodies to report on

	regional procurement performance of the four Human Capital (HC) sectors to regional cabinets and the public based on agreed KPIs with the following key elements addressed: (i) reports shall include all data and procurement performance management (ii), reports shall indicate performance comparison of current year with past years indicator results (starting from year 2 of implementation), (iii) reports shall include capital budget allocation and financial expenditure data of the reporting year and confirm the procurement report is consistent with budget and expenditure, (iv) performance reports are approved with the Head of Bureaus of Finance and Economic Development (BoFEDs) or Head of Regulatory Body in case of an independent structure, and (v) the performance report shall be uploaded in the regional and/or FPPPA's website.
Data source/Agency	Performance report by regional regulatory bodies
Verification Entity	Federal Public Procurement and Property Agency (FPPPA) or an agreed independent verifying agency (IVA)
Procedure	DLI 5 is considered achieved when FPPPA receives the procurement performance reports from each region. EPA uses the verification template jointly agreed with MoF and the World Bank in 2017 and applies appropriate and independent methods of verification. EPA submits a document to the MoF, verifying data before each joint Government/World Bank semiannual review. The verified information is then submitted by MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review
DLI 6	<i>Share of new entrants in the first grade of primary school attended pre-primary education in selected SPG woredas</i>
Description	The indicator measures the proportion of children enrolled in the first year of primary school in public primary who has some exposure to pre-primary education.
Data source/Agency	EMIS
Verification Entity	ESS or an agreed independent verifying agency (IVA)
Procedure	DLI 6 is considered achieved when share of new entrants in the Grade 1 in SPG woredas who had attended any form of pre-primary in public or nongovernment pre-primary using data reported in EMIS by the MoE for the preceding reporting period improves by the agreed percentage points. The achievement report reviewed and compiled by the MoF will be verified by the IVA using a representative sample of public primary schools in SPG woredas selected using an agreed sampling strategy to be developed by the IVA. The IVA will develop a questionnaire/checklist based on the EMIS questionnaire and will use the completed copy of the EMIS questionnaire at the selected school to collect information on pre-primary attendance status of students joining Grade 1, Grade 1 enrollment and repetition in the reporting period. The change in the level of improvement in the target will then be calculated using the data collected through the questionnaire/checklist for each of the SPG woredas. The verified information is then submitted by the MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review. The achievement level from the verification report will be used for calculating total and SPG woreda level disbursements.
DLI 7	<i>Pregnant women and caregivers of children 0-23 months participating in community</i>

	<i>conversations sessions in selected SPG woredas.</i>
Description	The proportion of currently pregnant women and caregivers of children 0-23 months who attended at least 1 community conversation (CC) session per month.
Data source/Agency	UNISE, MoH
Verification Entity	ESS or an agreed independent verifying agency (IVA)
Procedure	DLI 7 is considered achieved when the proportion of currently pregnant women and caregivers of children 0-23 months who attended at least one community conversation per month reaches the agreed target. The proportion of is calculated using the number of CC participants from UNISE as a numerator and the number of currently pregnant women and number of caregivers of children 0-23 (using number of children 0-23 during the month as a proxy) in the SPG woreda from the records at health posts in the woreda as a denominator. The achievement report by MoH reviewed and compiled by the MoF will be verified by the IVA on the basis of the minutes and reports on monthly CC sessions (including number of participants) and monthly data on the number of children 0-23 from a representative sample of health posts in the SPG woreda selected using a sampling strategy to be developed by the IVA. The IVA will calculate the proportion of pregnant woman and caregivers of children 0 – 23 months participating in the monthly CC sessions for each SPG woreda based on the sample. The verified information is then submitted by the MoF to the World Bank in a consolidated DLI verification report as part of each semiannual government/World Bank review. The achievement level from the verification report will be used for calculating total and SPG woreda level disbursements.
DLI 8	<i>Quarterly reports of minutes of multisectoral committee meetings in selected SPG woredas</i>
Description	Multisectoral committee will regularly meet for project management and minutes of the meeting will be reported every quarter to MoF.
Data source/Agency	WoFED report quarterly meeting minutes with all committee members send to MoF
Verification Entity	ESS or an agreed independent verifying agency (IVA)
Procedure	DLI 8 is considered achieved when at least one multisectoral committee meeting is conducted in each quarter of each of the SPG woredas and documented through minutes of the meeting compiled and submitted to MoF by WoFED. The IVA verifies the achievement of the target through desk review of the minutes of the multisectoral meetings at each SPG woreda level. The verified information is then submitted by the MoF to the World Bank in a consolidated DLI verification report as part of each semiannual Government/World Bank review. The achievement level from the verification report will be used for calculating total and SPG woreda level disbursements.

3.4. The Roles and Responsibilities of HCO Implementing Institutions and Ad Hoc Committees

3.4.1. Roles of HCO Implementing Institutions

57. The overall responsibility for HCO project coordination is vested in the Ministry of Finance (MOF). It is broadly entrusted to lead, facilitate ministerial coordination, conduct high-level discussions with the development partners regarding human capital issues, and ensure effective implementation, including consolidating the operational activities through COPCD. The details of MOF and other key stakeholders' roles and responsibilities are summarized in the following table.

Table 8: Key Roles of HCO implementing agencies/Bureau/ offices

No	Office	Key Responsibility Areas				
		Planning & Organizing	Communication & Coordination	Execution	M&E	Reporting
1	Ministry of Finance	Plays a pivotal role in organizing and leading HCO. Paragraphs 35, 36, and 37 above discuss the MOF's role in planning for HCO (GPG, SPG, and IPF components). Design restructuring.	Lead vertical and horizontal communication, including with the WB and development partners; facilitate coordination with the HCO sector ministries, agencies, commissions, and regional bureaus.	Follows up on implementation status and tracks performance; ensures that legal, fiduciary, and E&S covenants are met.	Develop and revise the M&E plan regularly and organize field oversight; organize JRIS and field missions; update the results framework; and compile DLI performance.	Receive monthly, quarterly, semi-annual, and annual reports, and consolidate and submit required reports to the WB.
2	The World Bank	Review HCO related plans forwarded by MOF and HCO implementing agencies and provide prompt response; Design restructuring.	Organize periodic technical meetings and field missions. Communicate timely feedback on financial progress reports and no objections; Lead on coordination of resource mobilization;	Cooperates in providing technical advice on the progress of PDO, DLIs, intermediate indicators, and PAP actions. Release timely disbursement up on approval of DLI/DLR verified report; provide no objection following approval of IPF AWPB.	Review key results and intermediate indicators regularly, identify bottlenecks, and rigorously evaluate the interventions' impact. Support the organization of Semi-annual Joint Implementation Support Missions (JRIS) and pre-JRIS field missions.	Receive quarterly, bi-annual, and annual reports from MOF and provide timely feedback.
3	MOH and MOE	Establish HCO task team comprising a coordinator and from other relevant departments (finance, procurement, M&E, etc.); Prepare the AWPB as per the template for the IPF to	Coordinate & communicate activities related to their area of responsibility. <ul style="list-style-type: none"> Communicate with all implementing entities and 	Execute as per the approved AWPB; Provide technical assistance; Participate actively in HCO Steering and Technical Committee	Develop and update the M&E plan continuously; circulate M&E templates; organize regular field visits and JRIS field supervisions; follow up on whether	Receive various reports, consolidate and submit to MOF; Produce reports pertinent to their respective technical areas; Review and consolidate results

No	Office	Key Responsibility Areas				
		Planning & Organizing	Communication & Coordination	Execution	M&E	Reporting
		be implemented at Federal level. Provide technical support on the selection & implementation of IPF intervention areas in SPG woredas;	<p>respective regional offices, zones and woredas.</p> <ul style="list-style-type: none"> Coordinate and facilitate activities stipulated in the AWPB 	meetings and present their progress; Initiate ToRs, concept notes, procurement requests, and other related matters for the implementation of activities assigned to them.	their corresponding Result Areas and DLIs are being met as per the agreed timeline to facilitate the disbursement of DLI/DLR.	and reports from regional bureaus; Follow up on audit findings and inform MoF for the consolidation of action plans.
4	Other HCO Sector Ministries/Agencies (MOA, MOWE, and MOWSA)	Participate in the multi-sectoral plans of HCO sub-sectors and assist woredas in reconciling their plans within the agreed budget.	Coordination & synergy with other sectors; Facilitate communication and reporting to and from MoF; Collaborate with HCO regional sector bureaus to implement, manage, and monitor overall sub-national-level activities.	Participate in HCO Steering and Technical Committees meeting; MOWSA is particularly responsible for the coordination & implementation of the Social Protection Policy etc.	Participate in the review process including semi-annual JRIS and other periodic meetings and discussion forums.	Assist in consolidating progress report submitted to MOF.
5	MOPD			Participate in HCO Steering and Technical Committees meeting.	Actively participate in the DLI's /DLR's verification.	
6	ACSO and EPA	EPA- Organize and plan Trainings on E&S Management at national, regional and woreda levels based on the HCO E&S Guideline;		EPA participate in HCO Technical Committees meeting; Adopt/ Prepare 'E&S Risk Management Guideline'; Conducts trainings on E&S management at national, regional and		EPA in collaboration with MOF submit E&S annual implementation report; and Conduct E&S audit in SPG woredas and submit the report timely;

No	Office	Key Responsibility Areas				
		Planning & Organizing	Communication & Coordination	Execution	M&E	Reporting
				woreda levels based on the HCO E&S Guideline ACSO supervise and monitor NGO's participated in the HCO Social Accountability (SA) implementation.		
7	RRS	Responsible for follow up, designing, planning and proper addressing of the refugees & returnees communities in the 3 CDR woredas.	Ensure that host communities are beneficiaries of basic services.	Ensure intervention areas are inclusive of localities affected by conflict, droughts, and high levels of refugees' communities.	Make sure that internal displaced including areas affected by conflict, droughts, and high levels of refugees are directly supported by the program.	
8	FPPPA	Participate in the preparation of AWPB	Customize and rollout simplified procurement directives and procedures.	Ensure the procurement of items and services are undertaken based on the public procurement policy and procedures.		
9	Bureaus of Finance BoF's/BoFED's/BOFRC	Lead the regional HCO planning & budget session; Allocate budgets to woredas in line with the approved woreda fiscal transfer formulas for the GPG component. Review, consolidate, and	Act as interlocutor between the federal and the actual project implementing woreda; Coordinate the day-to-day PforR oversight including the GPG and IPF funded SPG woredas;	Conduct review meeting, pay a supervision field visit and review progress report to provide guidance.	Reviewing M&E reports from woredas or city administrations; Receive M&E templates and fill necessary inputs; Follow up on HCO implementation and monitor the progress of	Receiving and consolidating, reports from the WOFED/WOF ; Consolidate overall reports in collaboration with regional HCO sector bureaus and transfer them to the MOF.

No	Office	Key Responsibility Areas				
		Planning & Organizing	Communication & Coordination	Execution	M&E	Reporting
		endorse SPG plans & budgets and submit them to the regional council for final approval and afterward to MOF for review and consolidation. Carry out an initial five-year plan and a detailed annual work plan and budget (AWPB) for the IPF sub-components to be implemented at regional and woreda levels.	Collaborate with regional implementing bureaus and other concerned bureaus.		agreed DLS's.	
10	HCO sector regional Bureaus (BOH, BOE, BOA, BOWE)	Participate in the regional planning & budgeting session; Approves the IPF funded SPG plan and budget; Receive woreda level plans for the HCO sectors and assist woredas in reconciling their plans within the agreed budget.	Actively participate in Technical Committees meeting and present their progress, challenges, opportunities and deliberate their own suggestions on the way forward.	Provide technical support to SPG woredas in priority setting, planning integrated multi-setoral plans.	Receive M&E templates and fill necessary inputs; Actively participate in supervision, monitoring, and reporting of their respective technical areas under the HCO; Participate in the review process including the regional semi-annual JRIS regular field visit. Engage in other periodic meetings and discussion forums including facilitation of JRIS field supervision	Consolidate and prepare monthly, quarterly, bi-annual and annual reports; Provide periodic progress report on the implementation of activities to BoFED/BOF/BOFRC.

No	Office	Key Responsibility Areas				
		Planning & Organizing	Communication & Coordination	Execution	M&E	Reporting
					missions.	
11	Woreda Finance/WOFED & other HCO sector Offices	Consult the offices of Education & Health to prepare IPF funded selected CDR woredas project planning & budgeting.	Coordinate to administer SPG funds to achieve human capital outcomes with support of respective sector offices.	Carry out operational tasks such as planning, supervision, monitoring and financial management. WoFEDs/WOFs will play a center stage in identifying the woreda level HCO targets and coordinating sectors in preparing plans and budget to support the DLI achievement of the woreda targets.	Participate in a regular M&E and coordination with Woreda sector offices; Participate in the preparation of M&E reports, field visit to the project areas and JRIS field missions.	Prepare various reports for submission to Regional bureaus; Submit consolidated reports to the BOFEDs/BOF/BOFRC, including reconciliation of expenditures, actual use of GPG and SPG resources and overall performance.

3.4.2. Roles of HCO Committees

3.4.2.1. Federal Steering Committee (SC)

58. The HCO federal steering committee will be the highest decision-making body in the management and implementation of the HCO, where all Human Capital sectors & agencies, the World Bank, and other DP's are directly involved in the decision-making process. The primary role of the Steering Committee will be to provide strategic guidance and operational oversight, track performance & strengthen inter-ministerial coordination and decision-making for the successful implementation of the HCO project. The SC shall convene a meeting at least four times a year, and the term of reference (ToR) for the Steering Committee is attached in Annex 4.

3.4.1.2. Technical Committee at the Federal Level

59. The HCO Technical Committee established at the federal level will play a pivotal role in the operational management & implementation of the HCO project and ensure that the SC strategic guidance is maintained at all levels. The technical committee at the federal level comprises representatives from HCO sector Ministries and agencies. The COPCD Department Head will chair it. The technical committee's primary purpose is to follow up on the major HCO operational activities undertaken in agreed standards and norms, provide technical and expertise advice to the Steering Committee, and update the overall performances to a higher level. The TOR for the federal-level Technical Committee is attached as Annex 5.

3.4.1.3. Technical Committee at Regional Level

60. The Technical Committee is chaired by the deputy head of BoFED/BoF/BOFRC, and members will be drawn from the regional HCO sectors (BoE, BoH, BoA, BoWE) and representatives from other HCO implementing institutions. Its primary responsibility is overseeing, leading, monitoring, and communicating the HCO project, particularly earmarked to the region. The committee provides technical direction considering the region's unique situation and context to foster the HCO implementation within the given project scope, timeline, and allocated budget. The TOR for the regional technical committee is attached as Annex 6.

3.4.1.4. Technical Committee at Woreda Level

61. The WoFED/WOF head chairs the committee, and members are drawn from the Woreda HCO sector offices and other representatives from implementing agencies. The term of reference for the Woreda Technical Committee is attached as Annex 7.

SECTION 4: FINANCIAL MANAGEMENT & DISBURSEMENT ARRANGEMENT

4.1. Financial Management of Implementing Entities

62. MOF/COPCD will be responsible for the HCO's overall financial management and fund flow to ensure that PFM systems work well at the federal, regional, zonal, and woreda levels. Entities receiving the HCO's resources will have FM responsibilities to manage them, i.e., ensure they are used only for the intended purposes of the operation and account for their use. HCO implementing entities and their responsibilities at federal, regional, and woreda levels are discussed under Section 3 above.

4.2. Budgeting

4.2.1 Budget Preparation

4.2.1.1. General Purpose Grant (GPG)

63. The budget preparation for the GPG and SPG component of the HCO will follow the Inter-Governmental Fiscal (IGFT decentralization) procedures at the federal, regional, zonal (in some regions), and woreda levels. The General Purpose Grant (GPG) component of the allocated fund, USD 196.75 million, will be part and parcel of the decentralized budget process of the GOE. It will be allocated to all woredas, excluding those in Addis Ababa, through the decentralized IGFT system for woreda-level recurrent expenditures. The Inter-governmental Fiscal Transfer (IGFT) system in Ethiopia has two tiers: (a) the federal government allocates resources to regional governments according to an allocation formula approved by the House of Federation, and (b) regional governments allocate resources to woredas by a formula designed by the BOF/BOFED/BOFRC and approved by the Regional Council. The GPG is the primary means of financing the local delivery of basic services in health, education, water and sanitation, agricultural extension, and road maintenance. The GPG budget allocation should align with these sectors' expenditure framework. Some of the expenditures of these sectors are covered by the complementary operations financed by the World Bank that support the GPG, which include CALM, GEQIP-E, Health SDG PforR, and National WASH Second Phase. Hence, proration should be used when calculating the expenditure framework of the HCO sectors.

4.2.1.2. Specific Purpose Grant (SPG)

64. The IGFT also accommodates the creation of SPGs to finance targeted programs. The HCO has allocated USD 82.88 million to provide additional SPGs to enable 42 selected woredas to pilot multi-sectoral and innovative interventions and investments to improve their human capital outcomes and learn whether such a targeted approach to financing woredas is impactful and scalable. The SPG includes both recurrent and capital costs. Aiming for successful SPG financing, the HCO seeks to lay the foundation for more targeted funding of decentralized basic services, including in refugee-hosting areas, which would help advance the government's policy goals to integrate refugees into national systems in education and other areas. For the SPG, as it is an earmarked resource, woredas will prepare their budgets in collaboration with the human capital sectors. After discussions with the regions, the HCO unit established under the COPCD of MOF will consolidate the annual work plan and budget. It will follow the GOE's budget calendar and procedures for budget approval. The SPG budget will be proclaimed under the MOF.

The detailed steps to allocate the budget for each SPG woreda:

65. The financing of the SPG woredas is from the PforR component and the IPF component. The steps for the budget allocation for the SPG woredas from the PforR component are summarized as follows:

1. The needs assessment and sector prioritization will be done with the technical assistance of HCO sector ministries and external consultants provided through the IPF component.
2. MOE and MOH, as mandated in the November 2024 Implementation Support Mission, will coordinate the preparation of the AWPB at all level of government for the learning and nutrition-related objectives.
3. The Woreda/city-level WOFED and HCO sector offices will prepare the annual work plan and budget (AWPB) in the context of the HCO budget ceiling using the shared standard planning templates prepared by a consultant (Annex 9). The HCO technical committee/ WoFED/WOF at woreda level, will consolidate and pass the budget to the Woreda council.
4. Woerda council reviews, endorses, and submits the budget for approval to regional BOFED/BOF/BOFRC.
5. BOFED/BOF/BOFRC will review, consolidate, and endorse the budget and submit it to the regional council for approval, and afterwards to MOF for review and consolidation. HCO sector bureaus (must follow SPG's AWPB in consultation with their respective line ministries.
6. MOF reviews each region's SPG budget and produces a consolidated plan and submits to the World Bank for no objection. It also ensures that budget ceilings are respected, and budget proposals are consistent with project development objectives.

4.2.1.3. Investment Project Financing (IPF)

66. The HCO technical committee established under COPCD will coordinate the budget process of the IPF component. HCO sector ministries, the other federal-level beneficiary agencies, and BOFEDs prepare their five-year and annual work plan and budgets and submit them to MOF/COPCD. Afterward, MOF/COPCD, with the support of the HCO technical committee, reviews and consolidates the annual work plan and budget (AWPB) for the IPF component of the project. The regional sector bureaus will submit their respective AWPB to their Federal line ministries. The federal-level Steering Committee (SC) will approve the annual work plan and budget, and COPCD submit it to the World Bank for no objection. The budget will also be part of the overall MOF budget and will be proclaimed under the MOF.

67. The budget for the IPF component of the HCO is for the five-year operation period. This budget is rolling and subject to revision each year. COPCD can transfer the budget from one sub-component to another sub-component and from one activity to another where implementation is not feasible subject to budget amendments and no objection of the Bank.

Steps to prepare and approve the five-year Indicative Pan and Annual Work Plan and Budget (AWPB) for the IPF component

1. MOF communicates the budget ceilings and indicative priorities to HCO sector ministries and other implementing entities by January 1 each year;
2. MOE and MOH, the coordinating ministries, conduct initial planning workshops by mid-January each year, and draft AWPBs are prepared by implementing agencies and reviewed in subsequent workshops organized by MOE/MOH or others by the first week of February;
3. WOFEDs/WOFs and BOFEDs/BOFs/BOFRCs finalize, consolidate, and make sure that the AWPBs are approved at the local level by mid-February.

4. All finalized plans prepared by implementing entities will be submitted to the Ministry of Finance by the end of February.
5. The technical committee at the federal level, established under COPCD, will review and consolidate the AWPB and submit it to the HCO Steering Committee at the federal level.
6. The SC reviews and approves the AWPB, and COPCD submits it to the World Bank for no objection by the first week of March;
7. The World Bank will complete the approval process by the end of March.

4.2.2. Budget Control

68. Even though COPCD is responsible for the overall budget control of the HCO, every implementing entity at the federal or local level is responsible for following up and controlling budget executions. The operation's budget monitoring and control arrangements follow government budget monitoring procedures. The detailed approved budget will be disseminated to all implementing agencies for proper follow-up on or before the beginning of each budget year.

69. Budget control/monitoring will be at the transaction, system, and reporting levels. Expenditures will be compared to the budgets when payments are prepared at a transaction level. In addition, the project's accounting system (IFMIS or IBEX) would enable budget controls and monitoring. All implementing entities should have a system of recording and monitoring actual expenditures against the project budget IBEX/IFMIS. If there are no systems in place, then 'Memorandum Records,' like regularly updated budget tracking spreadsheets, will be used to monitor budget utilization and spending in line with budgets.

70. Furthermore, periodic or ad hoc financial reporting on budget utilization will also be used as one budget control tool, and this includes Interim financial reports (IFRs). Variance analysis with explanations will be part of the regular reports for HCO. Management will take corrective measures based on these reports. For the HCO, quarterly IFRs will provide a variance analysis of the budget against actual expenditure and explain the major reasons for the variances.

4.3. Fiscal Transparency

71. In previous years, remarkable achievements were registered regarding Financial Transparency and Accountability (FTA) activities by enacting directives, providing training, assigning focal persons, and disclosing public budget information. As part of this operation, the MoF and BOFEDs/BoFs/BOFRCs will disclose the operation's annual budget, budget executions, and audit reports on their websites. OFAG and ORAGs will also disclose audit reports regarding the Block grant.

4.4. Accounting Policies, Systems & Procedures

72. Accounting for the HCO will be governed by the accounting policies and procedures of the GOE and, as such, will be using the GOE's accounting policies and procedures. The Ethiopian government has been using a double entry and modified cash basis of accounting. Integrated Financial Management Information System (IFMIS) is used at the federal level in most sector Ministries, and the computerized standalone Integrated Budget and Expenditure (IBEX) accounting system is operational at the federal, regional, and woreda levels and continues to be rolled out where absent. A manual accounting system exists in some Woredas where IBEX is not installed.

73. The HCO uses the GOE's chart of accounts to capture the expenditure planning and transactions of the project's components, subcomponents, categories, and activities. The GOE's Chart of Account and an

illustration of the mapping of project expenditure planning to the charts of accounts are attached as Annex 10.

74. Staffing- COPCD will be staffed to undertake the financial management of the HCO. COPCD within MOF will provide FM leadership and oversight for the HCO. COPCD ensures adequate staffing of finance officers to coordinate and manage FM. At the BOF level, current ESPES finance officers or other channel one program finance officers will be assigned to this operation.

75. Accounting for the SPG: For the SPG, the MOF will use a standalone IBEX for the regions and woredas implementing the program. As noted above, for reporting requirements of the SPG, the GOE's chart of accounts will be adopted to reflect on the activities. The project activities will be mapped to the GOE's CoA. Each implementing entity including selected woredas will continue to account for expenditures incurred at their entity, retain documentation, and submit financial reports to the next level (BOFED/MOF) for consolidation.

76. Accounting arrangement for the IPF- for the IPF, accounting centers for the program funds will include the following ministries at the federal level: the MOF, MOE, MOH, MOA, MOWE, and MOWSA. At the regional level, the accounting centers will include the following administrative entities: the BOF, BOE, BOH, BOA, BOWE, and the Bureau of Women and Social Affairs. The woredas will not manage IPF resources as no resources of the IPF component will flow to Woredas. At the federal level, the MOF will be responsible for consolidating all regional and federal-level HCO reports, while the regional BOFs will take responsibility for transferring resources and consolidating reports from regional-level implementers. All these institutions will maintain separate acceptable accounting books and records and prepare financial reports in line with the chart of accounts developed for the project. All records and documents will be available to the World Bank's implementation support missions and external auditors.

77. Accounting arrangements for conflict-affected areas. The government will continue implementing the project using existing structures in conflict-affected areas. However, given the capacity constraints that may be exhibited in these areas, the project will be managed at the regional level. In certain circumstances, should the resource need to be transferred to the woreda level, then the MoF and the World Bank must complete the adequate fiduciary assessment before resources are released. At a minimum, such woredas will have adequate accounting systems, operating facilities, finance unit structure with adequate staffing, and functioning banks and bank accounts. The MoF will oversee the overall performance, including FM performance. The project will use all available supervision modalities, including GEMS, updated audit TOR focusing on risky areas, and third-party monitoring.

4.5. Internal Control & Internal Auditing

78. Internal controls. Internal control comprises the whole system, financial or otherwise, established by management to (a) carry out the project activities in an orderly and efficient manner; (b) ensure the adherence to policies and procedures; (c) confirm the maintenance of complete and accurate accounting records; and (d) safeguard the project assets. Each public entity has an internal audit unit. Internal audit evaluates the entity's internal control, ensuring proper accounting system is in place, budget is in line with the intended purpose, budget execution is monitored, and compliance with program financial covenants. The government's internal control system will be applicable to the HCO.

79. Internal audit. All the entities have internal audit units or directorates. In all the entities, internal auditors are required to report quarterly to the head of the entity with a copy to the MOF or BOF. MoF and BOFED/BoF/BOFRC will ensure that vacant internal audit posts will be filled. While the GOE is working to

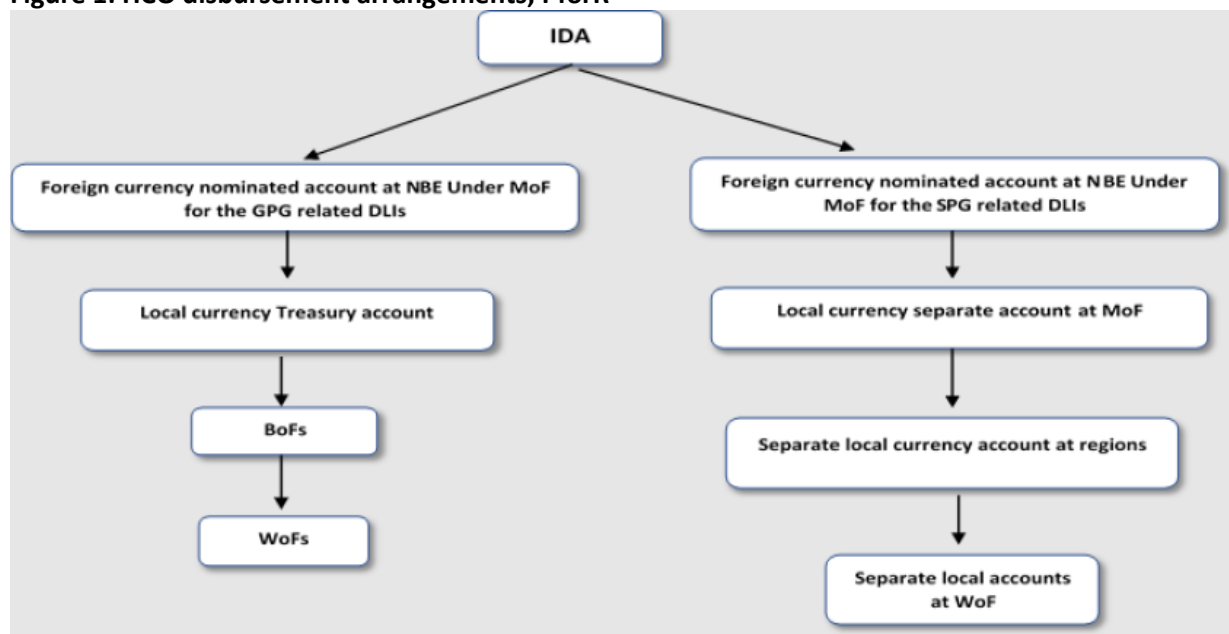
strengthen the internal audit units across government entities, internal audit units across the board will regularly assess the HCO risks and include risk mitigation actions in their respective annual work plans. MOF will ensure sufficient internal audit capacity is maintained at COPCD throughout the project's lifetime. The audit team at COPCD, among other things, will deal with external audit findings, review audit action plans, follow up if appropriate corrective actions are taken, conduct field visits on sample bases to verify the corrective actions taken, and communicate in writing major audit findings and actions taken.

4.6. Funds Flow and Disbursement Arrangements

4.6.1. For the P4R component -GPG and SPG Funds

80. The HCO IDA funds will be channeled to the MOF. It will be deposited into two foreign currency accounts opened by the MOF-COPCD for this operation at the National Bank of Ethiopia. **For the GPG** portion, a block grant subsidy is disbursed through the treasury, which will be transferred to regions and then woredas using the block grant formula approved by the House of Federation (HOF). In the case of Sidama, southern Ethiopia, Southwest Ethiopia, and Central Ethiopia regional states, since zones have jurisdiction, funds flow from regions to zones, and zones allocate to woredas using their respective formula. **For the SPG**, selected DLIs are assigned to disbursement in this Category. Once these are achieved, the World Bank will disburse them to a separate foreign currency account to be opened by MOF-COPCD. Resources will be transferred to separately opened MOF local currency accounts from there. Then, MOF will transfer funds to BOFEDs/BoFs/BOFRCs and WOFEDs/WOFs (42 SPG pilot woredas). The first-year disbursement of SPG resources in the form of advance to the target woredas will be based on an annual work plan and budget (AWPB). From the second year of implementation, further disbursement to the woredas will be based on the achievement of agreed-upon performance indicators to perform activities under the SPG annual work plan and budget (AWPB). The fund flow arrangement is depicted below.

Figure 1: HCO disbursement arrangements, PforR



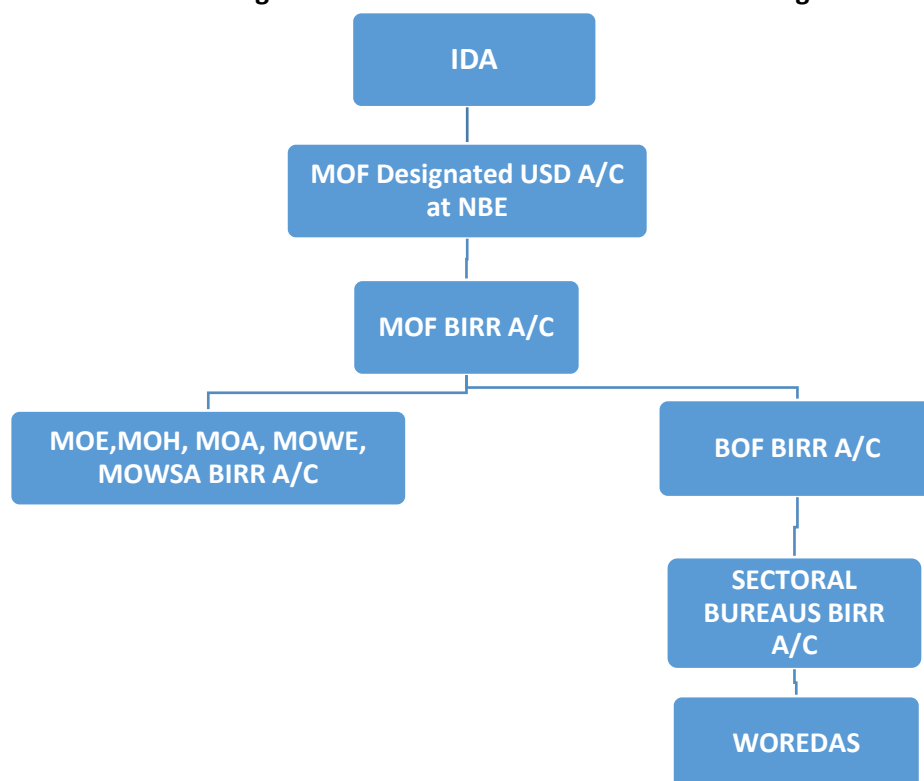
81. Section 3.3 above presents the details of DLIs, DLRs, performance-based allocations, disbursement formula, source of data, verifying entity, and verification procedures of the 8 DLIs.

4.6.2. For the IPF Fund

82. The various sub-components of the IPF component of the HCO are envisaged to be implemented at the federal and local government levels. The HCO will use the report-based disbursement method. Disbursement will be made quarterly and will cover cash requirements for the next six months based on the forecasts contained in the IFRs. The project may follow one or a combination of the following disbursement methods: Designated account, Direct Payment, Reimbursement, and Special Commitment. Regularity and timeliness of IFRs are needed to ensure smooth disbursements.

83. IDA will transfer funds to MOF's Designated USD Account at the National Bank of Ethiopia for the IPF component of the HCO. All other federal and regional level implementers will open local currency accounts to receive resources for the HCO. Woredas will not open accounts for the IPF. Most implementation of the IPF is at regional level. For the implementation of subcomponent 2.1, if necessary, funds may flow to the woredas once the required FM assessments are carried out and arrangements agreed with the Bank. Until such a time, the resource will be managed at the regional level.

Figure 2: The funds flow arrangements for the IPF are summarized in the figure.



4.6.2.1. Provisions for Subprojects 2.1.2 and 2.1.3

84. The provisions or the pre-conditions for the disbursement of Subcomponent 2.1.2 and 2.1.3 as outlined in the Financing Agreement and ESCP are:

- i. The Subproject shall be appraised based on technical, economic, financial, environmental, and social standards assessments and other guidelines acceptable to the World Bank (and be accompanied by appropriate environmental and social standards instruments, if required pursuant to the Environmental and Social Commitment Plan);
- ii. Subproject and the associated environmental and social standards instruments, if any, shall be approved by MOF and the World Bank and thereafter disclosed, unless with respect to the World Bank's approval, the Association has notified MOF in writing that its prior approval is not required; and
- iii. The subproject shall be included in the Annual Work Plan and Budget.

85. The recapped E&S disbursement pre-conditions for subprojects 2.1.2 and 2.1.3 are:

- MOF adopts the ESMF, consistent with the relevant ESSs, and thereafter, beneficiary entities implement the ESMF throughout Project implementation.
- MOF adopts the LMP as part of the ESMF, and thereafter, beneficiary entities implement the LMP throughout Project implementation.
- GBV action plan (including SEA risks) shall be prepared and annexed to the ESMF;

86. Furthermore, a Social Assessment, which shall include an 'Underserved Local Communities Planning Framework (ULCPF)' (or IPPF to consult and engage with these groups throughout the project implementation), shall be conducted prior to bidding on the subprojects. A project-specific ESMP shall be prepared and integrated into the bidding process.

4.6.3. Contingent Emergency Response Component (CERC)

87. In case the CERC is triggered in an emergency situation, a separate category will be set for CERC emergency allocation with zero cost, which will be costed upon CERC activation and restructuring. As a condition for disbursement, an emergency response manual will be developed with fiduciary monitoring and reporting, and any other necessary coordination and implementation arrangements. Disbursements will be made based on an approved list of goods, works, and services needed for crisis mitigation, response, recovery, and reconstruction.

4.7. Withdrawal Conditions

4.7.1 Withdrawal Conditions for the PforR

88. As stated in the Financing Agreement, no withdrawal shall be made:

- (a) Based on DLRs achieved prior to the Signature Date; or
- (b) For any of the 8 DLRs set forth, unless and until MOF has furnished evidence satisfactory to the World Bank that said DLR has been achieved.

89. If any of the 8 DLR(s) has not been achieved by the date by which the said DLR is set to be achieved or the Closing Date, the World Bank may, by notice to the MOF:

- (a) Authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to said Category, which, in the opinion of the WB, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated with the scalability formulae set forth for each DLR.
- (b) Reallocate all or a portion of the proceeds of the Financing then allocated to said DLR to any other DLR; and/or
- (c) Cancel all or a portion of the proceeds of the Financing then allocated to said DLR.

4.7.2. Withdrawal Conditions for the IPF

90. No withdrawal shall be made:

- (a) For Payments made prior to the Signature Date; or
- (b) Goods, works, non-consulting services, consulting services, Training, and Operating Costs for Part 2.1 of the IPF, unless and until the MOF has prepared, consulted, approved, and disclosed an Environmental and Social Management Framework (ESMF) with respective annexes including a social assessment and social risk mitigation strategy; a sexual exploitation and abuse/sexual harassment prevention and response action plan/gender-based violence action plan; an underserved local communities planning framework; a security risk assessment and security management plan; and labor management procedures, by the provisions of the Environmental and Social Commitment Plan.

4.7.3. Withdrawal Conditions for the CERC

91. For Emergency Expenditures, unless and until all of the following conditions have been met in respect of said expenditures:

- i) (A) MOF has determined that an Eligible Crisis or Emergency has occurred and has furnished to the World Bank a request to withdraw Financing amounts under CERC, and (B) The World Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and

(ii) MOF has adopted the CERC Manual and Emergency Action Plan in form and substance acceptable to the Association.

92. HCO Withdrawal Period: The Closing Date is July 7, 2028.

4.8. Financial Reporting

93. The HCO will have two quarterly unaudited Interim Financial Reports (IFRs), one for the PforR component and the other for the IPF component and the Annual Financial Report.

4.8.1. Financial Reporting Arrangements

94. HCO will follow the GOE's financial reporting system for the PforR and the IPF components. Unaudited interim quarterly financial reports (IFRs) will be produced from the government system consolidated by BOF. BOF will submit to the MOF/COPCD. MOF/COPCD will consolidate and prepare the IFR using the agreed reporting format and submit it to the World Bank as per the agreed timelines. The World Bank reviews the reports. Relevant staff will be placed at all levels to ensure the system continues functioning well.

95. For the P4R component's GPG component, HCO will follow the GOE's financial reporting system. The expenditure of the basic services are financed by different operations. ESPES Expenditure framework includes reporting on overall basic services. A schedule is prepared included in the IFR of ESPES that shows the split of expenditures among various programs financing basic services (GESPEs, EQIP-E, CALM, HCO and others). The modality for this split, reporting and auditing has been reflected in the expenditure framework of the HCP and ESPES. Once ESPES closes, HCO will take over on the reporting for all pro-poor basic sector expenditures will continue as is consolidated and reported by the COPCD. The SPG component's financial statements/schedules will then be added to the GPG component statements to prepare one IFR for the P4R component.

96. For the IPF component Reports will be prepared in accordance with agreed template as noted above. It will, among others, include statements that compare actual performance of planned activities with the budget/plan as stated in the AWPB.

97. For the IPF and PforR, MOF will finalize the compilation of the report and submit the IFR to the World Bank within 90 days of the end of the quarter for the PforR component and 60 days after the end of the quarter for the IPF component. The content and format of the IFRs for the PforR and IPF components are agreed upon and documented in the Disbursement and Financial Information Letter of the Project. The templates for the two IFRs are exhibited in Annex 10.

98. In addition, for both the IPF and P4R, annual financial statements will be prepared. The annual financial statements will include other issues similar to the quarterly reports. The annual financial statements do not need to include a Statement of cash forecast. Woredas and regions are expected to prepare their reports for consolidation from updated ledgers maintained at such levels. Heads of WOFEDs and BOFEDs sign on monthly reports being submitted for consolidation.

Table 9: Types of Financial Reports Time table by program component.

Program Component /Type of Report	Due Dates	
	Implementing Entities to MOF	MOF/COPCD to the WB/OFAG
PforR (GPG and SPG) Quarterly Reports	30 days after the end of the quarter	90 days after the end of the quarter (PAD page 93)
IPF – Quarterly Report	20 days after the end of the quarter	60 days after the end of the quarter (pad page 121)
HCO Annual Financial Report	Mid-September	10 October

4.9. External Audit

4.9.1. PforR

99. MOF will be responsible for auditing the HCO's P4R annual financial statements prepared as per the expenditure framework. The annual financial statements will be prepared within three months of the end of the fiscal year and submitted to the auditors. The annual financial statements will be prepared per the standards indicated in the audit TOR agreed with the government. The Office of the Federal Auditor General (OFAG) or a qualified auditor nominated by OFAG and acceptable to the IDA will carry out the audit following the International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC).

100. The World Bank requires that MOF discloses the audited financial statements in a manner acceptable to the World Bank. Therefore, the MOF will disclose the reports. Following the World Bank's formal receipt of audit reports from the recipient, the World Bank makes them available to the public per the World Bank Policy on Access to Information. The yearly project audit report will include the auditor's opinion, audited financial statements and notes, and management letter, and it will be submitted to IDA within six months from the end of the fiscal year.

GPG

101. Under the P4R audit, for the GPG component of the HCO, OFAG conducts a countrywide audit through its branches at the regional levels, focusing on the GPG transferred to pro-poor sectors and producing one audit report every year. To adequately cover the implementing regions and woredas, the OFAG adopts a continuous audit approach to support the annual audit. This audit will cover the block grant resources transferred to the regions and woredas.

SPG

102. Furthermore, as the program's expenditure framework also includes the SPG, which is going to specific implementing entities, this will be covered under the P4R's audit. Alternatively, in discussion with and consent of the World Bank, the OFAG or another assigned auditor could conduct a separate audit for the SPG.

4.9.2. IPF

103. The IPF annual financial statements will be prepared within two months of the end of the fiscal year and submitted to the auditors. The auditor will express an opinion on the IPF component of the HCO's

financial statements and prepare a work plan to ensure adequate coverage of the various institutions that receive project funds and cover all the major risk areas. The annual financial statements will be prepared per the standards indicated in the audit TOR agreed with the government. The Office of the Federal Auditor General (OFAG) or a qualified auditor nominated by OFAG and acceptable to the IDA will carry out the audit following the International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC). The yearly project audit report will include the auditor's opinion, audited financial statements and notes, and management letter, and it will be submitted to IDA within six months from the end of the fiscal year.

Table 10: Summary of audit Reports & Timetable by program component.

Program Component	Audit Report	
	Type of Audit	Due date
PforR (GPG and SPG)	Annual Financial Audit Report for the GPG component	6 months after the end of the fiscal year.
	Quarterly Continuous audits	90 days after the end of the quarter
IPF	Annual Financial Audit Report for the IPF component	6 months after the end of the fiscal year

4.10. Governance

104. Government ethics and anti-corruption mechanism. Measures to tackle fraud and corruption within the project, should they arise, will follow GOE systems. The GOE established the FEACC in May 2001 and defined its powers in the revised Proclamation 433 of 2005. Regions have set up their own ethics and anti-corruption commissions by their respective constitutional jurisdictions to combat corruption and impropriety.

105. Code of Ethics for Federal Government Employees. In December 2017, the Ministry of Public Service and Human Resource Development developed a Code of Ethics for Federal Government Employees. The code applies to all employees working in public bodies of the federal government. The code has a section explaining the 12 principles that employees will follow. These are integrity, loyalty, transparency, confidentiality, honesty, accountability, serving the public interest, exercising legitimate authority, respecting the law, impartiality, responsiveness, and exercising leadership. It has sections on guidance for relations with other parties, respecting the rights of women, application of the code, and disciplinary measures for failing to apply the code.

106. Ethics and anti-corruption practice of implementing entities. MOF, BOFs, and all implementing entities have an ethics and anti-corruption unit with officers responsible for acting upon suspected fraud, waste, or misuse of resources or property. The main objectives of the units include: (a) ensuring the implementation of the Civil Service Reform Program by educating employees to develop ethical and anti-corruption skills, preparing and implementing ethical guidelines; (b) establishing a surveillance system to monitor work processes vulnerable to corruption and impropriety; (c) organizing discussion sessions or forums with employees; and (d) promoting professional ethics and anti-corruption messages. These ethics and anti-corruption structures and reporting mechanisms will also apply to the HCO.

107. Federal Ethics and Anti-corruption Commission (FEACC), Regional Ethics and Anti-Corruption Commission (REACCs), the Ministry of Justice, and federal police in unison carry out cooperation activities. FEACC, after coordinating and compiling country-level reports on fraud and corruption, reports to the World Bank. Concerning PforR operations, the involvement of BOFED, REACCs, and the relationship of FEACC with the World Bank that prevailed under ESPES will also continue in the HCO. Moreover, at the woreda level, in addition to the internal auditors and their reporting relationship to the head of WOFED, the engagement of other oversight institutions like the woreda cabinet and Ethics and Anti-Corruption (EAC) officers at relevant sectors will be strengthened to recover any mishandling of resources.

108. Submitting a biannual verified complaint handling and fraud and corruption report from the beneficiary government institutions to the World Bank is required per the Anti-Corruption Guidelines (ACG). The PforR operation complies with this, and FEACC will submit such reports to the World Bank. Since the SPG component is implemented at a manageable number of woredas, 42 woredas, and based on the planned needs assessment, it would require fulfilling the ACG program requirement. It will lay out what is needed based on that.

109. The risk mitigation activities carried out under ESPES will continue in the HCO under the PAP and IPF TA, such as assigning Ethics officers at the WOFED/WOF level, providing training on the recording and reporting aspect of fraud and corruption, and strengthening the structures by providing IT equipment.

SECTION 5: PROCUREMENT

110. Public procurement systems need to be based on the principles of economy, efficiency, transparency, fairness, value for money, fit for purpose, and integrity. The major procurement risks identified in the Fiduciary System Assessment of Ethiopia are:

- Capacity limitation, including a low number of qualified procurement staff.
- Inadequate resources assigned for procurement regulatory functions.
- Gaps in procurement planning, bidding document preparation, evaluation, contract management, and record-keeping at decentralized levels (regions, zones, and woredas/city administrations).
- Lack of simplified, standardized procurement procedures and documents.

111. Among the mitigation measures identified to address these critical risks specific to HCO are:

- Realize the capacity-building actions supported through the IPF component
- A consultancy firm is undergoing the needs assessment at a decentralized level through gap identification. Given program resources, take appropriate action to fill the gaps based on the envisaged recommendations on procurement planning, bidding document preparation, evaluation, contract management, and record-keeping at decentralized levels.
- Accomplish the HCO fiduciary arrangements and measures, including fraud and anti-corruption arrangements;
- Fulfill the HCO arrangements through DLIs and PAP;

112. The generic mitigation measures to address these key risks are:

- Make sure a reasonable amount of budget is assigned for procurement regulatory bodies, enabling them discharge their responsibilities;
- Enhance the ongoing PFM and procurement reforms;
- Finalize the ongoing PPA's endeavor to produce a simplified standard procurement procedure and documents at the federal level and share it with regions for customization.

113. Improving public procurement has been given due attention in the HCO. One of the eight disbursement-linked indicators (DLI #5) is on procurement. "Regional Procurement regulatory bodies in 12 Regions and Dire Dawa city administration report procurement performance in their respective Regions". The details related to DLI #5, i.e., the actions to be taken, the responsible entity, the timing, and the verification protocols, etc., are discussed above under 'Implementation Arrangement'.

5.1. Procurement for the SPG sub-component

5.1.1. Applicable procurement policies, procedures and rules

114. The GPG sub-component of the HCO would support the recurrent budget of the four HCO sectors, viz., health, education, water and sanitation, and agriculture, through woreda-level decentralized recurrent expenditure. As clearly expressed in the HCO PAD, no procurement is required under the GPG sub-sector.

115. The 42 SPG woredas' spending would include recurrent and capital costs, depending on each SPG woreda's priorities and selection of investment areas. Capital spending could require the procurement of works, goods, and consulting services. In this case, the respective regions' procurement policies, procedures, and rules, which are consistent with the Federal Public Procurement Law, will be applied. The new Federal Public Procurement and Property Administration Proclamation (FPPAP), Proclamation No 1333/2024 was declared recently, on the 9th of September 2024, and the types of procurement and the responsibilities of the head of public bodies in the POM are revised accordingly. The standard bid documents and procurement

procedures will be updated, if differ from the previous ones, when the draft Directives following Proclamation No 1333/2024 are finalized and are operational.

5.1.2. Institutional arrangement for procurement

116. According to the federal and regional Procurement and Property Administration Proclamations No 1333/2024, though regional proclamations vary slightly from region to region, public bodies shall be responsible for the procurements they carry out. In particular, the head of a public body shall have the following responsibilities:

- Ensure that the procurements and property administration activities of the Public Body are plan based using the electronic system and carried out in conformity with the principles laid down in this Proclamation;
- Establish unit in charge of procurement and property disposal activities of the Public Body which is adequately staffed with procurement and property administration professionals, in compliance with the implementation of Procurement and Property Professionals Registration and Certification pursuant to Sub-Article (18) of Article 12 of this Proclamation.
- Ensure that a strategy for large procurements pertaining to projects implemented by the Public Body is in place before such procurements are carried out;
- Setup one, or where the nature of the procurement and property administration activities of the Public Body so require, more than one procurement and property disposal endorsing committee, and in respect of complex procurements ad-hoc bid evaluation committee and disposable property valuation committee as may be necessary;
- Ensure that procurement and Property professionals, staff and officials assigned in the procurement and property administration units and members of the committees established pursuant to Sub Article 4 of this Article receive training to enable them acquire knowledge of the content and application of this Proclamation, the Directives to be issued hereunder, the procurement and property administration manuals, the standard bid documents, the application of the electronic system and other relevant forms and have adequate knowledge and skill to perform the functions of procurement and property administration;
- Cause corrective measures to be taken on audit findings of irregularities in the conduct of procurement and property administration and ensure that reports on such measures are submitted to the appropriate bodies;
- Where a Public Body is organized in such a way that it has cost centers under it, and the head of that Public Body considers it to be conducive to efficiency, delegate to the heads of such cost centers the duty to carry out the whole range of procurement and property administration activities except procurement plan;
- Delegate to the procurement unit the responsibility of endorsing procurements that do not need endorsement by the procurement endorsing committee;
- Where the conditions for using direct procurement method listed under Article 34 of this Proclamation are satisfied and the head of the Public Body is convinced that using this method in respect of the procurement is economically beneficial to the Public Body, authorize direct procurement;
- Ensure the timely submission of procurement plan and reports on the execution of procurement, utilization of vehicles and fuel, and on other matters that have to be reported to the Authority using the electronic system;
- Ensure that the procurement unit and the procurement endorsing committee discharge their duties properly;
- Where necessary, outsource in whole or in part, the procurement activities of the Public Body;

- Investigate and give decisions on complaints brought against the Public Body in the conduct of procurement, execute any decision of the Board and submit report on the execution of such decision to the Secretariat of the Board;

5.1.3. Procurement planning

117. The federal and regional public procurement laws establish procurement plans that follow a model established by the regulatory framework and contain information relevant to the procurement transactions, including the subject matter of procurement, beneficiary, estimated value, procurement method, estimated dates for launch, bid submission, and contract award and delivery. Only contracts stipulated in the procurement plans will be procured.

118. The procurement plan to be prepared by public bodies shall have to be approved by the head of the public body concerned and communicated to the relevant departments of the public body and the Agency until Hamle 30 of the Ethiopian Calendar. All concerned public bodies at the woreda and regional level will use standard templates issued by their respective regions. ***Subsequent to needs assessment, project designs, and budget allocation for each of the 42 SPG woredas, WOFEDs will prepare a detailed procurement plan. The needs identification, project designing, and budgeting at the woreda level will be done with the support of the envisaged technical assistance to be provided through the IPF component.***

119. The procurement unit at BOFEDs shall play an essential role in preparing a realistic procurement plan for SPG woredas. However, the support from HCO sector bureaus and even the sector Ministries is critically important. Regional HCO sector bureaus provide essential information on the need for a procurement activity, description (Quality and Quantity), cost estimate, packaging, and scheduling. User Agencies /Departments also play a significant role in implementing procurement activities as per the plan, which includes timely preparation of specifications/ ToRs. The HCO technical committees established at regional level will play an important role in reviewing and providing recommendations to the BOFED/BoF/BOFRC head for endorsement.

120. At woreda level WOFED/WOFs and the four HCO sector offices (WOH, WOE, WOA, and WOVE) prepare SPG's procurement plans given the respective regional woreda procurement thresholds. HCO sector offices will provide their specific needs to be included in the procurement plan which will be prepared by Woreda finance office as per the pool manual.

121. The procurement plan to be prepared shall include the procurement reference number, description of procurement, the quantity of procurement, procedure to be followed, schedule of main activities to be carried out to complete the procurement, budget, and source of finance, the appropriate type of contract, the role of main parties involved, and other matters as per government procurement procedures.

122. **Methods of Procurement:** As per the Public Procurement and Property Administration Proclamation No. 1333/2024, the procurement methods applicable are:

- Open tendering** is a default method of procurement that gives equal opportunity to all interested bidders and requires the use of standard bid documents.
- Selective tendering** is a procurement method in which interested bidders are selected through more than one stage (previously known as two-stage tendering). In the first stage, bidders are shortlisted and invited to the second stage of the competition. The successful bidder is selected from among the shortlisted.
- Limited tendering** - (including previously separated restricted tendering and Request for quotations). Restricted tendering, conducted through competition among a limited number of bidders, is used where the estimated value does not exceed the threshold indicated in the directive and where a non-restricted bid advertised at least once fails to attract candidates or cannot

secure a bid that is responsive to its requirement. The **Request for Quotation** procedure is used to procure goods that are readily available for immediate use or cannot be procured in bulk or for goods, non-consultancy services, or works with a standard price, given that the estimated value does not exceed the threshold for the method in the directives.

- d) **Direct procurement-** is used when procuring entity ensure that they resort to this method to circumvent competition or to favor a candidate; when goods, NCS, or the works can be supplied only by one candidate; where procurement is needed as a matter of urgency and it is ascertained that unless procured immediately would endanger human lives and property as well as seriously affects the performance of the procuring entities; where the entities cannot obtain using other methods given that failure to attract bidders is not due to issues in bidding documents; where a need for supply of spare parts, accessories or delivery of service for the goods or services procured from another supply would not meet the requirement of compatibility necessity to obtain from the original suppliers. And where unforeseen circumstances give rise to the need for additional work not included in the initial contract and separation of additional works from the initial contract is not feasible for technical and economic reasons.

123. Conditions for the use of each procurement method are elucidated in the regional Procurement Proclamations and Directives, and all concerned public bodies will refer to these conditions in selecting procurement methods, packaging, scheduling, cost estimate, and threshold (which is different from region to region). Most procurement at the woreda level is carried out using the shopping method. Woredas mainly use the local notice board to invite suppliers using a Request for Quotation (RFQ).

5.1.4. Procedure for competitive bid

124. The federal and subnational governments issued standard bidding documents applicable for procuring goods, works, and consultancy and non-consultancy services under competitive procedures (National Competitive Biddings, International Competitive Biddings, or consultants shortlisted from the international market).

- The standard bidding documents include all the required sections: Instructions to Bidders, Bid Data Sheet, Technical and Financial Schedules, General and Special Conditions of Contract, and different forms,
- Use of the standard bidding documents is mandatory for procurement financed by GoE, including procurement under this PforR Program,
- Procuring entities shall use standard bidding documents for Goods, Works, and Non -consultancy services issued for the purpose by federal and respective regions to prepare bidding documents using specifications/requirements received from users,
- Invitation for bid: to be published at least once in a nationwide/international circulation newspaper to ensure participation of as many bidders as possible,
- The invitation for the bid shall contain at least the name and address of the procuring entity, the type and quantity, the place of delivery of goods or services of nature, and the construction site for works. The evaluation criteria to be satisfied by the bidder who participates in the bid, the place the bidding document can be obtained, the amount of bid security, the currency of bid and the payment methods, and other required information for the bidder,
- Receive bid on deadline and open immediately, prepare bid opening minutes for a record of all during the opening session,
- Establish technical ad hoc committee and undertake evaluation based on set criteria indicated on bidding documents, identifying winning bidder based on criteria,

- Issue notification of award to the winner and other bidders on the same date and time as per directive,
- Draft contract document and obtain necessary approval from respective authorities and incorporating required annexes, receiving performance security (if applicable), sign contract with winner supplier,
- Contract management needs to be planned, showing the responsibilities of both parties and follow-up delivery as per contract terms and conditions,
- To ensure contracts are delivered per terms and conditions, the procuring entries should plan properly in consultation with contractors/suppliers /consultants,
- Regularly review contract progress and receive report on the contract delivery process status to address bottlenecks timely,
- Effect payments as per contract terms and conditions upon confirmation of delivery of goods and services, deliverables of the consultants.

5.1.5. Standard procurement documents

125. For the 42 SPG weredas, BOFEDs and HCO sector bureaus at the regional level, as well as WOFEDs/WOFs and HCO sector offices at the woreda level, will use simplified and revised regional standard bid documents produced by respective Regional Public Procurement and Property Administration Regulatory Bodies. The regional standard bidding documents may vary from region to region, but they must all be consistent with the federal standard bidding document. The SPG woreda uses standard bidding documents relevant to procurement activities available on www.ppa.gov.et or the respective regional public procurement authority.

126. Standard bidding documents for goods works, non-consultancy services, consultancy services, health sector goods, textbooks, and framework agreements for both national and international competitive bid procurement must be used.

127. The standard bidding documents shall contain sufficient information to enable competition among the bidders based on complete, neutral, and objective terms. In particular, bidding documents must include:

- a) Instructions to bidder for the preparation and submission of bids;
- b) Datasheet Information about the final date for receipt of bids, the address to which bids must be sent, the date, time, and place of opening, as well as an announcement that bidders or their representatives are allowed to attend the opening ceremony;
- c) Bid submission forms and, where applicable, forms of bid security to be provided;
- d) The number of copies to be submitted with the original bid;
- e) The general and specific conditions of the contract;
- f) Specification of requirements, including time limit for delivery or completion of the task, as appropriate;
- g) Evidence to be provided by the bidder to demonstrate its qualifications and fiscal and legal standing.
- h) The period during which the bid remains in force/ bid validity period.
- (i) The criteria and the points given to each criterion for evaluation of bids and award of the contract;
- (j) A reservation to the effect that the public body may reject all bids at any time prior to the notification of award;

5.1.6. Procurement Procedure for RFQ

128. The procurement procedure for RFQ is the most relevant procurement type for SPG woredas and is outlined as follows:

- RFQ is a Procurement method based on comparing price quotations obtained from several national suppliers, usually at least three, to ensure competitive prices.
- RFQ is intended to be a simple and rapid procurement method and is one of the least competitive procurement methods; it is carried out in compliance with legal agreements and observing a minimum formality in the process and with appropriate record keeping for verification and audit.
- RFQ should not be used as a suitable to bypass more competitive methods or split large procurements into smaller ones solely to allow the use of request for quotation.
- To procure small amounts of off-the-shelf goods, Standard Specification Commodities, or simple civil works for which more competitive methods are not justified based on cost or efficiency.
- Requests for quotation shall be written and sent by letter, fax, etc. (with proof of receipt and record keeping);
- The request shall include the description and quantity of the goods and the required delivery time and place for the goods or services, including any installation requirements as appropriate.
- The request shall indicate the date by which the quotations are needed.
- Requests should be addressed to more than three firms that are reputable, well established, and are suppliers of the goods or services being purchased as part of their regular business (after verifying whether those being invited will make an offer or not) to ensure at least three quotations are received.
- Award decision and its rationale should be documented and kept for review by audit by the respective government bodies as needed. The record should contain the list of firms invited, the list and value of quotations received, comparative statements, etc. The documents should clearly show that the award is given based on sound technical and commercial criteria.
- Purchase order shall incorporate the terms of the accepted offer.

5.1.7. Direct Contracting

129. The procedure for Direct Contracting may be adopted if any one of the following conditions is met:-

- An existing contract for goods, works, and non-consulting services, awarded following acceptable procedures, may be extended for additional goods, works, and non-consulting services of a similar nature. Provisions for such an extension, if considered likely in advance, shall be included in the original contract.
- Standardizing equipment or spare parts to be compatible with existing equipment may justify additional purchases from the original Supplier. For such purchases to be justified, the original equipment shall be suitable, the number of new items shall generally be less than the existing number, and the price shall be reasonable
- The required equipment is proprietary and obtainable only from one source.
- Procuring certain goods from a particular Supplier is essential to achieve the required performance or functional guarantee of an equipment, plant, or facility.

- In exceptional cases, such as, but not limited to, in response to natural disasters and emergency situations declared by the Government.

5.1.8. Business standard for milestone activities

130. The standard time needed to complete the relevant activities in each stage of the procurement process for the SPG sub-component is exhibited in the Table below.

Table 10: Standard Time for Completing Procurement Processes for SPG woredas

	Activity	Actor	Collaborator	Time to complete
1	Preparation of original Procurement plan	WOFED/WOF	HCO sector offices (woreda)	6 weeks after effectiveness
2	Update of procurement plans	WOFED/WOF	HCO sector offices (woreda)	1-2 weeks
3	Approval of Procurement Plan	BOFED/BoF/BOFRC	HCO sector Bureaus	0.5 – 1 week
4	Final Approval of the Procurement plan	BOFED/BoF/BOFRCs WOFED/WOF	HCO sector Bureaus	1-2 weeks
5	Preparation and internal clearance of TORs and Specifications	HCO sector Bureaus/Woreda Sector office	HCO sector Bureaus	4 weeks before the agreed procurement start time as per the PP
6	Preparation of RFB	BOFED/BoF/BOFRC WOFED/WOF	HCO sector Bureaus/Woreda respective sector	2-3 weeks
7	Initial Approval RFB for both prior and post review contracts	BOFED/BoF/BOFRC and WOFED/WOF respective authority /technical committee	HCO sector Bureaus	0.5-1 week
6	Final Approval of the RFB	BOFED/BoF/BOFRC Technical committee	HCO sector Bureaus	1-2 weeks
7	Advertisement of REOI and Specific Procurement Notices	BOFED/BoF/BOFRC and WOFED/WOF	HCO sector Bureaus	2 week for EOI/ depend on complexity for SPN
8	Shortlisting /RFP for consultancy /RFB or RFQ for Goods /works/ non consultancy service	BOFED/BoF/BOFRC and WOFED/WOF	HCO sector Bureaus	2 week/2-3 Weeks / 4 weeks 4-6 weeks Depending on type

	Activity	Actor	Collaborator	Time to complete
				and complexity of bid
9	Respond to request for clarification on bidding documents/ RFP for consultancy	BOFED/BoF/BOFRC and WOFED/WOF	HCO sector Bureaus	1-2 weeks of receiving the request
10	Bid/proposal Closing and Opening	BOFED/BoF/BOFRC and WOFED/WOF interested party	HCO sector Bureaus	30 Minute after bid closing
11	Evaluation of Bids/Proposals	BOFED/BoF/BOFRC and WOFED/WOF technical experts ad hoc	HCO sector Bureaus	2-3 weeks
12	Approval of Bid/Technical proposal Evaluation Report	BOFED/BoF/BOFRC and WOFED/WOF tender committee	HCO sector Bureaus	1-2 weeks
13	Final approval of the Bid/technical Evaluation Report for prior review contract	BOFED/BoF/BOFRC Bid Endorsing Committee	HCO sector Bureaus	1-2 weeks
14	Notification of intention to award	BOFED/BoF/BOFRC	HCO sector Bureaus	1 week after approval of BER
15	Standstill period			10 days
16	Preparation of Contract Document	BOFED/BoF/BOFRC	HCO sector Bureaus	1-2 weeks
17	Approval of draft contracts	BOFED/BoF/BOFRC Bid Endorsing Committee	HCO sector Bureaus	1-2 Weeks
18	Signing contract	BOFED/BoF/BOFRC	HCO sector Bureaus	1-2 weeks
19	Opening of Letter of Credit	BOFED/BoF/BOFRC	HCO sector Bureaus	3 weeks after receiving necessary documents
20	Review and comment Draft Inception Report	BOFED/BoF/BOFRC		1-2 weeks

	Activity	Actor	Collaborator	Time to complete
22	Review and comment Draft Reports	BOFED/BoF/BOFRC		2-3 weeks
21	Inspection and quality assurance	BOFED/BoF/BOFRC		1-2 weeks after delivery of goods or services

5.1.9. Procurement Complaint Handling

131. According to regional states' Procurement and Public Property Proclamations, which are consistent with the Federal Proclamation No 649/2009, a candidate shall be entitled to submit a complaint to the head of the public body or the Bureau of Procurement and Public Property Administration, or the Procurement Handling Board or BOFED/BoF/BOFRC head, against an act or omission of the public body regarding a public procurement or property disposal proceeding where he/she believes that such an act or omission violates this Proclamation or the directives.

Review of Complaints by the Head of the Public Body

132. The procedures for Complaint handling are different from region to region. In most regions, procurement complaint handling Boards are established. In contrast, the appeal is submitted to the Head of BOFED in Oromia.

133. The complaint handling board or deputy head of BOFED/BoF/BOFRC shall coordinate with BOFEDs/BoFs/BOFRCs and HCO sector bureaus to review and respond to procurement complaints within the stated standard time. Concerned public bodies at the regional and woreda levels should refer to their respective regional 'Procurement and Property Administration Proclamations' and 'Directives' to resolve procurement complaints. The complaint handling procedures and timeframe as presented by the federal Public Procurement and Property Administration Proclamation, which is a prototype for regional proclamations, are:

- 1) A complaint against an act or omission by the public body shall, in the first instance, be submitted to the head of the public body.
- 2) A candidate must submit the complaint within five working days from the date he knew or should have known the circumstances giving rise to the complaint.
- 3) Unless the complaint is resolved by mutual agreement, the head of the public body shall suspend the procurement and issue a written decision within 10 days after the complaint is submitted, stating the reasons and, if the complaint is upheld, indicating the corrective measures to be taken.
- 4) If the head of the public body does not issue a decision within the stated time, or if the candidate is not satisfied with the decision of the head of the public body, the candidate is entitled to submit a complaint to the Bureau of Procurement and Public Property Administration within five working days from the date on which the decision has been or should have been communicated to the candidate by the public body.

Reviews of complaints by the Bureau of Procurement and Public Property Administration

1) Upon receipt of a complaint, the Bureau shall promptly give notice of the complaint to the public body concerned. Such action automatically suspends further action by the public body until the Board has settled the matter.

2) The Board/ BOFED/BoF/BOFRC shall issue its decision within 15 working days of receiving the complaint, stating the reasons for its decision and remedies granted, if any.

5.1.10. Complaints handling at Woreda Level

134. Regarding SPG operations, the involvement of BOFED/BoF/BOFRC, REACCs, and the relationship of FEACC with the World Bank will continue in the HCO as was under ESPES. Moreover, at the woreda level, in addition to the internal auditors and their reporting relationship to the head of WOFED/WOF, the engagement of other oversight institutions like the woreda cabinet and Ethics and Anti-Corruption (EAC) officers at relevant sectors will be strengthened to recover any mishandling of resources.

135. The system of public complaint redress mechanism for all complaints arising during service delivery, including poor administration, mismanagement of resources, and malpractice in procurement administration, will be applied. These structures also exist at the woreda level. They are housed under the woreda administration and with Kebele Managers' office at the village level. The SPG component is implemented at a manageable number of woredas (42 woredas) and, based on the planned needs assessment (which is currently in progress), would require fulfilling the Anti-Corruption Guidelines (ACG) program requirement and will lay out what is needed based on that. Suppose the one who complains with substantiating documents feels that the complaint is not addressed correctly at the woreda level. In that case, he/she can appeal to the regional Bureau of Procurement and Public Property Administration.

136. The Woreda level's complaint handling procedures and timeframe will be determined by the Regional Public Procurement and Property Administration Proclamation, outlined in the paragraph above.

5.2 Procurement for the IPF Component

5.2.1 Applicable procurement policies, procedures and rules

137. Procurement under the IPF component of the HCO will be governed by the World Bank's Procurement Regulations for IPF Borrowers (Procurement Regulations), dated November 2020; the Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016; and the provisions stipulated in the Financing Agreement.

138. National procurement arrangements. The country's procurement procedures may be used when approaching domestic markets. When the Recipient uses its own national open competitive procurement procedures as outlined in Public Procurement and Property Administration Proclamation No. 649 / 2009, such arrangements will be subject to the provisions of paragraph 5.4 of the Procurement Regulations. The national standard bidding documents will be modified to reflect the requirements included in this provision.

5.2.2 Institutional arrangement

139. COPCD will be responsible for procurements under the IPF component of the HCO. The procurement decision-making process will use COPCD's internal institutional structure, including the Tender Endorsing Committee.

140. User Agencies or Directorates play a critical role in the successful implementation of procurement, from identifying the need to contract management and closing. User agencies/ Directorates assign focal units who could, inter alia, coordinate procurement activities from the ministries/agencies or Directorates.

141. In addition, small-value procurement activities can be delegated in writing by the Ministry of Finance, Channel One programs coordinating department, to respective sector ministries to facilitate the procurement process.

5.2.3. Procurement planning

5.2.3.1. Project Procurement Strategy for Development (PPSD)

142. With the collaboration of and inputs from user Agencies/Departments, the Procurement section in COPCD shall prepare and update the PPSP, which should be submitted as a single document for review and clearance. The PPSP is a live document, and it is to be updated annually or as required. The original version of the PPSP and any update made thereof shall be shared with all implementing agencies and beneficiaries for their reference and use.

143. The PPSP shall address how procurement activities will support the project's development objectives and deliver the best value for money under a risk-managed approach. It shall provide adequate justification for the selection methods in the Procurement Plan. The level of detail and analysis in the PPSP shall be proportional to the risk, value, and complexity of the project procurement.

144. The selection methods and World Bank review thresholds will be determined in the PPSP and procurement plans in STEP. The World Bank review thresholds will be determined by agreed-upon approaches, methods, and prior review thresholds for Ethiopian projects, but they can be agreed upon on a case-by-case basis following risk assessment of particular procuring entities' capacity and experience.

Table 11: Thresholds for procurement approaches and methods (US\$) and prior-review thresholds

<u>Method</u>	<u>Market Approach</u>	<u>Procurement method threshold (US\$)</u>	<u>Prior review threshold (US\$)</u>
<u>Works (including turnkey, supply & installation of plant and equipment)</u>			
<u>Request for Bid (RFB)</u>	<u>Open National</u>	<u>< 7,000,000</u>	<u>≥ 5,000,000</u>
	<u>Open International</u>	<u>≥ 7,000,000</u>	
<u>Request for Proposal (RFP)</u>	<u>Open International</u>	<u>≥ 7,000,000</u>	<u>≥ 5,000,000</u>
<u>Goods, information technology, and non-consulting services</u>			
<u>Request for Bid (RFB)</u>	<u>Open National</u>	<u>< 1,000,000</u>	<u>≥ 1,500,000</u>
	<u>Open International</u>	<u>≥ 1,000,000</u>	
<u>Request for Proposal (RFP)</u>	<u>Open National</u>	<u>< 1,000,000</u>	<u>≥ 1,500,000</u>
	<u>Open International</u>	<u>≥ 1,000,000</u>	
<u>Request for Quotation</u>	<u>Limited National</u>	<u>< 100,000</u>	<u>NA</u>
<u>Arrangement through UN Agencies</u>	<u>As per Paragraphs 6.47 and 6.48 of <i>Procurement Regulations for IPF Borrowers</i></u>		
<u>Consulting services</u>			
<u>QCBS</u>	<u>National</u>	<u>< 200,000</u>	<u>≥ 500,000</u>
	<u>International</u>	<u>≥ 200,000</u>	
<u>LCS</u>	<u>National</u>	<u>< 200,000</u>	<u>≥ 500,000</u>
<u>CQS</u>	<u>National</u>	<u>< 100,000</u>	<u>≥ 500,000</u>
	<u>International</u>	<u>< 200,000</u>	
<u>Individual Consultant (IC)</u>	<u>Open / Limited / International / National</u>	<u>NA</u>	<u>≥ 200,000</u>

5.2.3.2. Procurement Planning

145. As clearly articulated in the HCO PAD, the Procurement Plan will specify procurement methods, their applicable thresholds, and activities subject to the World Bank's prior and post-review. COPED will submit the Procurement Plan through the Systematic Tracking of Exchanges in Procurement (STEP). Once approved, the plan will be disclosed to the public through the World Bank website. The Procurement Plan will be revised throughout the project to reflect the actual implementation needs and improvements in institutional capacity. Through the mandatory use of STEP, the World Bank will be able to monitor all procurement transactions.

146. The procurement plan, as well as its updates, shall include:

1. a brief description of the activities/contracts;
2. the selection methods to be applied;
3. evaluation approach and methodology, including identifying those Procurement activities;
4. where Rated Criteria apply, including where defined, any indicative Rated Criteria,
5. proposed prioritization and weighting;
6. cost estimates;
7. time schedules;
8. the Bank's review requirements;
9. the applicable Procurement Documents and
10. any other relevant procurement information.

147. Once internal clearance on the draft procurement plan is secured, the authorized procurement specialist in COPCD shall submit each of the procurement activities through STEP for the Bank's review and clearance. The approved procurement plan shall be communicated to user Agencies/Departments for their subsequent action. User agencies shall pay necessary attention to preparing the necessary documents (TORs and Specifications) and initiating the approved procurement activities. The approved procurement plan shall also be used as a monitoring tool in procurement implementation. In this respect, the Head of COPCD shall periodically review procurement performance against the procurement plan and identify and address gaps.

5.2.4. Standard Procurement Documents (SPD)

148. In preparing Bid Documents, the procurement team in COPCD shall use the World Bank's Standard Procurement Documents, which can be accessed through the following external website: www.worldbank.org/procurement/standarddocuments.

149. When approaching the national market, the team can use the national Standard Bidding Documents and procedures, subject to due consideration of paragraphs 5.3 to 5.6 of the Procurement Regulation for IPF Borrowers, July 2016. However, to ensure consistency in the application of the agreed provisions, COPCD's procurement team is encouraged to use the World Bank's Standard Procurement Documents as much as possible, even when approaching the national market.

5.2.5 Systematic tracking of exchanges in procurement (STEP)

150. Using STEP, comprehensive information of all contracts for goods, non-consultancy services, and consultants' services awarded under the subcomponent for all contracts subject to the World Bank's prior review as well as post-review, will be available automatically, including but not limited to a brief description of the contract, estimated cost, procurement method, timelines of the bidding process, the number of participated bidders, names and reasons of rejected bidders, the date of contract award, the name of awarded supplier, contractor or consultant, final contract value; and the contractual implementation period.

151. COPCD shall identify and request the World Bank for access to experts and officials authorized to view and exchange procurement information with the World Bank through the STEP system. The request shall specify each expert/official's designated role and address, including email, position title, and telephone number. Any changes to the designated role or persons shall also be communicated to the World Bank in a timely manner.

152. COPCD's assigned procurement experts and procurement team leader are responsible for monitoring STEP and generating reports regularly, which should be submitted to the Head of COPCD and relevant stakeholders as part of the program's monitoring mechanism.

153. All procurement plans shall be submitted through the STEP system to the World Bank for review and clearance. The Procurement section uses the system to record all procurement actions under IPF operation, including preparing, updating, and clearing its procurement plan and seeking and receiving the Bank's review and No-objection to procurement actions as required throughout the operation.

5.2.6. Procurement procedure (RFQ, RFB, and Consultancy Services)

5.2.6.1. Request for Quotation (RFQ)

154. RFQ is a competitive method that compares price quotations from firms/suppliers. This method may be more efficient than the more complex methods for procuring limited quantities of readily available off-the-shelf Goods or Non-consulting Services, standard specification commodities, or simple civil Works of small value. The procedures for RFQ are:

- Quotations should be obtained through an advertisement or, when limited competition is justified, through a request for quotations (RFQ) to a limited number of firms/suppliers,
- To ensure competition, the procurement office should request quotations typically from not fewer than three (3) firms/suppliers,
- Suppliers/ Firms shall be given sufficient time to prepare and submit their quotations,
- RFQs shall include the description, quantity, delivery period, and location of the Goods, Works, and Non- consulting Services, including any installation requirements, as appropriate,
- The request shall also indicate the deadline for submission of quotations and specify that quotations may be submitted by letter, facsimile or by electronic means,
- The evaluation of the quotations and contract award shall be carried out according to the criteria specified in the RFQ,
- The terms of the accepted quotation shall be incorporated in a contractually binding document. The procuring entity shall keep records of all proceedings regarding RFQs,
- Notice of award shall be issued to the supplier whose quotation is accepted, which shall also serve as a contract between the supplier and procuring entities,
- After the award/contract, the procuring entity shall follow up on the delivery of goods or services and
- Pay for delivered goods or services on receipt of Invoice, confirmation of delivery (Goods receiving notes (GRN)), and inspection result or confirmation of service delivery from respective beneficiaries' technical experts or relevant bodies.

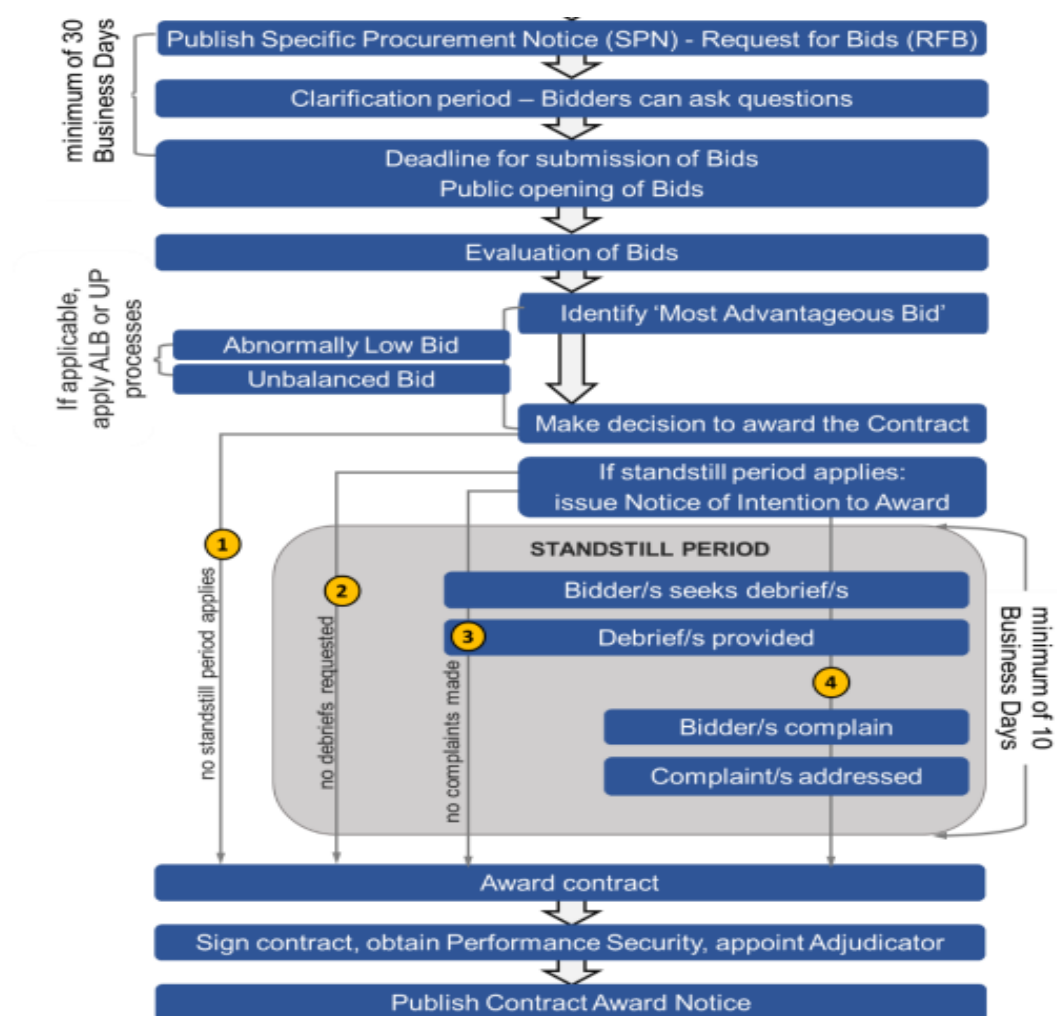
5.2.6.2. Request for Bid (RFB)

155. An RFB is a competitive method for soliciting bids.

- It should be used when, because of the nature of the Goods, Works, or Non-consulting Services to be provided,
- The RFB selection method with simplified advertising and currency provisions may be used for large-value contracts, as defined in the Procurement Plan.

- The procuring entity can specify detailed requirements to which Bidders respond in offering Bids. 6.6 Procurement using this method is conducted in a single-stage process. Qualification criteria may be expressed as minimum requirements which are evaluated as pass/fail, and, where Rated Criteria are also used, weighted, and scored
- Procuring entities prepare bidding documents using requirements/Specification ready for the purpose and obtain clearance from procurement endorsing /tender committee,
- Then, Specific procurement notices (SPNs) shall be advertised in at least one newspaper of national circulation in the country, or the official gazette, if any, or on a widely used website or electronic portal with free national and international access in addition to UNDB Online and the Bank's external website.
- The period allowed for submission of Bids a minimum of 30 business days from the date of publication of the SPN on UNDB Online

Process flow chart for One Envelop (National Procurement)-One Envelop process



- Pre-shipment inspection and import certification are among the entities' risk mitigation measures, particularly for an extensive import program. Inspection and certification usually cover quality, quantity, and price reasonableness.

- Imports procured using the RFB selection methods may not be subject to price verification; they only require quality and quantity verification.

5.2.6.3. Consultancy service (procedure for QCBS)

156. Preparation of Shortlists: The procuring entity shall follow the steps below to carry out a Shortlisting process:

- a. **Terms of reference:** prepare the complete TOR for the assignment. The TOR shall define clearly the objectives, goals, and scope of the assignment, provide background information to facilitate the preparation of Proposals, and be compatible with the budget.
- b. **Request for Expressions of Interest:** prepare the Request for Expressions of Interest (REOI) in accordance with the template provided on the Bank's external website, according to Paragraph 5.25 (Standard Procurement Documents). The REOI includes the complete TOR
- c. **Publication of the REOI:** after the complete TOR has been prepared and is ready for distribution, make the TOR available to interested firms by publishing the REOI according to Paragraphs 5.22 to 5.24 (Publication of Procurement Opportunities);
- d. **Clarifications and addenda to the REOI** shall be In Writing.
- e. **Submission of Expressions of Interests:** give firms sufficient time to respond to the REOI, usually no less than 10 Business Days. Late submission of an expression of interest (EOI) is not a cause for its rejection unless the entity has already prepared a Shortlist of qualified firms based on EOIs received and
- f. **Shortlisting:** assess the expressions of interest to determine the Shortlist. The criteria for shortlisting may typically include core business and years in business, relevant experience, and technical and managerial capability of the firm. Key personnel are not evaluated at this stage. The final Shortlist is communicated to all firms that expressed interest and any other firm or entity that requests this information.
- g. **The invitation to Shortlisted firms to submit Proposals** includes the names of all Shortlisted firms. Once the Bank has issued its no-objection to the Shortlist, the entity shall not modify it without the Bank's no-objection
- h. **Request for Proposals Document:** prepare the request for proposals document using the Bank's applicable Standard Request for Proposals document.
- i. **Proposal preparation period:** the entity shall allow sufficient time for the firms to prepare their Proposals depending on the nature and complexity of the assignment;
- j. **Letter of invitation to submit Proposals:** the entity shall issue the letter of invitation to submit Proposals along with the request for proposals document to all the Shortlisted firms. **Clarifications and addenda:** shall meet the requirements of Paragraphs 5.31 and 5.32 (Clarification of Procurement Documents);
- k. **Proposal Submission:** the technical and financial Proposals shall be submitted simultaneously in two (2) separate and sealed envelopes that meet the requirements of Paragraphs 5.36 and 5.37 (Bid/Proposal Preparation Period and Submission).
- l. **Technical Proposal Opening:** the entity shall conduct the opening of only the technical Proposals received by the deadline for the submission of Proposals shall meet the requirements of Paragraphs 5.40 to 5.48 (Bid/Proposal Opening) as applicable.
- m. **Evaluation of Technical Proposals:** Technical proposal evaluation shall follow the criteria specified in the request for proposals document.

- n. **Communication of results:** Once the evaluation of technical Proposals is complete, the entity shall inform all firms that submitted the proposal of their score and whether they met the minimum qualifying technical score specified in the request for proposals document. The entity shall simultaneously notify the firms that have met the technical proposal requirements when the financial proposal shall be opened.
- o. **Financial Proposals Opening:** the entity shall conduct the opening of the financial Proposals per Paragraphs 5.40 to 5.48 (Bid/Proposal Opening), as applicable. Evaluation of Financial Proposals: shall meet the requirements indicated in the request for proposals document.
- p. **Combined Quality and Cost Evaluation:** shall meet the criteria in the request for proposals document.
- q. **Negotiations:** Negotiations shall include discussions of the TOR, the methodology, the Borrower's inputs, and special conditions of the contract. These discussions shall not substantially alter the original scope of services under the TOR or the terms of the contract.
- r. **Notification of Intention to Award and Standstill Period:** as per Paragraphs 5.75 to 5.77 (Notification of Intention to Award) and Paragraphs 5.78 to 5.80 (Standstill Period);
- s. **Award of Contract and publication of contract award:** shall meet the requirements of Paragraphs 5.88 to 5.92 (Conclusion of Standstill Period and Contract Award), and Paragraphs 5.93 to 5.95 (Contract Award Notice); and debriefing: as per Paragraphs 5.81 to 5.87 (Debriefing).

157. All other procurement methods shall also be as per the World Bank procurement regulations for Investment project financing for Goods, Works, Non-Consulting, and Consultancy services, September 2023 edition.

5.2.7. Procurement Complaint Handling

158. Whenever there are complaints about procurement from Bidders/Proposers/Consultants, supported with documents and in a timely manner as specified in the Bank's Standard Procurement Document, it shall be handled in accordance with Paragraphs 3.26 to 3.31 and Annex III (Procurement Related Complaints) of the Procurement Regulations for IPF Borrowers July 2016, Fourth Edition November 2020. Accordingly, the Business Standard for procurement-related complaints of IPF borrowers where procurement is subject to prior review incorporating the process, the responsible entity, and the time frame is exhibited as follows:

Table 12: Business Standard for Procurement –related Complaints (Where the procurement is subject to Prior Review

Process Step	Responsible Entity	Time Frame
Complaints challenging the terms of prequalification / initial selection documents, request for bids/ request for proposals documents, or any other Borrower document requesting Bids/Proposals or Applications	Potential Bidders/ Proposers/ Consultants	Complaints shall be submitted at least ten (10) Business Days prior to the deadline for submission of Applications/Bids/Proposals Borrower shall respond not later than seven (7) Business Days from the date of receipt of complaint.
Notify applicant/Bidder /Proposer/Consultant of the	MOF/COPCD	The timeframe will be specified in the respective documents governing the procurement process.

Process Step	Responsible Entity	Time Frame
basis for exclusion from consideration for a contract; rejection of Bid submitted; or intention to award.		As a general matter, notification should take place promptly after the Borrower has made the relevant determination. Upon receipt a Complaint challenging the above determination, the Borrower shall respond to the complainant not later than seven (7) Business Days after the receipt of complaint.
Complaints following transmission of the notification of the intention to award the contract shall be submitted to the Borrower within the Standstill Period.		Complaints should be submitted within the Standstill Period. The Borrower shall respond not later than 15 Business Days from the date of receipt of Complaint.
Request for debriefing.	Bidder/ Proposer/ Consultant	Within three (3) Business Days from the receipt of the Borrower's notification of the intention to award the contract.
Conduct debriefing when requested in a timely manner.	MOF/COPCD	The Borrower shall hold the debriefing within five (5) Business Days of receipt of the request. For all other requests for debriefing, the Borrower shall hold debriefing not later than fifteen (15) Business Days from the date of publication of public notice of award of contract.
Acknowledge receipt of Complaint.	MOF/COPCD	Within three (3) Business Days from the date of receipt of the Complaint.
Forward complaint to the Borrower, if Complaint is submitted only to the Bank	Bank	Within three (3) Business Days from the date of receipt of the Complaint.
Forward Complaint to the Bank, along with all relevant information and documentation.	MOF/COPCD	As soon as possible after receipt of Complaint

5.2.8 Business standard for milestone activities

159. The following table presents the standard time needed to complete the relevant activities in each stage of the procurement process for the IPF component.

Table 13: Business Standard for Milestone Procurement Activities

Step	Activity	Actor	Collaborator	Time to complete
1	Preparation of original Procurement plan	COPCD/Procurement section	Department/sector Ministry advise on time schedule of procurement	after effectiveness
2	Update of procurement plans ⁵	COPCD/Procurement section	user department /agencies/ sector Ministry	1-2 weeks following revision of Plan
3	Approval of Procurement Plan	COPCD/Procurement section	user department /agencies/ sector Ministry	0.5 – 1 week
4	Final Approval of the Procurement plan	World Bank		1-2 weeks
5	Preparation and internal clearance of TORs and Specifications	COPCD/Procurement section	user department /agencies/ sector Ministry co	4 weeks before the agreed procurement start time as per the PP
6	Preparation of RFB document draft	COPCD/Procurement section	user department /agencies/ sector Ministry	2-3 weeks
7	Initial Approval RFB and for both prior and post review contracts	COPCD internal clearance /senior procurement specialist	user department /agencies/ sector Ministry	0.5-1 week
6	Final Approval of the RFB for prior review contracts	COPCD/Tender Endorsing Committees / World Bank		1-2 weeks
7	Advertisement of REOI (consultancy service) and Specific Procurement Notices (for Goods, Works and Non-consultancy service)	COPCD/Procurement section	Finance Team,	1 week

⁵ Based on review of AWPB of the program updated regularly and consultation with program staffs on activities involve procurement.

Step	Activity	Actor	Collaborator	Time to complete
8	REOI (consultancy advertisement/ RFQ Floating /issue to selected supplier /firm	COPCD procurement section	user department /agencies/ sector Ministry	2-3 Weeks 4 weeks 4-6 weeks
9	Respond to request for clarification on bidding documents	COPCD/Procurement Section	user department /agencies/ sector Ministry	1-2 weeks of receiving the request
10	Bid/proposal Closing and Opening	COPCD/Procurement section/ Internal Auditor	user department /agencies/ sector Ministry	30 Minute after bid closing
11	Evaluation of Bids/Proposals	COPCD/Procurement section /ad hoc technical committee	user department /agencies/ sector Ministry	2-3 weeks
12	Approval of Bid/Technical proposal Evaluation Report	COPCD/Tender Endorsing Committees /World Bank		1-2 weeks
13	Final approval of the Bid/technical Evaluation Report for prior review contract	COPCD/Tender Endorsing Committees / World Bank		1-2 weeks
14	Notification of intention to award	COPCD/Procurement section		1 week after approval of BER
15	Standstill period	COPCD/Procurement section		10 days business days
16	Preparation of Contract Document	COPCD/Procurement section	user department /agencies/ sector Ministry	1-2 weeks
17	Approval of draft contracts by the Bank, as required (for prior review consultancy service contract)	COPCD/procurement section / World Bank	user department /agencies/ sector Ministry	1-2 Weeks
18	Signing contract	Head of agency or COPCD head/Minister /state Minister	user department /agencies/ sector Ministry	1-2 weeks

Step	Activity	Actor	Collaborator	Time to complete
19	Opening of Letter of Credit (apply for international imported goods /works /non-consultancy service)	COPCD/Procurement section	user department /agencies/ sector Ministry	2-3 weeks after receiving necessary documents - Performa Invoice, request for opening of L/C
20	Review and comment Draft Inception Report (consultancy service contract related)	user department /agencies/ sector Ministry -Beneficiary of consultancy service	COPCD/procurement section /Finance department /Program experts	2-3 weeks
21	Review and comment Draft Reports	user department /agencies/ sector Ministry -Beneficiary of consultancy service	COPCD/Procurement section	3-5 weeks /depends on complexity of assignment
	Follow-up on delivery of goods/works /non-consultancy as per LC terms and condition, respond to discrepancies, shipping document delivery to the Bank and other relevant matters	COPCD/Procurement section	Suppliers	Depends on contract time and LC term
22	Inspection and quality assurance on delivery	COPCD/Procurement section /technical experts	COPCD/procurement section /Finance department /Program experts	1-2 weeks after delivery of goods or services

SECTION 6: ENVIRONMENT AND SOCIAL (E&S) RISK MANAGEMENT

6.1. Environment and Social Risk Management - Prelude

160. The E&S risk management process for the PforR component is based on findings and recommended mitigation actions outlined in the Environment and Social System Assessment (ESSA), while that of the IPF component is based on the risk assessment, screening and mitigation measures to be spelled out in the Environment and Social Management Framework (ESMF). Implementing the PforR component of HCO will comply with the country's primary environmental law, i.e., 'Environmental and Social Impact Assessment (ESIA) Proclamation No 1371/2025,' and EPA will unleash the power bestowed on it by Regulation No 545/2024.

161. With regards to managing the E&S risks of HCO, what the GOE should fulfill is clearly articulated in the Financing Agreement:

- 1) The GOE shall ensure that the Project is carried out according to the Environmental and Social Standards (ESS) in a manner acceptable to the World Bank.
- 2) The Recipient shall ensure that the Project is implemented per the Environmental and Social Commitment Plan ("ESCP"). To this end, the Recipient shall ensure that:
 - (a) The measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) Sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) Policies and procedures are maintained, and qualified and experienced staff in adequate numbers are there to implement the ESCP, as provided in the ESCP; and
- 3) In case of any inconsistencies between the ESCP and the provisions in the Financing Agreement, the provisions of the Financing Agreement shall prevail.
- 4) The Recipient shall ensure that
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, among other things: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) The Association is promptly notified of any incident or accident related to or impacting the Project that has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public, or workers, following the ESCP, the environmental and social instruments referenced therein, and the Environmental and Social Standards.
- 5) The GOE shall establish, publicize, maintain, and operate an accessible grievance mechanism to receive and facilitate the resolution of concerns and grievances of Project-affected people and take all measures necessary and appropriate to resolve or facilitate the resolution of such concerns and grievances in a manner acceptable to the Association.

162. The HCO's Environmental and Social System Assessment (ESSA), conducted in May 2023 with a focus on the PforR aspect, has deduced that the overall E&S risk is substantial. Accordingly:

- Though major constructions are not anticipated, the HCO interventions could involve constructions with small-scale displacement.
- Possible implementation delays in project activities and risks to workers implementing at the affected sites prone to conflict and instability.
- Inadequate human resources in some executing agencies and the coordination gap between basic service sectors and environmental and social oversight bodies.

163. The 'Program Action Plan' outlines activities to strengthen the E&S risk management capacity and mitigate the shortcomings or risks under the PforR.

164. For the IPF, ESCP sets out measures and actions that the GOE shall carry out or cause to be carried out, including, as applicable, the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and grievance management. The ESCP also sets out the environmental and social (E&S) instruments that shall be adopted and implemented under the Project, all of which shall be subject to prior consultation and disclosure, consistent with the ESSs, in a manner acceptable to the Association, with a list of these instruments described under section 6.2. Once adopted, said E&S instruments may be revised from time to time with prior written agreement by the Association.

165. Technical assistance, including capacity building in environmental and social risk management, will be given, which is envisaged to contribute to the E&S sustainability of activities at local levels. The capacity-building endeavors at the regional and woreda level, among other things, will address social issues like the inclusion of the most marginalized members of the community as project beneficiaries and protecting those who might suffer from the potential negative consequences of project implementation.

166. Human and financial resources are allocated for the effective implementation of E&S risk management. The assigned qualified full-time environment and social specialists at MOF and E&S focal persons under basic sectors at national, regional, and woreda level will be responsible for implementing the Project E&S risk management instruments.

6.2 E. & S risk management instruments

6.2.1. Health and Safety Guidelines, Emergency Procedures, and Security Measures

A) Health and Safety Guideline

167. It is essential to have a guideline or procedure in place to safeguard the health and safety of the project team and the community during all project phases. The Bank's EHS (Environment Health and Safety) Guidelines and the applicable regulations of the GOE are the two sources that need to be customized to develop health and safety guidelines specific to the HCO sub-projects. With proper training and adherence to established safety procedures, businesses can ensure that their workers remain healthy and safe while still meeting all applicable government regulations regarding health and safety in the workplace.

168. The Bank's EHS Guidelines contain the performance levels and measures that are usually acceptable to the World Bank Group and generally considered achievable in new facilities at reasonable costs by existing technology. However, the applicability of the EHS Guidelines should be tailored to the hazards and risks established for each project based on the results of an environmental and social assessment in which site-specific variables, such as host country context, assimilative capacity of the environment, and other project factors, are taken into account. The generic outline of the EHS Guidelines relevant to health and safety are:

Occupational Health and Safety (General Facility Design and Operation; Communication and Training; Physical, Chemical, Biological, and Radiological hazards; Personal Protective Equipment (PPE); and Special Hazard Environments)

Community Health and Safety Guideline (Water Quality and Availability; Structural Safety of Project Infrastructure; Life and Fire Safety (L&FS); Traffic Safety; Transport of Hazardous Materials; Disease Prevention)

169. The following procedures are required to safeguard the health and safety of HCO project team and the community.

1. Before implementation, conduct training for MOF and other core HCO sector staff who will be involved in the project implementation at all levels on subjects such as: (Applicable WBG EHS Guidelines; Application of ESMF for the project; Preparation of site-specific ESMPs; Stakeholders Engagement Plan; Grievance mechanisms; Community engagement; Community health and safety; Prevention and response to gender-based violence including sexual exploitation and abuse and sexual harassment; Labor management, including Occupational Health and Safety measures; Preparation and implementation of Environmental and Social Assessment; Preparation and implementation of waste management plan; Requirements for project monitoring and reporting (including incidents and accidents reporting).
2. Assess health and safety risks to the project team and the community;
3. Referring to the relevant parts of the Bank's ESH guideline and the pertinent regulations of the GOE, identify mitigation measures to prevent health and safety risks to project staff and the community;
4. List mitigation measures and apply them in case health and safety hazards are manifested.
5. MoF shall ensure that contractors develop and implement specific environmental and social management plans based on the particularity of each subproject site, considering existing environmental and social features. Once prepared, MoF will review the plans before commencing work.

170. With proper training and adherence to established safety procedures, HCO sub-projects ensure that their workers remain healthy and safe while still meeting all applicable government regulations regarding health and safety in the workplace.

171. The HCO ESCP clearly articulates that MOF and implementing entities assess and manage specific community health and safety risks and impacts arising from Project activities, including, e.g., the behavior of Project workers, risks of labor influx, and response to emergency situations. They also include mitigation measures in the ESMPs to be prepared in accordance with the ESMF. Undertake simplified risk assessment on disaster risks to inform the subproject design and ESMP preparation.

B) Emergency Procedures

172. It is essential to develop procedures and practices for handling emergency situations that allow for quick and efficient responses to accidents that may result in injury or environmental damage. Emergency procedures are a set of actions to take in response to a situation that poses an immediate risk to people, property, the environment, or health. The goal of emergency procedures is to:

- Control, limit, and eliminate hazards as quickly as possible
- Minimize damage to the environment and property
- Ensure the safety of people and the installation before returning to work
- Restore normalcy as quickly as possible

173. The five fundamental emergency management procedures are:

1. **Prevention**- Prevention focuses on preventing hazards from occurring, whether they are natural, technological or caused by humans. Not all hazards are preventable, but the risk of loss of life and injury can be limited with good evacuation plans, environmental planning and design standards.
2. **Mitigation** - Mitigation is the effort to reduce loss of life and property by lessening the impact of disasters and emergencies. It refers to measures or actions that can prevent an emergency, reduce the chance of an emergency or reduce the damaging effects of unavoidable emergencies.
3. **Preparedness**- Preparedness is a continuous cycle of planning, organizing, training, equipping, exercising, evaluating and taking corrective action. Training and exercising plans is the cornerstone of preparedness, which focuses on readiness to respond to all hazards, incidents and emergencies. Training and emergency preparedness plans increase a community's ability to respond when a disaster occurs. Typical preparedness measures include developing mutual aid agreements and memorandums of understanding, training for both response personnel and concerned citizens, conducting disaster exercises to reinforce training and test capabilities, and presenting all-hazards education campaigns. An emergency Preparedness and Response Plan should cover:
 - Planning Coordination should include procedures for:
 - Informing the public and emergency response agencies
 - Documenting first aid and emergency medical treatment
 - Taking emergency response actions
 - Reviewing and updating the emergency response plan to reflect changes and ensure that the employees are informed of such changes
 - Emergency Equipment: The plan should include procedures for using, inspecting, testing, and maintaining emergency response equipment.
 - Training: Employees should be trained in any relevant emergency procedures
4. **Response** - The response phase is a reaction to the occurrence of a catastrophic disaster or emergency. It consists of actions which are aimed at saving lives, reducing economic losses and alleviating suffering. The response phase comprises the coordination and management of resources utilizing the Incident Command System. Response actions may include activating the emergency operations center, evacuating threatened populations, opening shelters and providing mass care, emergency rescue and medical care, firefighting, and urban search and rescue.
5. **Recovery**. - Recovery consists of those activities that continue beyond the emergency period to restore critical community functions and begin to manage stabilization efforts. The recovery phase begins immediately after the threat to human life has subsided. The goal of the recovery phase is to bring the affected area back to some degree of normalcy, including the restoration of basic services and the repair of physical, social and economic damage. Typical recovery actions include debris cleanup, financial assistance to individuals and governments, rebuilding of roads and bridges and key facilities, and sustained mass care for displaced human and animal populations.

C) Security Measures

174. Assess and implement measures to manage the security risks of the Project, including the risks of engaging security personnel to safeguard project workers, sites, assets, and activities. A Security Risk Assessment (SRA) and related Security Management Plan (SMP) will be carried out to minimize the risk of

conflict and insecurity situation consistent with the requirements of ESS4, in a manner acceptable to the Association.

175. SMP shall be prepared prior to disbursement, and in any event before any physical engagement in conflict-prone areas, or the deployment of security personnel. Thereafter maintain the SMP throughout Project implementation.

176. The security risk assessment would among other things include:

- i. Potential risks to the project and sub-projects that may require response;
- ii. Security risk analysis and mitigation measures;
- iii. Risk prevention and mitigation measures;
- iv. Security approach;
- v. Security management measures.

177. As part of the Security Management Plan and related implementation, adopt and enforce standards, protocols, and codes of conduct for the selection and use of security personnel, and screen such personnel to verify that they have not engaged in past unlawful or abusive behavior, including sexual exploitation and abuse (SEA), sexual harassment (SH) or excessive use of force.

178. With regards to HCO, MOF with reports from implementers, promptly - no later than 48 hours after learning of the incident or accident- notify the World Bank of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.

179. Subsequently, at the Association's request, prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.

6.2.2. Environmental and Social Management Framework (ESMF)

180. ESMF is an umbrella instrument for the IPF component consistent with the Bank's ESSs. MOF and implementing entities must adopt the ESMF before disbursement for subcomponents 2.1.2 and 2.1.3, and after that, implementing entities must apply it throughout project implementation. The proposed activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the IPF. The ESMF is a guiding umbrella instrument for E&S risk management tools:

- i. ESMF sets out the subproject 'Environmental and Social Management Plan (ESMP)' to be adopted prior to the carrying out of subproject activity that requires such an ESMP.
- ii. The Labor Management Procedures (LMP) is part of the ESMF for the IPF, which includes, among other things, provisions on working conditions, management of workers relationships, occupational health and safety (personal protective equipment, and emergency preparedness and response), code of conduct (including SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.
- iii. The ESMF shall guide site-specific ESMPs, and the site-specific ESMPs shall guide the Contractors-ESMPs.
- iv. The GBV Action Plan shall include Codes of Conduct and other requirements applicable to contractors. It shall be an Annex to the ESMF.

- v. The ESMPs undertake community and health safety through the assessment and management of specific risks and impacts to the community arising from Project activities, including, e.g., the behavior of Project workers, risks of labor influx, response to emergency situations, and mitigation measures, are to be prepared in accordance with the ESMF.
- vi. As part of the Security Management Plan and related implementation, adopt and enforce standards, protocols, and codes of conduct for the selection and use of security personnel, and screen such personnel to verify that they have not engaged in past unlawful or abusive behavior, including sexual exploitation and abuse (SEA), sexual harassment (SH) or excessive use of force.
- vii. When required, the CERC-ESMF will be adopted and included in the respective bidding process.

6.2.3. Labor Management Procedure (LMP)

181. The Human Capital Operation does not involve large-scale construction, and yet the IPF component may entail light civil works like the construction of classrooms, laboratories, latrines, etc., in which case the World Bank's Environmental and Social Framework (ESF) applies. ESS 2, one of the standards of the ESF, relates to labor and working conditions and requires Borrowers to develop labor-management procedures (LMP), including, among other things, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms. Accordingly, MOF has adopted the LMP for the HCO based on the scope of ESS 2.

182. The LMP shall also include measures to address the security of project workers in areas experiencing conflict, consistent with Ethiopia Labor Proclamation No. 1156/2019 and ESS2. It shall be an Annex to the ESMF.

183. The LMP identifies the main labor requirements and risks, helping the MOF and other implementing agencies determine the necessary resources to address labor issues. It is a living document initiated and finalized early in Project preparation. This document details the types of workers likely to be deployed by the Project and its management.

6.2.3.1. Types of workers under the HCO

184. The LMP describes the types of workers likely to be deployed by the HCO as follows:

185. **Direct workers:** This category of workers will include permanent and temporary employees and consultants assigned to the activities directly contributing to the achievement of the HCO/IPF at federal, regional, zonal, and woreda level structures. This also includes the type of workers required at regional, zonal, and woreda level core sector offices, such as teachers, agricultural and health professionals, information technology (IT) specialists, procurement and finance experts, and social and environmental specialists. The precise number of direct workers under the HCO is not yet known. COPCD has developed the draft Staffing Strategy, which will soon be disclosed once approved by MOF and the World Bank. Accordingly, the professional ESPES staff at the federal, regional, and zonal levels will be retained under HCO. Furthermore, a few professionals will be hired as recommended in the HCO PAD. Most direct workers are managed by the MoF and other core implementing ministries at the national level, following the guidelines outlined in the Federal Civil Servants Proclamation 1064/2017, along with their respective regional bureaus.

186. **Contracted workers:** Two types of contracted workers are expected for the HCO implementation. (i) Service providers include the staff to be hired at the federal or regional level as an individual consultant or firm/CSO to facilitate the implementation of the HCO at the federal, regional, and zonal/woreda levels. This will include IT and audiovisual professionals, environment and agricultural professionals, and medical and

nutrition education experts. (ii) contracted/temporary civil servants that include workers and local services providers and other contractors or implementing agencies responsible for providing a specific deliverable for the key Project activities at the regional and local level. These could be workers for financial and procurement services, laboratory services, system developers, innovators, contractors, construction workers, and others.

187. **Primary supply workers:** The Project will utilize direct sources of goods and services or training and learning materials essential for the Project from primary suppliers. The implementing agency (MoF) will require incorporating legal provisions in the contracts of the primary supply workers regarding the use of child/forced labor and compliance with OHS regulations.

6.2.3.2. Potential labor risks and mitigation measures

188. According to the LMP assessment the HCO/IPF activities of technical assistance provision in innovation and service provision, no major risks are anticipated, and the potential labor risks associated with HCO implementation are:

- Risks related to the potentially hazardous work environment,
- Labour influx and the associated gender-based violence (GBV), child/forced labour; and
- Other risks in relation to recruitment and employment procedures.

189. To mitigate potential labor risks during the implementation of the Project, a Code of Conduct (CoC) will be developed and signed by all types of workers during the recruitment process.

190. **Child and forced labor:** The risks of child/forced labor in the Project areas are considered as low given the type and size of the IPF investments. MOF and other concerned HCO implementers will mitigate this risk through:

- Certification of labourer's age using legally acknowledged documents like national identification card or birth certificates.
- Provision of awareness raising programs to the community on the existing national laws and proclamation which prohibit child and forced labour as well as on the negative impacts of child and forced labour.
- Make sure that contractors are committed against the use of child/ forced labour in their Contract.

191. **Labor influx:** It is foreseen that the Project area will experience low labor influx because minimal job openings are required in the Project area. At the regional and woreda level the Project will be implemented by local contractors and all contracted workers will be hired locally except for the specific areas which may require specialized skills. To manage the risks associated with labor influx which is related to the interaction between Project workers and local communities like communicable diseases and gender-based violence will be managed through stringent contractual agreements, code of conduct and trainings.

192. **Gender-based violence (GBV):** Due to young ages of the potential workers in the Project areas and their sense of freedom to act outside their family environment and social control scheme, there will be a potential of sexual harassment of women and girls, exploitative sexual relations and illegal sexual relations with minors from the local community. The expected minimal GBV risks in the Project areas will be managed by:

- The contractor's commitment for GBV prevention by setting up guidelines and creating or strengthening structures to respond for GBV issues;
- Through development of code of conduct and GBV action plan;

- Assigning GBV focal point, and creating grievance redress mechanism (GRM) for the Project.
- Conducting sensitization trainings and dialogues with the workers and local communities on the prevention and response mechanisms of GBV.

193. **Occupational Health and Safety (OHS) risks:** Since most contracted workers are professionals who are supposed to provide technical assistance (TA) in their respective areas of expertise, the occupational health and safety (OHS) risk of the HCO is anticipated to be low. However, small-scale civil works, such as the construction of laboratory rooms, demonstration rooms, and latrine facilities within schools and health facilities, present potential OHS risks. Despite the small scale, these risks could be significant due to the nature of civil works. Studies have shown that work involving small contractors often has considerable OHS risks due to the limited capacity of their workers. The types of OHS risks associated with the IPF component of the Project for both TA and contractors include:

- **Risks Related to Internal Conflicts and Displacements**
- **Community Health and Safety Risks:**
- **Workplace Risks:** Accidents or injuries may occur due to the lack or inappropriate use of personal protective equipment (PPE)
- **Security Risks, Traffic/Road Safety Risks, and Ergonomic Risks:**

194. All contractors will be required to develop and implement written labor management procedures, including measures to establish and maintain a safe working environment in compliance with ESS2 and labor proclamation (article 7, Labor Proclamation 1156/2019). The LMP recommends that implementing entities should conduct continuous health and safety risk monitoring in the Project areas, with appropriate actions taken according to the identified risks.

6.2.3.3. Monitoring and Reporting Labor Issues

195. Monitoring and reporting are critical in managing labor issues within the Human Capital Project. The LMP clearly articulates that the HCO can effectively address labor concerns, uphold compliance with relevant regulations, and foster a safe and equitable work environment for all employees by implementing robust monitoring and reporting mechanisms. Accordingly, this will be accomplished through the following activities:

Data Collection: gathering relevant information related to labour issues, such as workforce demographics, employment contracts, working conditions, and any grievances or disputes.

Compliance Monitoring: regular compliance assessment with ESS2, national labour laws, regulations, and contractual agreements within the Project.

Incident Reporting: establishing procedures for reporting and investigating labour-related incidents, including accidents, injuries, harassment, discrimination, or labour rights violations.

Stakeholder Engagement: engaging with relevant stakeholders, including employees, labour unions, government agencies, and civil society organizations, to gather feedback, address concerns, and ensure transparency in labour management practices.

Documentation and Record-Keeping: maintaining accurate records of labour-related activities, including employment contracts, training programs, performance evaluations, and disciplinary actions.

Regular Reporting: Provide reports on labor-related activities, including compliance status, incident investigations, and stakeholder engagement efforts, to relevant stakeholders and decision-makers within the Project.

Continuous Improvement: utilizing feedback from monitoring and reporting processes to identify areas for improvement and implementing corrective actions to enhance labor management practices and outcomes within the Project.

6.2.3.4. Project- level Grievance Redress Mechanism (GRM)

196. In addition to using the existing GRMs at Woreda /city administration, regional and federal levels the LMP recommends the establishment of Project-level Grievance Redress Mechanism (GRM). This refers to a structured process established within the Project to address and resolve grievances raised by individuals or groups affected by the Project's activities. This mechanism provides a formal opportunity for stakeholders, such as employees, contractors, community members, or other stakeholders, to voice their concerns, complaints, or grievances related to the Project's impacts, activities, or conduct. The Project-level GRM will be culturally appropriate, effective, accessible, and transparent, ensuring that all stakeholders are aware of its existence.

6.2.4. Stakeholders Engagement Plan (SEP)

197. The HCO's Stakeholders Engagement Plan (SEP) is adopted during the entire project cycle to define a program for stakeholder engagement, including public information disclosure and consultation. It will be refined and adapted periodically as the project implementation progresses. A well-designed and implemented stakeholder engagement plan will support the development of strong, constructive, and responsive relationships for the successful assessment, management, and monitoring of the HCO's environmental and social risks and impacts. The SEP will have the following purposes in the life of the project cycle:

- a) Describe how the project team will communicate with stakeholders and include a mechanism by which people can raise concerns, provide feedback, or complain about any activity related to the project.
- b) Support project activities related to a communication, mobilization, and community engagement campaign to raise public awareness and knowledge on the reduction of stunting and learning poverty among the general population.
- c) Contribute to strengthening the capacities of local government and community structures to disseminate and promote stunting and learning poverty reduction messages.
- d) Adapt project interventions to the evolving needs of the project affected and other interested groups.
- e) Ensure the coordination between implementers, including government, non-government, and community structures.
- f) Provide transparent and accountable mechanisms for all aspects of project implementation and monitoring, and
- g) Ensure the meaningful participation of members of vulnerable groups from project-affected communities in the consultation process and enjoy project benefits.

198. The SEP has summarized stakeholder engagement techniques, the description and uses of each technique, the target audience, and the timeframe as depicted in the table below. To achieve effective stakeholder engagement in mitigating E&S risks at national, regional, and woreda levels, MOF, BOFEDs, and WOFEDs will play a leading role, respectively, and will engage stakeholders through the techniques exhibited in the table below.

Table 14: Methods for Stakeholder Engagement

Engagement Technique	Description and use	Target audience	Timeframe
Committee meetings	Project high level steering committee meeting will be conduct at the federal level to oversight the overall coordination and implementation of the project activities and project technical committee meetings will be held at all levels to follow-up, lead and coordinate the project implementation and M & E activities	Federal level line ministries and development partners, regional and woreda level sectors and partners	Steering committees – on quarterly basis and technical committees monthly
Joint review meetings	Set joint review meetings with all stakeholders to follow-up whether the project is on the right truck or not and to adjust and make timely correction	Federal level line ministries and development partners, regional and woreda level sectors and partners	On quarterly basis
Internet/ Digital Media/ Websites	Publish all relevant project related documents like project appraisal document, environment and social assessment, stakeholder engagement plan and others on official websites/Facebook account and telegram channel of the line ministries and regional and woreda level offices and the World Bank, to disseminate information related with the project activities	All stakeholders and other interested parties that have access to the internet resources	Throughout the project
Media announcements	Advance announcements of the start of major project activities, project Grievance Redress Mechanism, and other outreach needs of the project, e.g., calls for bidding of billboard and brochure design and publication.	Project-affected stakeholders and communities	Throughout project implementation
Community / public meetings	Conducted meetings to provide general information on the project and its components and subcomponents, activities that are planned by the project, and project environmental and social risks and mitigation measures. Such meetings also will be conducted to provide regular updates on implementation progress to local, regional and national stakeholders.	Project affected stakeholders/communities	On quarterly basis
Correspondence	Share project information to government	Government officials,	On quarterly

Engagement Technique	Description and use	Target audience	Timeframe
by phone/ email/ written letter	officials, organizations, agencies and companies and invite stakeholders to meetings	NGOs, CSOs, CBOs, teachers' associations students, Parent-Student-Teachers committees (PSTCs), Development Partners	basis
Printed media advertisement	This will be used to disseminate and disclose project documents intended for general readers and audience. Advertise project procurements, as applicable	General public	Twice in a year or more as required
Distribution of printed public materials: Project information leaflets, brochures, fact sheets	This will be used to convey general information on the Project and to provide regular updates on its progress to local, regional and national stakeholders.	General public and project beneficiary	Twice in a year or more as required
One-on-one interviews	This will be used to gather views and opinions on project impacts and solution	Vulnerable individuals, CSOs, NGOs etc.	By the end of the budget year
Workshops	Due to COVID-19 workshops will be conducted with limited number of people or virtually. The workshops will be used to: present project information; to collect stakeholders' views and opinions; to analyze information; and to develop recommendations and strategies	Government, NGOs, CSOs, teachers' associations students, PST committees	On quarterly basis

199. The identified disadvantaged/vulnerable individuals and or groups include women and girls, female-headed households/ widows, persons with disabilities (PWDs) and their caregivers, internally displaced people (IDPs) and refugees, street children with or without disabilities, and underserved traditional local communities. Implementing federal, regional, and woreda/community organizations will ensure that community representatives, including vulnerable groups, participate effectively and meaningfully in consultative processes and that their voices are not ignored.

200. The MOF has allocated budget for the SEP implementation. Budgetary resources will be dedicated to facilitating and implementing the SEP and GRM. Other line ministries can dedicate budget resources to strengthening the stakeholders' engagement as part of the integral project costs.

6.2.4.1. Grievance Redress Mechanism (GRM)

201. GRM at the project level needs to be established to resolve complaints promptly, effectively, and efficiently. The Grievance Redress Committee (GRC) at the local level (woreda/kebele/community) will be formed for the HCO comprising representatives from woreda administration, core implementing

organizations, community structures or support groups, elders, teachers' associations, students, women and girls, and other vulnerable group. The GRCs will be responsible for creating awareness of the GRM for implementers and beneficiaries, receiving complaints on project-related grievances, including sexual abuse and harassment, and (SEA/SH) forwarding them to an appropriate body.

202. An awareness-raising campaign will be planned for the affected communities about the presence of the GRM, and they will be informed of their right to file any concerns, complaints, and issues related to the HCO. Grievances could be submitted to GRC via a suggestion box or telephone. The GRM provides a transparent and credible process for fair, effective, and lasting outcomes. It also builds trust and cooperation as an integral component of broader community consultation that facilitates corrective actions. There will also be a GRM guideline developed and implemented by the project-implementing organizations with detailed information about the procedure, timing, referral system, etc.

203. HCO implementers and community members need to have a clear understanding of the GRM actors, their responsibilities, and procedures summarized in the SEP as follows:

Table 15: Synthesis of Actors and responsibilities within the HCO GRM

Actors	Responsibilities within Project GRM
Grievance redress Committee (GRC)	<ul style="list-style-type: none"> • Intake of complaint and feedback • Report and refer to woredas/kebele council, PCU and E&S Risk Specialists • Corrective measures definition and implementation with prior agreement of PCU • Sensitize communities and beneficiaries prior to any activity's implementation on GRM channel and rights
Woreda/kebele council	<ul style="list-style-type: none"> • Assist in establishing and ensuring the effective Project of the GRC • Review unresolved appeals from GRC
IP's Women's affair desk/focal points (TPIs in high-risk and conflict-affected areas)	<ul style="list-style-type: none"> • Intake of feedback and complaint from the community and report to police, GRC or other support systems (court, safe house, one stop center) • Respond and contact with the Complainer
Police	<ul style="list-style-type: none"> • Intake of complaint • Report to GRC and women's affairs focal point • Solution proposal including the justice, health, psychosocial support
SDS	<ul style="list-style-type: none"> • Record complaints from all channels • Referring complaint to respective Project Technical Officer and other support systems
Project management	<ul style="list-style-type: none"> • Assess Complaint and Corrective measures definition • Report to WB • Decision making
Other support systems	<ul style="list-style-type: none"> • Monitoring of Complaints and feedback • Triangulation of complaints through different channel • Provide necessary supports • Reporting to Project Coordinator and M&E Officer
PAP/Community/individual	<ul style="list-style-type: none"> • Report incident to GRC, police, or women's affairs desk
WB - GRS	<ul style="list-style-type: none"> • Appeal and parallel Grievance system

204. The overall process for the GRM will include steps to uptake, sort, verify, resolve, and provide feedback on complaints related to disagreement with decisions passed by program implementers, dissatisfaction with the quality of implementation, transparency and right-based issues, and GBV-related cases.

205. The GRC will resolve the appeals and send a listing of the cases to Kebele/Woreda-level police, women's affairs focal persons, and other institutions in the support system for further investigation and verification. Then, the appeal will be forwarded to the Woreda-level project lead for implementation. GRCs will maintain grievance logs to collect and submit copies of complaints regularly. The grievance logs will include individual reference numbers, the name of the person submitting the complaint or other feedback, address and contact information (unless the complaint has been submitted anonymously), details of the complaint or feedback, etc. Grievance logs Sample Template is attached as Annex 11.

6.3. Institutional arrangement for E&S implementation

206. The HCO's Environment and Social Risk Management requires efforts across all levels of government administrative structure. At the federal level, MOF/COPCD is the lead agency, and the four HCO sector Ministries (MOH, MOE, MOA, MOWE) and other concerned ministries and agencies play important roles.

6.3.1. Roles and responsibilities of the MOF/COPCD

207. MOF/COPCD plays a pivotal role in the preparation and implementation of the Environment and Social Management Framework (ESMF), Environment and Social Commitment Plan (ESCP), Stakeholders Engagement Plan (SEP), which includes Grievance Redress Mechanism (GRM), Labor Management Procedure (LMP), Security Risk Assessment and Management Plan (SMP), and Social Assessment including the underserved communities. In addition, COPCD will undergo the following tasks:

- Coordinate the E&S risk management endeavours at federal, regional, and woreda/city administration levels.
- Strengthen its staffing of E&S risk management by hiring or appointing an Environment specialist and a Social Development specialist.
- Organize and conduct training on the environment and social management at national, regional, and woreda levels based on the ESMF and ESCP.
- Prepare biannual environmental and social implementation reports.
- Conduct environmental and social audits on SPG woredas.

6.3.2. The Roles and Responsibilities of HCO Implementers

208. Among other roles, HCO implementers will play the following roles regarding E&S risk management.

- Prepare and submit to MOF regular monitoring reports on the project's environmental, social, health, and safety (ESHS) performance, including but not limited to the implementation of the ESCP, the status of preparation and implementation of E&S instruments required under the ESCP, and stakeholder engagement activities.
- Promptly notify MOF of any incident or accident related to the Project that has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public, or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, severe or multiple injury.

- Assign E&S focal persons to implement and monitor E&S issues like community health and safety, GBV and SEA, waste management, etc., as per the ESCP, the subproject ESMP, and other E&S risk management guidelines and plans.
- Adhere to the established Grievance Mechanism procedures that address grievances on GBV/SEA/SH, etc., as described in the SEP.

6.3.3. Roles and Responsibilities of the Environment and Social Specialists

209. The environment and social specialists at COPCD will be responsible for the overall coordination of the environment and social risk management efforts at federal, regional, and woreda/city administration levels. They:

- Make sure that the ESMF and related instruments like, LMP, GRM, and SEP are available to all concerned HCO stakeholders and are used at federal, regional, woreda/city administration, and project site levels.
- Develop the capacity of project implementers, Project workers, and contractors to implement the E&S risk management instruments, including the LMP and related OHS mitigation procedures and protocols.
- Together with the M&E expert monitor to verify that contractors are meeting labor, OHS, and other E&S obligations toward contracted and subcontracted workers as required by the Ethiopian law, ESS2, and respective contracts.
- Monitor contractors 'and subcontractors 'implementation of labor management procedures.
- Monitor compliance with occupational health and safety standards at all workplaces in line with Ethiopian occupational health and safety legislation and Bank standards.
- Monitor and implement training on ESMF, including issues on SEA/SH prevention and response, LMP, and OHS for Project workers.
- Ensure that the grievance redress mechanism for Project workers and other project-affected people is established and implemented and that users are informed of its purpose and how to use it.
- Have a system for regular monitoring and reporting on E & S performance.
- Monitor implementation of the Worker Code of Conduct.
- Ensure that contractors develop and implement specific environmental and social management plans.
- Ensure the timely reporting of accidents and incidents and provide subsequent responses to the accidents/incidents.

SECTION 7: MONITORING & EVALUATION (M&E)

7.1. HCO M&E Prelude

210. Monitoring and evaluation (M&E) is essential to any intervention - project, program or operation. Monitoring a program or intervention involves collecting regular data that measure progress toward achieving program objectives. It is used to track changes in program performance over time. Its purpose is to permit implementing agencies to make informed decisions regarding the effectiveness of programs and the efficient use of resources. Monitoring also provides the basis for evaluation, which involves two questions: Has the project met its objectives? What accounts for its level of performance? Monitoring is a continuous assessment throughout the implementation period. In contrast, evaluation is periodic, including interim evaluation during implementation, terminal evaluation at the end of the project, and impact evaluation sometime after the completion of the project.

211. In addition to other parameters and standard norms for executing M&E tasks, some benchmarks need to be adopted. The core of M&E activities is abiding by certain principles, i.e., the relevance of the project, the effectiveness of its progress, the efficiency of the overall process, impact, and sustainability. These are essential aspects to be followed by all HCO implementing agencies across the board. The M&E process includes various activities designed to generate data and information to support decision-making and improve program outcomes.

212. The monitoring & evaluation responsibility pertinent to improving learning outcomes and nutrition services for girls and boys, reduce stunting in SPG woredas, and supporting service delivery and accountability in all regions, including areas affected by conflict, droughts, and high levels of refugees, rests on the whole HCO implementing ministries and agencies, BOFEDs and respective regional HCO sector bureaus, zones & WOFEDs, and woreda HCO sector offices. All HCO implementing and regulating entities need to develop their M&E plans. An M&E plan template describes how an M&E system works for a program. It includes the indicators, who is responsible for collecting them, and how the data will be used. It typically contains sections for defining project goals and objectives, identifying key performance indicators (KPIs), outlining data collection methods, specifying responsible parties for data management, and detailing analysis plans for evaluating project impact, all structured to align with the project management framework and reporting requirements. A generic M&E template that can be customized according to the specific situations of the entity is attached as Annex 13.

213. The MoH and MoE have particular responsibilities on PforR Result Area-one (to improve learning outcomes and nutrition services for girls and boys and to support service delivery and accountability in all regions, including areas affected by conflict, droughts, and high levels of refugees). Out of the five DLIs under Result Area-One, MoE will handle the M&E of DLI-1 (Girls' promotion rate from grade 11 to 12, nationwide) and DLI-3 (Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in the 42 SPG woredas) while MoH will be responsible for DLI-2's (Children 0–59 months with diarrhea treated with ORS and zinc in low performing regions) M&E activities. The M&E of the other two DLIs under Result Area-One, DLI 4 (In all SPG pilot Woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year's allocation amount for the subsequent years) will be handled by MOF supported by BOFEDs and SPG woredas. The M&E of DLI 5 (Regional procurement regulatory bodies in 12 Regions and Dire Dawa city administration report procurement performance in their respective Regions nationwide) will be the responsibility of MOF, BOFEDs, and regional Procurement Regulatory Bodies. All consolidated M&E reports

will be sent to MOF/COPCD. The detailed responsibility matrix regarding the M&E activities of the HCO with the corresponding body in charge is presented in Annex 14.

214. The M&E of the three DLIs under Result Area Two (to Improve learning outcomes and address stunting in the 42 SPG woredas) are the responsibilities of MOF, BOFEDs, SPG woreda WOFEDs/WOFs, and woreda sector offices with technical support by their respective Ministries and regional Bureaus. The three SPG woreda DLIs are:

- DLI 6 -Share of new entrants in the first grade of primary school who attended pre-primary education in the selected 42 SPG Woredas.
- DLI 7 - Pregnant women and caregivers of children 0-23 months participating in community conversations sessions in 42 selected SPG Woredas .
- DLI 8 - Quarterly reports of minutes of multisectoral committee meetings in the selected 42 SPG Woredas.

215. Result-based monitoring is a continuous process of collecting and analyzing information to compare the performance against expected HCO targets. For effective interpretation of the progress, appropriate monitoring tools (similar to the ones used under other PforR projects/programs like ESPES, GEQIP-E, and CALM) should be put in place and used accordingly. Some of the monitoring tools used in the HCO are horizontal/vertical communication, meetings, and reports. The utilization of monitoring tools at various levels can be summarized as exhibited in the following table:

Table 16: M&E Tools Practice

No.	Monitoring Tools to be used	HCO implementing agencies	Purpose of using the tools	Frequency
1	Communication (telephone, email, person to person etc.,)	MoF/COPCD/HCO coordinator/, federal ministries, agencies, commissions, BOFED/BoF/BOFRC & respective regional bureaus, zone and WoFED with respective bureaus, etc.,	To get quick information, clarification feedback and enhance engagement & relationship.	Recurrent
2	Meetings	MoF/COPCD/HCO coordinator, federal ministries, agencies, commissions, BOFED/BoF/BOFRC & respective regional bureaus, zone and WoFED/WOF & respective bureaus, etc.,	To share & exchange information, review project progress, stimulate & seek the best solutions regarding project performance on GPG, SPG and CDR woredas.	Inter-sectorial meeting may be arranged whenever the need arise.
		Steering Committee	In addition to the above, the SC will also review the project outcome, intermediate target, output and the PAP progress.	Quarterly
		Federal level Technical Committee	In addition to the above, the TC will review the project output and implementation status of DLI/DLR including monitoring the PAP action to confirm its implementation as scheduled.	Monthly
		Regional & Woreda level Technical Committee	The regional and woreda level TC will also review the implementation status of output and PAP activities in their respective areas as well as the implementation bottlenecks to address it at local level.	Recurrent

No.	Monitoring Tools to be used	HCO implementing agencies	Purpose of using the tools	Frequency
3	Reports	MoF/COPCD/HCO coordinator, federal ministries, agencies, commissions, BoFED & respective regional bureaus, zone and WoFED & respective bureaus, etc.,	To make input recording & provide feedback, update the project status & align project plan and budget, review the project output as well as outcome, and to seek the best solutions regarding project performance. Consolidating & reviewing reports.	Monthly, Quarterly, semi-annual and annual
		Steering Committee	In addition to the above, the SC will thoroughly review the project output and outcome, and further check the completeness of DLI/DLR final target achievement.	Quarterly
		Federal level Technical Committee	To consolidate project progress and update to the SC.	Monthly
		Regional & Woreda level Technical Committee	To supervise, consolidate reports and provide feedback	Recurrent

216. Each implementing agency will be guided by monitoring tools to ensure the progress of HCO implementation. In addition, the PDO-level objectives and indicators will also be monitored through the attached Result Framework Matrix (Annex 15). The result framework (RF) is usually updated whenever it is required to do so; some of the prevailing circumstances to go through the revision process are if the expected results are not achieved within the scheduled time frame, if critical assumptions are no longer valid and if the underlying theory of change has been changed. Henceforth, the MOF will be in charge of carrying out the revision of RF with the close collaboration of HCO sectors, especially the MOH and MOE, which will provide vital inputs and data.

7.2. Review Mechanisms

217. Result-based evaluation is an assessment of a planned, ongoing, or completed intervention to determine its relevance, efficiency, effectiveness, impact, and sustainability. The purpose is to incorporate lessons learned into the decision-making process, whereby the subsequent activities would likely be fixed. The HCO review mechanism generally makes resource decisions, assesses the causes of a problem, identifies issues around an emerging problem, decision-making amongst the best alternatives, supports the HCO sector's service delivery, and helps build the capacity of institutional responsiveness. Then, the HCO implementing agencies will actively engage in the review process from the lower government tier (WoFED/WOF- BOFED/BoF/BOFRC - MoF; other ministries and agencies will also follow this line of authority) up to the top tier. Evaluation has several purposes, including (i) assisting in determining the degree of achievement of the objectives, (ii) determining and identifying the problems associated with program planning and implementation, (iii) generating data that allows for cumulative learning to better-designed programs, improved management, and better assessment, (iv) assist in reformulating objectives, policies, and strategies.

218. To this end, the HCO review mechanism is anchored on the semi-annual Joint Review & Implementation Support /JRIS forum organized by the World Bank's HCO task team in collaboration with COPCD. The JRIS will

be conducted (during November and May of the fiscal year) and powered by a pre-JRIS field mission focused on collecting realistic information and spotting implementation status on the project site from the actual beneficiaries of the project. After that, the field mission teams will consolidate the report and discuss it during the JRIS review meeting, from which directions will be given at the end of the session. DLI verifications usually take place before JRIS missions.

219. A mid-term evaluation and/or process evaluation will also be undertaken at the end of the second year of implementation. The World Bank HCO task team will lead this activity in close collaboration with COPCD. The objective of the mid-term evaluation will be to gauge overall implementation progress and take corrective measures as necessary so that achievements towards the PDO are ensured well in advance of the completion of the project. Moreover, terminal and ex-post evaluation may also be conducted to provide and evaluate whether the PDO level indicators & outcomes are achieved.

220. Since this milestone review mechanism/ JRIS during the implementation progress of the HCO is expected to draw many concerned project stakeholders and academia, it would continue to be an effective mechanism for getting substantial feedback, policy, and strategic inputs for policymakers at large

7.3. M&E Reporting Modalities

221. The M&E reporting modalities relevant to data compilation and production will be generated from SPG woredas using the M&E templates forwarded from MOF, MOH, and MOE and submitted to the next tier before the bi-annual JRIS reviewing session. The verifying agencies, CSS, OFAG, and FPPPA, will conduct their verification according to the agreement made with the World Bank and verification protocols. Thus, those respective varying agencies will present their findings in the JRIS session for discussion and culmination of the bi-annual performance reports and the subsequent disbursement tranches.

222. M&E reporting frequency shall be managed by the COPCD, M&E, MOH M&E, and MOH M&E units in collaboration with other HCO sector ministries. Data collection, analysis, and verification reliability mainly rely on the uniform data collection methods for which the responsible ministries (MOF, MOH & MOE) will develop templates and circulate them to their respective regional, zonal, and woreda level offices. In addition to the survey, the primary data source will usually be administrative data from the woreda level that will make the existing M&E systems dependable. Indeed, these federal institutions will organize a capacity-building program on the basics of data entry, recording, compilation, analysis, and reporting for the regional, zonal, and woreda-level responsible officers.

223. Concerned HCO sector ministries will also provide close technical assistance to ensure quality data flows to the central data entry system and make the statistical analysis robust. This is essential to make the overall data verification process practical and complete. Generally, monthly reports are produced from the Woredas, compiled by the Zones, consolidated by BOFED and respective health and education bureaus, and then submitted quarterly to MOF, MOH & MOE for final M&E consolidated reports. The report will focus on presenting findings, such as achieving outputs and outcomes.

224. As part of the reinforced M&E concert, the Ministry of Finance is required to submit the following different types of reports to the World Bank by the scheduled date.

Table 17: HCO Reports and Reporting Time.

No	Types of Report	Timing of Report
1	Program Reports	Bi-annually
2	Financial Reports	
	2.1. Unaudited IFRs for PforR	90 days after the end of each quarter
	2.2. Unaudited IFRs for IPF	60 days after the end of each quarter
	2.3. Annual Financial Report	Annually (10th of October)
	2.4. External Financial Audit Report (PforR)	End of December in every year
	2.5. External Financial Audit Report (IPF)	Within 6 months of end of the year
	2.6 Continuous Audit Report	90 days after the end of each quarter
3	Program Procurement Audit	Annually
4	Fraud and Corruption Reports	Bi-annually
5	E&S Monitoring and Implementation Reports	Quarterly and Annually
6	Incidents and Accidents Reports	Not later than 48 hours of the incident

7.4. Protocols of DLI & Result Verification

225. The HCO disbursements are linked to the effective implementation of the program, for which funding is granted in tranches on a semiannual basis. Timely submission of financial and technical reports with the attainment of the intermediate target will trigger the transfer of funds to the MOF's account after being reviewed by the World Bank. The attached summary, Annex 16, will help the HCO implementing agencies be vigilant about the agreed target and the associated timeline. Therefore, all concerned implementing agencies need to comprehend the relationship of indicators, achievements of DLRs in the preceding year, the period of fund transfer, and the amount to be disbursed. Whether it will be, proportional or total disbursement depends on the performance against the target set forth for the year under consideration. The result framework matrix primarily comprises the PforR eight DLIs, PDO level result indicators, as well as additional result indicators flexes with the IPF-funded activities on SPG worded as.

ANNEXES

Annex 1: Conditions to Trigger Component Three/ CERC

General Statement: - In order to trigger CERC it is highly suggested to go through the established procedures regarding the emergency response of the GOE. There is a Commission under the Prime Minister's Office called National Disaster Risk Management Commission (NDRMC)⁶. This has significantly strengthened its legal and operational framework for a comprehensive and integrated national Disaster and Risk Management (DRM) system⁷ at national and local levels. As DRM is a multi-sectoral and cross-cutting issue it needs a comprehensive approach that focuses on (i) disaster prevention & mitigation; (ii) disaster preparedness; (iii) disaster response; and (iv) disaster rehabilitation and recovery.

HCO Disaster & Risk Factors: - Woredas are responsible to disclose a firsthand alarming signal as to the disaster and risk factors when it happens in their respective areas. As clearly indicated in the Project Appraisal Document (PAD) the disaster and risk types are already identified to be addressed by CERC. The following table shows the disaster situation with corresponding responsible body.

No.	Types of disaster & risks	Responsibly body at Federal Level
1	Droughts causes food shortage and malnutrition	MOA, MOH & NDRMC
2	New arrival of Somali refugees	RRS & NDRMC
3	Conflict situation in some parts of the country	MOP & NDRMC
4	Natural disaster (including flood disaster, volcanoes, earthquakes and landslides)	MOWE & NDRMC
5	Political, social and economic uncertainties	MOF, MOP, MOPD & NDRMC

These are the leading institutions in disaster and risk management activities related to HCO implementation.

Disaster Classification: - Currently, disaster occurrences are classified into:

1. **Woreda level disaster:** a disaster that affects a single woreda or community within a woreda and it can either alone or with some assistance from others able to deal with it effectively;
2. **Zonal level disaster:** a disaster affects more than one woreda in the same zone, and the concerned zone can deal with it effectively, or if a single woreda in the zone is unable to deal with it effectively using local resources and capacity within its reach, thereby requiring zonal intervention;
3. **Regional level disaster:** a disaster affects more than one zone in the same region and if the region concerned can deal with it effectively, or if a single zone in the region is unable to deal with it effectively using local resources and capacity within its reach, thereby requiring regional intervention; and

⁶ Federal Negarit Gazeta, National Disaster Risk Management Commission Establishment Councils of Ministers Regulation No. 363//2015, page 2

⁷ FDRE, National Policy & Strategy on Disaster Risk Management, July 2013,, Addis Ababa, page 7-16

4. **National-level disaster:** a disaster that affects more than one region or in which a single region cannot effectively manage regional resources and capacities at all levels, thereby requiring federal intervention.

Management of Disaster Mitigation Actions: - Once the disaster and risk situations are signaled at the woreda, zone, and regional level, the respective leading institution will prepare a sector-specific disaster and risk management plan to respond to the disaster and adversity within the available resources. The leading sector and NDRMC will provide technical assistance and expert support to normalize the situation. However, the scale and intensity of the occurring disaster will significantly determine the intervention mechanism, which the Commission's assessment might eventually confirm.

The resources required for implementing a comprehensive disaster risk management system shall be covered mainly through capacity built in the country. Despite all these facts on the ground, if the nature of the disaster is beyond the capacity of the region, as clearly understated in the above paragraph where the disaster is labeled as a 'national level disaster,' the following **conditions or Steps** will be taken cautiously to trigger CERC component:

Critical Steps to Trigger CERC

- a) *Woreda sends its alarming signal using the early warning system;*
- b) *Woreda mobilizes its own resources to contain the disaster;*
- c) *If the disaster is beyond the capacity of the woreda, it will be reported to the next tier, which is the zone administration, through the disaster & risk management (DRM) system;*
- d) *Receiving the report, the Zone administration will take appropriate action by mobilizing its staff and resources to control the disaster;*
- e) *If the disaster is beyond the capacity of the zone, it will be communicated to the regional bureaus through the DRM system;*
- f) *The specific regional bureau will organize a task team drawn from all HCO sector bureaus and launch a resource mobilization campaign to curtail the disaster;*
- g) *If the disaster is exacerbated and covers extensive areas, then federal-level intervention will be urged;*
- h) *The concerned sector will then initiate a discussion with the MOF and NDRMC on the possibilities of triggering the CERC component from the HCO grant;*
- i) *After that, the responsible sector shall prepare a national disaster and risk mitigation support plan with the close assistance of MOF and NDRMC to request the World Bank's intervention;*
- j) *The World Bank will conduct additional discussion and agreement with MOF on the modalities of implementation about the planning, budgeting, and action plan to respond to the emergency case and*
- k) *At last, the World Bank will invoke component three by reallocating the uncommitted balance of*

Annex 2: Program Action Plan

Action Description	Responsibility	Timing	Completion Measurement
Establish a HCO Steering Committee mainly consisting of MOF, World Bank and Federal level implementing entities but open to Regional representation and to contributing DPs, if any.	MOF/EMCP/COPCD	No later than 4 months after effectiveness	MOF submit a memo to the World Bank that the committee has established
Dissemination of the findings of the PBB report at central and subnational levels to generate ownership and implementation of the PBB report's recommendations at federal level	MOF/MOFEMCP/Budget Directorate	After 6 months	Progress report
Pilot PBB in two regions in two HCO sectors (will require to express existing budgets in Human Capital Program structures with corresponding program results)	MOF, Regional and Woreda Finance bureaus	Year 4	Progress report, and structure of chart of account
Nomination of program managers responsible for HCO implementation and budget execution, develop expected annual results.	MOF, Regional and Woreda Finance bureaus	Year 2	Progress report
Recruit/assign internal audit focal persons who will consolidate and follow up the actions taken. Update on the status of audit report findings will be submitted to MOF and BOFED within a regular time of the receiving the audit.	MOF & BOFED/BoF/BOFRC	Year 1&2	Progress report
Complete the assignment of Ethic Officers that has been started through ESPES PforR at all woredas.	WOFED/WOF	Year 1	Progress report by FEACC
Provide training on recording and reporting of complaints related to maladministration, poor service delivery and procurement to the assigned Ethic officers.	FEACC	Year 1 for 42 woreda; Year 4 for others	Progress report
Establish a Technical Committee at federal, Regional and Woreda to ensure effective M&E	MOF/BOFED (BoF/BOFRC)	No later than 4 months after effectiveness	MOF submit a memo to the World Bank that the committee has established
Provide intensive training on budget oversight and Audit follow-up in the first year to the 42 pilot woredas and subsequently a cascaded training to the remaining Woredas.	BOFED/BoF/BOFRC /MOF/EMCP/and Budget Directorate	Year 1 for 42 woredas; Year 4 for others	Progress report

Undertake procurement Audit on participating weredas and provide report with summary of findings and actions to be taken, while maintaining 15% woreda procurement audit coverage in each region	Regional Procurement Regulatory Bodies	Yearly	Progress report including procurement audit reports
Customize, rollout, and implement simplified procurement directives and procedures in weredas	Regional PR, and FPPPA/EMCP and RPPPA	Year 1 and 2	Progress report
Adopt/prepare 'Environment and Social risk management guideline'	MOF in collaboration with EPA	Year 1(six month after effectiveness)	Final Guideline submitted
Strengthen MOF and Sectors staffing capacity for E&S management at national, regional and woreda level.	MOF, with regions and weredas	Starting year one and maintained throughout implementation	Letter of assignment, status report
Organize and conduct training on environment and social management at national, regional and woreda levels based on the program E&S guidelines	MOF/EPA	Annual	Training reports
Prepare and submit annual environmental and social implementation reports	MOF/EPA	Annual	Annual Reports
Conduct environmental and social audit on SPG weredas and submit the report timely	MOF/EPA	Years 3 and 5	E&S Audit reports
SPG Woredas hire a dedicated planning staff to support multisectoral planning, implementing and M&E	MOF	Year 2	Status report and confirmed by MOF
The Ministry of Finance to develop a new/revised staffing strategy in EFY2016 for implementing donor financed programs. The PAP includes a full review of the previous strategy regarding contract staff and developing a new strategy	MOF	Year 1	A staffing strategy/plan endorsed by MOF Management
Development of data collection instrument and collection of data for baseline indicators	Sectors supported by IPF TA	No later than 4 months after effectiveness	Data collection instrument reviewed and endorsed by MOPD
Conduct assessments at federal, regional and woreda level to (i) prioritize and tailor intervention, (ii) review of existing model and identification technologies support under IPF/TA and (iii) identify capacity building checklist at woreda level.	MOF/ BOFED/BoF/BOFRC /WOFED/WOF sector supported by IPF	No later than 4 months after effectiveness	Assessment report completed and reviewed and endorsed by MOPD

Detailed project operations manual to guide the implementation of the operation	MOF	No later than 6 months after effectiveness	POM finalized and reviewed and endorsed by MOF
Adapt gender- sensitive multisector nutrition SBCC plans for the local context in the SPG woredas (based on national 1000+ SBCC strategy)	MOH and other sectors supported by IPFTA	Year 1	SBCC plans with strong gender focus for lowlands and highlands completed
Amend the Audit TOR of ESPES to emphasis audit of payroll at woreda level and also include on sample basis HCO pilot woredas	MOF	Year 2 and 4	Audit report
Post for the public procurement performance information based on the KPI data using agreed standard disclosure format through FTA mechanism	Regional Procurement Regulatory bodies	Annual	Progress report
Conduct PFM woreda benchmarking through the already established benchmarking system and present the results to regional council for implementation.	MOF & BOFED/BoF/BOFRC	31-Dec-24	Final benchmark results presented to BOFED/BoF/BOFRC

Annex 3: HCO the Selected 42 SPG Woredas			
No.	Region	Zone	Woreda
1	Oromia	Bale	Sawena
		Borena	Yabelo
		Guji	Girja
		Jimma	Nono Benja
		W.Harerghe	Daro Labu
		W.Guji	Suro bargudda
		West Arsi	Nansabo
		W.Shewa	Dano
		S.W. Shewa	Bacho
		Borena	Teltale
		Borena	Dillo
2	Amhara	Wag Himra	Sahalaseyemit
		North Gondor	Telemte
		South Gondor	Ebnat
		South Wollo	Tehuledere
		North Wollo	Angot
		North Gonder	Debarq
		Wag Himra	Sekota vicinity
3	Tigray	C.Tigray	Kola Temben
		C. Tigray	Abergele Yechla
4	Somali	Degehabour	Aware
		Shinile/Sitti	Gablalu
		Liben	Deka-Sufi
		Afder	West Emay
		Korahe	Dhoboweyn
5	Afar	Zone 1	Elidar
		Zone 3	Argoba
		Zone 4	Yalo
		Zone 5	Dewe
6	Benishangul Gumuz	Metekel	Mandura
			Bulen
7	Gambella	Zone 2	Gambella woreda
8	Sidama	Sidama	Daela
		Sidama	Melga
9	South Ethiopia	Gamo Gofa	Melo koza
		South Omo	Semen Ari
10	Central Ethiopia	Alaba Special	Wera
		Halaba	Atoti Wulo
11	South West Ethiopia	Dawro	Tocha
		Bench Maji	Surma
12	Harari		Sofi
13	Dire Dawa City		Jeldesa cluster
	Total		42

Annex 4: List of the 23 CDR woredas by category

Region	Name of Drought affected woredas	Name of Conflict affected woredas	Name of Refugee host community woredas	Total No. of Wordas
Afar	1/Dalol	1/Golina	-	2
Amhara	1/ Lasta 2/ Dahna 3/ Janamora	1/Mekidella 2/ Ambasell 3/ Gazo	-	6
Oromia	1/ Elwoye	1/GobuSeyo 2/ BakoTibe	-	3
Somali	1/ Warder 2/ Ayun	-	1/Kebribayah	3
Tigray	1/Abergele Yechila 2/Samre 3/Raya Chercher	1/Tahitay adiyabo 2/Erob	-	5
Benshangul Gumuz	-	1/ Guba	1/Homosha	2
Gambella	-	-	1/ Itang Special W.(Ngwenygnel R. Camp)	1
South Ethiopia	-	1/ Segen	-	1
Total	10	10	3	23

Annex 5: Terms of Reference Steering Committee

1. Background

The Government of Ethiopia and the World Bank came into agreement to design a program that builds upon the previous successful programs with the new brand of 'Human Capital Operation (HCO)' which is intended to be a response to address the impact of multiple shocks on human development by envisioning improvement of nutrition and learning outcomes for children, while building social cohesion of refugees with host communities.

The HCO program is designed as a hybrid PforR and investment project financing (IPF) operation and this choice of a hybrid instrument is based on the demonstrated positive outcomes of the government program. The use of a PforR instrument is informed by the successful implementation of the ESPES operation. The IPF component is being used to allow more direct investment in areas affected by conflict, droughts, and high inflow of refugees and capacity building across the country.

The program's governance and coordination structures include a Steering Committee and a Technical Committee. The multi-stakeholder Steering Committee is set up to govern and provide strategic direction to the program. This ToR outlines the purpose, role, structure and working procedures of the HCO Steering Committee.

2. Purpose of the HCO Steering Committee

The main purpose of the Steering Committee is to ensure that HCO is designed, prepared and implemented in a way that can help it achieve the PDO level objectives and ultimately contribute to improved quality basic services delivery, learning outcomes & nutrition level including conflict, drought & high level of refugees in projected woredas. The Steering Committee shall provide guidance and contribute to the development of a long-term strategy for Human Capital Development in the areas of HCO Sectors (Education, Health, Agriculture and Water & Sanitation) in Ethiopia.

3. Role of the HCO Steering Committee

- i. Approve the overall HCO plans and specifically the annual program plans, procurement plans, M&E plans and staffing plans to promote the implementation;
- ii. Approve proposal on IPF priority setting, identifying intervention areas, detailed woreda budgeting by sub-components;
- iii. Ensure that the HCO plans, budgets and make strategic decisions are contributing to the program development objectives;
- iv. Ensure proper coordination on planning, allocations, flow of funds, compilation of data, and endorsement of the results of the Annual Performance Assessment and final yearly allocations;
- v. Guide and supervise HCO implementation, including by reviewing and endorsing overall and budgets as well as program reports, operation manuals, and terms and conditions of planned activities;
- vi. Give overall guidance, operational oversight, track performance, and strengthen inter-ministerial coordination;
- vii. Monitor the program development objectives are effectively realized and associated disbursement result indicators (DRI's) and disbursement linked indicators (DLI's) are properly tracked and verified timely for scheduled fund transfer;

- viii. Monitor and facilitate implementation in refugee-hosting areas and to coordinate inclusion of refugees in national systems;
- ix. Support the creation of medium to long-term development opportunities for both refugees and their host communities.
- x. Promote the HCO is supported by Ethiopian Government, sector ministries, agencies, commissions and development partners at all levels;
- xi. Oversee regular communication with the regions generally and BOFEDs/BoFs/BOFRCs specifically, on plans, decisions and any other issues regarding Human Capital Operation following the Steering Committee meetings or as may be otherwise required;
- xii. Ensure that HCO is effectively managed and adequately resourced;
- xiii. Receive updates from the World Bank on the management and execution of earmarked fund;
- xiv. Ensure involvement and engagement with relevant stakeholders to exchange information and ensure coordination with other complementary initiatives;
- xv. Assess program progress, review and approve annual work plan and budget (AWPB) and final program deliverables;
- xvi. Ensure that members keep their constituent groups informed about the HCO implementation and progress, solicit their views and inputs on the development of HCO, and share their views and inputs with the SC for considerations in the development of HCO strategies;
- xvii. Receive updates from the World Bank on the management and execution of earmarked fund;
- xviii. Review and assess lessons learned, including from project reviews and evaluations, and determine how the lessons can contribute to more effective human capital operational activities going forward;
- xix. Establish other ad-hoc committees as necessary and outline roles and deliverables; and

4. Membership

The HCO Steering Committee shall be composed of the following constituent groups and number of representatives who shall be considered as *full Steering Committee members*:

- Ministry of Finance/ MOF - State Minister (Chair)
- World Bank (Secretary),
- Ministry of Education,
- Ministry of Health,
- Ministry of Water & Energy,
- Ministry of Agriculture,
- Ministry of Women & Social Affairs,
- Ministry of Planning & Development,
- Refugee and Returnee Services,

5. Roles and Responsibilities of the Steering Committee Chair, Co-chair and Secretary

- i. The Steering Committee shall have a Chair, a Co-Chair and Secretary.
- ii. The State Minister of MOF shall be the Chair of the Steering Committee. The Co-chair might be nominated if required. The Secretary will be assigned from the World Bank HCO task team.
- iii. The duration of service in any of these functions shall be decided by the respective institutions.

The Chair shall:

- i. Determine the agenda for Steering Committee meetings, in consultation with the co-chairs the SC secretary and Technical Committee chair;
- ii. Makes the purpose of each meeting clear to members and explains the agenda at the beginning of each meeting;
- iii. Encourage broad participation from members in discussion and ensure that all members' views are taken into consideration;
- iv. Articulate the decisions and actions agreed at Steering Committee meetings and ensure that these are clearly represented in the minutes;
- v. Follow up with consistently absent members and find replacements for members who discontinue participation; and
- vi. Act as HCO main spokesperson.

The Co-chair shall (if assigned):

- i. Assume the duties of the Chair when the Chair is unavailable;
- ii. Filter issues coming out of the HCO Technical Committee and other ad-hoc committees in order to inform the agenda;
- iii. Based on the agenda, determine scope of discussion in consultation with the Chair and relevant members in the committee; and
- iv. Follow up and report on agreed decisions and actions.

The Secretary shall:

- i. Assist the Chair in setting the agenda and convene the SC meetings;
- ii. Ensure that agendas and supporting materials are delivered to members in advance of meetings; and
- iii. Ensure that minutes of the Steering Committee meetings are taken and that they record the main points of the discussion, decisions and actions.

1. Decision making

Decisions at the Steering Committee shall whenever possible be based on consensus among the full members. If it is not possible to achieve consensus on a proposed decision, it can be brought up for a vote. Each member has one vote. A vote will be made by show of hands. A decision is made by simple majority of the members present at the meeting.

2. Frequency of HCO Steering Committee meetings

The Steering Committee shall convene on quarterly basis or as the Chair (or Co-Chair) shall otherwise determine.

8. Agenda, Minute, Decision Papers

The scope of the discussion may include:

- i. Initiatives, policies and issues that are relevant for the program and a wider human capital development agenda with the objective of ensuring coordination, maximum impact and responsiveness to arising needs and changing context;
- ii. Issues relevant to the implementation of HCO activities;
- iii. Mutual accountability in the implementation mechanism (monitor cost effectiveness and efficiency of the funding mechanisms, DPs and GoE commitments and timeframes for smooth operation); and
- iv. Assess the state of play, internal and external risk and opportunities, understand challenges and adopt remedial actions for smooth operation and maximum impact.

A package will be sent to members through e-mail, three to five /3-5/ business days in advance of a Steering Committee meeting. This package will include the following:

- i. Agenda for upcoming meeting
- ii. Minutes of previous meeting
- iii. A progress report /both fiscal and financial/ for the program
- iv. Decision papers
- v. Any other documents/information to be considered at the meeting

Annex 6: Terms of Reference Federal Technical Committee

1. Background

The Government of Ethiopia and the World Bank came into agreement to design a program that builds upon the previous successful programs with the new brand of 'Human Capital Operation (HCO)' which is intended to be a response to address the impact of multiple shocks on human development by envisioning improvement of nutrition and learning outcomes for children, while building social cohesion of refugees with host communities.

The HCO program is designed as a hybrid PforR and investment project financing (IPF) operation and this choice of a hybrid instrument is based on the demonstrated positive outcomes of the government program. The use of a PforR instrument is informed by the successful implementation of the ESPES operation. The IPF component is being used to allow more direct investment in areas affected by conflict, droughts, and high inflow of refugees and capacity building across the country.

The program's governance and coordination structures include a Steering Committee and a Technical Committee. The multi-stakeholder Technical Committee (hereafter HCO Technical Committee) is set up to govern and provide operational direction to the program. This TOR outlines the purpose, objective and role, of the HCO Technical Committee.

2. Purpose of the Technical Committee

The role of the Technical Committee is to create space for more technical level discussion on HCO between all implementing agencies, the Technical Committee should be formalized and begin meeting regularly and feed into the Steering Committee. The main purpose is to provide a forum for in-depth technical and policy related discussions among all institutions. The overall objective of the Technical Committee is to guide and monitor the progress towards the delivery of the PDO level objectives and DLI's/DLR's are progressed well.

3. Role of the HCO Technical Committee

- I. Review and sign off Annual Plans and Budgets (AWPB) and provide recommendations to the Steering Committee;
- II. Advise the HCO Steering Committee on (a) technical matters facing HCO implementation by collecting evidence and overseeing studies, as necessary; (b) strategic goals and objectives; and (c) quality and direction of the program;
- III. Make decisions on strategic issues affecting HCO that do not need to go to the Steering Committee;
- IV. Enhance Accountability, Fiduciary and Environmental, and Social (E&S) management at subnational levels to improve service delivery;
- V. Advice to strengthen system capacity, including refugee integration and protection through technical assistance;
- VI. Provide operational oversight, track performance, and strengthen inter-ministerial /bureau/office coordination;
- VII. Bring issues beyond its mandate to the attention of the SC with relevant recommendations and get them resolved;
- VIII. Review quarterly, annual, and periodic progress reports and identify issues along with corrective actions that could be addressed by the Steering Committee;
- IX. Overall supervision of project implementation including periodic field visits to assess progress towards meeting PDO objectives and take stock of challenges and lessons that might help to make informed decisions;
- X. Listen to and provide effective & timely feed-back to project technical committees at regional and woreda levels;

- XI. Monitor progress of HCO implementation, including PAP implementation progress, review of quarterly technical and financial reports from sector ministries and regional offices;
- XII. Review ToRs and steer research and technical assistance, as necessary, for the improvement and measurement of HCO;
- XIII. Meet monthly to ensure proper implementation of the program; and
- XIV. Perform any other project related activities brought to the Committee by any of its members requiring its attention.

4. Membership

The Technical Committee members shall be composed of representatives from the respective ministries, agencies, commissions and the World Bank (MOF, MoE, MoH, MoA, MoWE, MoWSA, MoPD, RRS, and WB). It will be hosted and chaired by the (Department Head of) of COPCD /MOF.

Whenever the need arise the Technical Committee may invite other expertise (such as Sectors, representatives of other similar programs or consultants, etc.) to its meetings. The HCO coordinator at COPCD will serve as the Secretary for the Technical Committee.

5. Reporting: Technical Committee Chairs will report directly to the State Minister of MOF.

6. Frequency of Meeting: The Technical Committee shall meet at least once in a month. Other meetings can be proposed by members and called by Chair, as required.

Annex 7: Terms of Reference Regional Technical Committee

1. Background

The Government of Ethiopia and the World Bank came into agreement to design a program that builds upon the previous successful programs with the new brand of 'Human Capital Operation (HCO)' which is intended to be a response to address the impact of multiple shocks on human development by envisioning improvement of nutrition and learning outcomes for children, while building social cohesion of refugees with host communities.

The HCO program is designed as a hybrid PforR and investment project financing (IPF) operation and this choice of a hybrid instrument is based on the demonstrated positive outcomes of the government program. The use of a PforR instrument is informed by the successful implementation of the ESPES operation. The IPF component is being used to allow more direct investment in areas affected by conflict, droughts, and high inflow of refugees and capacity building across the country.

The program's governance and coordination structures include a Technical Committee from both regional and woreda level. The Technical Committee is set up to govern and provide the regional HCO operational direction to the program.

2. Objectives

This term of reference aim at outlining the roles and responsibilities assigned to a Regional-Human Capital Operation Technical Committee to be established to overseeing the joint implementation of the HCO program in the region.

3. Membership

The Regional HCO Technical shall be composed of the following members:

- Deputy Head of Finance and Economic Development / BOFED/BoF/BOFRC (Chair)
- Regional HCO focal person (Secretary)
- Representative from bureau of Health (member)
- Representative from bureau of Education (member)
- Representative from bureau of Agriculture (member)
- Representative from bureau of Water & Sanitation (member)
- Additional members can also be appointed if deemed necessary.

4. Roles and responsibilities

The Regional HCO Technical Committee under the general guidance by and accountability to BoFED. The Technical Committee will mainly adopt the responsibilities of the federal technical committee and responsible for:

- I. Supervise the operational guidance and appropriate HCO manuals are referred during the implementation of the project;
- II. Coordinate with HCO sector bureaus to monitor track performance and rectify implementation delay if any;
- III. Discuss and propose their views on the IPF funded SPG planning and budgeting, selection of priority and intervention areas submitted by woredas;

- IV. Provide expertise assistance to their respective bureaus and ensure there is smooth communication with MOF/COPCD;
- V. Oversight and overall support, supervision and guidance to the Woredas in their effort to execute all of the responsibilities assigned to them;
- VI. Provide suggestions and recommendations to BOFED/BoF/BOFRC on operational implementation issues;
- VII. Closely follow-up and monitor the project implementation process and review the region's Annual Work Plan and Budget (AWPB);
- VIII. Participate in quarterly, annual, and periodic progress reports and identify issues along with corrective actions and report to COPCD;
- IX. Discuss thoroughly the financial, technical and M&E reports and evaluate project progress with respective sector bureaus;
- X. Improve data quality verification (e.g data recording, cleaning, data reconciling etc.);
- XI. Conduct frequent field level monitoring and supervision visits to ensure smooth implementation of project activities at woreda levels; and
- XII. Perform any other project related to the HCO activities brought to the Committee by any of its members requiring its attention;

5. Modalities of work

The Regional Technical Committee will apply the following working modalities in the process of discharging its responsibilities.

- The BOFED/BoF/BOFRC Deputy Head will be chairing the committee while the committee will be composed of members listed above.
- In carrying out the roles and responsibilities outlined above, the committee shall have regular bi-weekly meetings to review and appraise projects activities, provide solutions for issues raised and highlight issues that need to be escalated to MOF/COPCD.

ANNEX 8: Terms of Reference Woreda Technical Committee

2. Background

The Government of Ethiopia and the World Bank came into agreement to design a program that builds upon the previous successful programs with the new brand of 'Human Capital Operation (HCO)' which is intended to be a response to address the impact of multiple shocks on human development by envisioning improvement of nutrition and learning outcomes for children, while building social cohesion of refugees with host communities.

The HCO program is designed as a hybrid PforR and investment project financing (IPF) operation and this choice of a hybrid instrument is based on the demonstrated positive outcomes of the government program. The use of a PforR instrument is informed by the successful implementation of the ESPES operation. The IPF component is being used to allow more direct investment in areas affected by conflict, droughts, and high inflow of refugees and capacity building across the country.

The program's governance and coordination structures include a Technical Committee from both regional and woreda level. The Technical Committee is set up to govern and provide the regional HCO operational direction to the program.

2. Objectives

This term of reference aim at outlining the roles and responsibilities assigned to a Woreda Human Capital Operation Technical Committee to be established to overseeing the joint implementation of the HCO in the woreda.

3. Membership

The Woreda HCO Technical shall be composed of the following members:

- Head, Woreda Finance and Economic Development /WoFED/WOF (Chair)
- Woreda Office expert (Secretary)
- Representative from bureau of Health (member)
- Representative from bureau of Education (member)
- Representative from bureau of Agriculture (member)
- Representative from bureau of Water & Sanitation (member)
- Additional members can also be appointed if deemed necessary.

4. Roles and responsibilities

The Woreda HCO Technical Committee under the general guidance by and accountability to WoFED/WOF. The Technical Committee will mainly adopt the responsibilities of the regional technical committee and responsible for:

- i) Review the woreda Annual Work Plan and Budget (AWPB) prepared by WoFED/WOF;
- ii) Supervise the operational guidance and appropriate HCO manuals are referred during the implementation of the project;
- iii) Coordinate with HCO sector offices to monitor track performance and rectify implementation delay if any;
- iv) Provide Operational guidance and technical support on continuous basis based on project report;
- v) Discuss thoroughly the IPF funded SPG woreda's and non-SPG priority and intervention areas, planning & budgeting and submit their recommendations to the responsible sector's as well as to WOFED/WOF;
- vi) Provide expertise assistance to their respective offices and ensure there is smooth communication with BOFED/BoF/BOFRC ;
- vii) Review the M&E reports developed by the respective offices and submit proposal;
- viii) Identify issues and propose appropriate corrective measures to be taken, in case of challenges that might affect the smooth implementation of project activities.
- ix) Improve data quality verification (e.g. data recording, cleaning, data reconciling etc.);
- x) Closely follow-up and monitor the project implementation process;
- xi) Arrange a periodic meeting to ensure proper implementation of the program; and
- xii) Perform any other project related to the HCO activities brought to the Committee by any of its members requiring its attention;

Annex 9: HCO Component 2: Investment Project Financing (IPF) AWPB Template (EFY 2017)

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA



MINISTRY OF FINANCE (MOF)



Human Capital Operations Project (P172284)

2017 EFY (2024/25) Annual Work Plan and Budget (AWPB)

January, 2024

ABBREVIATIONS AND ACRONYMS

ACG	Anti-Corruption Guidelines
AWPB	Annual Work Plan and Budget
BOA	Bureau of Agriculture
BOE	Bureau of Education
BOF	Bureau of Finance
BOFED	Bureau of Finance and Economic Development
BOFRC	Bureau of Finance and Resource Coordination
BOH	Bureau of Health
CERC	Contingent Emergency Response Component
CoC	Code of Conduct
COPCD	Channel One Programs Coordinating Department
DLI	Disbursement-Linked Indicators
DLR	Disbursement-Linked Results
E&S	Environment and Social
EAC	Ethics and Anti-Corruption
ECE	Early Childhood Education
EFY	Ethiopia Fiscal Year
EMCP	Expenditure Management and Control Program
EOI	Expression of Interest
ESDP	Education Sector Development Plan
ESPES	Enhancing Shared Prosperity through Equitable Services Program
ESS	Ethiopia Statistics Service
FEACC	Federal Ethics and Anti-Corruption Commission
F&C	Fraud and Corruption
FM	Financial Management
FY	Fiscal Year
QCBS	Quality and Cost Based Selection
GER	Gross Enrollment Ratio
GOE	Government of Ethiopia
GPG	General Purpose Grant
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HCO	Human Capital Operation
IGFT	Intergovernmental Fiscal Transfer
IPF	Investment Project Financing
KPIs	Key Performance Indicators
LIG	Local Investment Grant
M&E	Monitoring and Evaluation

MOA	Ministry of Agriculture
MOE	Ministry of Education
MOF	Ministry of Finance
MOH	Ministry of Health
MOPD	Ministry of Planning and Development
MOWE	Ministry of Water and Energy
MOWSA	Ministry of Women and Social Affairs
NNP	National Nutrition Program
OFAG	Office of the Federal Auditor General
ORS	Oral Rehydration Salts
PAD	Program Appraisal Document
PAP	Program Action Plan
PBA	Performance-Based Allocation
PBB	Program-Based Budgeting
PBS	Promoting Basic Services
PDO	Program Development Objective
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PforR	Program-for-Results
PHC	Primary Health Care
POM	Project Operations Manual
PPA	Public Procurement & Property Authority
PPE	Personnel Protective Equipment
PPSD	Project Procurement Strategy for Development
QCBS	Quality & Cost Based Selection
REACC	Regional Ethics and Anti-Corruption Commission
REOI	Request of Expression of Interest
RF	Result Framework
RFB	Request for Bids
RFQ	Request for Quotation
RFP	Request for Proposal
RRS	Refugee and Returnee Services
SBD	Standard Bidding Document
SC	Steering Committee
SPG	Specific Purpose Grant
SPN	Specific Procurement Notice
STEP	Systematic Tracking of Exchange in Procurement
TA	Technical Assistance
TOR	Terms of Reference
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
WASH	Water, Sanitation, and Hygiene
WB	World Bank
WOF	Woreda Finance Bureau
WOFED	Woreda Office of Finance and Economic Development
USD	United States Dollar

1. Background

The Government of Ethiopia (GOE) has been working to improve citizens' lives through basic public services, despite technical and financial limitations. Development partners have been crucial in enhancing service delivery. Programs like PBS, GEQIP, ESDP, NNP, and ESPES have significantly improved accessibility and service standards. However, challenges remain due to the pandemic, drought, domestic conflict, food insecurity, high food inflation, global crises, and refugee influxes, leading to undernourishment, child stunting, and limited access to quality education.

The GOE's ten-year Perspective Development Plan (2021–2030) focuses on building human capital through equitable and quality services. In collaboration with the World Bank, the GOE designed the Human Capital Operation (HCO) program, building on previous successful programs. The HCO aims to support national issues through investments in GPG, targeting frontline service providers, strengthening accountability, and capacity building at the woreda level. The program focuses on effective and efficient basic service delivery, especially in areas affected by conflict, drought, and high levels of refugees. It targets low-performing areas, with additional support for children through coordinated interventions in water, nutrition, health, and education. The IPF component provides resources and technical assistance for areas facing specific challenges and prepares for future shocks and refugee protection. The program aims to improve learning outcomes and nutritional services for girls and boys and strengthen service delivery and accountability in all regions affected by conflict, droughts, and high-risk levels of refugees.

2. Project Development Objectives

The objective of the operation (PDO) is to improve learning outcomes and nutrition services for girls and boys, and to strengthen service delivery and accountability, in all regions including areas affected by conflict, droughts and high levels of refugees.

3. PDO Level Result Indicators

The PDO will be measured through the following PDO-level results indicators:

- Children who are able to read and understand a simple text by age 10 in 42 selected SPG woredas including woredas affected by droughts and high levels of refugees
- Girls' survival rate in secondary school in all regions including areas affected by conflict, droughts and high levels of refugees
- Children 0–59 months with diarrhea receiving treatment with Oral Rehydration Salts (ORS) and zinc in low performing regions including in areas affected by conflict, droughts and high levels of refugees
- Children 6–23 months fed a minimum acceptable diet in 42 selected SPG woredas including woredas affected by droughts and high levels of refugees
- Woredas that engage citizens in planning and budgeting including in areas affected by conflict, droughts and high levels of refugees in conflict affected areas

4. Project Components & cost

The total cost of the project for the five-year period is US\$ 400.5 million, Of this, US\$ 279.63 million (69.82%) is allocated to component 1 (P for R), and US\$ 120.89million (30.18%) is allocated to component 2 (IPF). The details are shown in Table 1.

TABLE 1: TOTAL BUDGET OF HCO PROJECT PER COMPONENTS/RESULT AREAS/DLIs AND SUBCOMPONENTS

Components and sub-components/ Result Areas		Total Project cost (US\$)	% share
Component 1		211,200,000	61.0%
Result Area 1 (GPG)		148,600,000	70.4%
	DLI 1	35,000,000	23.6%
	DLI 2	58,300,000	39.2%
	DLI 3	7,400,000	5.0%
	DLI 4	33,000,000	22.2%
	DLI 5	14,900,000	10.0%
Result Area 2 (SPG)		84,000,000	83.1%
	DLI 6	33,100,000	39.9%
	DLI 7	25,000,000	30.0%
	DLI 8	25,000,000	30.0%
Component 2:		135,000,000	39.0%
Subcomponent 2.1:		34,000,000	35.6%
	2.1.1	26,000,000	83.3%
	2.1.2	4,000,000	8.3%
	2.1.3	4,000,000	8.3%
Subcomponent 2.2:		20,000,000	14.8%
	2.2.1	10,000,000	50.0%
	2.2.3	10,000,000	50.0%
Subcomponent 2.3:		67,000,000	49.6%
	2.3.1	14,000,000	20.9%
	2.3.2	22,000,000	32.8%
	2.3.3	2,000,000	3.0%
	2.3.4	2,000,000	3.0%
	2.3.5	27,000,000	40.3%
Component 3:		0	0.0%
Grand Total		346,200,000	

5. Project implementation progress and disbursements to date

6. 2017 EFY (2024/25) Annual Work Plan (Descriptive)

Expected Outcomes of the Planned Implementation Activities (summary)

6.1 Major Activities Planned under the IPF Component 2: improve human capital outcomes in areas affected by conflict, droughts, and high levels of refugees and will provide TA and capacity building support for national system strengthening and quality service delivery.

The following section provides a component-by-component list of the project's main activities scheduled for 2017 EFY (2024–25) under the IPF. Detailed scheduling of these major activities is illustrated in the Gantt chart in Table 2. A tabular summary of the major activities, expected results, and corresponding quarterly physical and financial distribution is presented in Annex 2.

Major Activities Planned under Sub-Component 2.1: Design and implementation of multisector interventions in areas affected by conflicts, drought and high levels of refugees.

- Description of planned activities under 2.1.1: *Support resilience and rebuilding of service delivery systems in areas affected by conflicts, drought, and high levels of refugees.*

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----
- Expected results (outcomes) -----
- Linked indicators -----
- Implementation status -----
- Proposed Budget Estimate -----

- Description of activities under sub-sub component 2.1.2: *Support the education system in high-risk woredas affected the most by the conflict, droughts, and high levels of refugees to recover learning losses.*

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----

- Expected results (outcomes)-----
- Linked indicators -----
- Implementation status -----
- Proposed Budget Estimate -----

- Description of activities under sub-sub component 2.1.3: *Support nutrition interventions in high-risk woredas affected the most by the conflict, droughts, and high levels of refugees.*

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----
- Expected results (outcomes) -----
- Linked indicators -----
- Implementation status -----
- Proposed Budget Estimate -----

Major Activities Planned under Sub-Component 2.2: Developing models for innovation designed to address learning poverty and reduce stunting in selected SPG woredas

- Description of activities under sub-sub component 2.2.1: *Improve learning outcomes*
(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- how these initiatives aim to overcome critical bottlenecks -----
- Expected results (outcomes) -----
- Implementation status -----
- Proposed Budget Estimate -----

- Description of activities under sub-sub component 2.2.2: *address stunting*
(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----
- -----
- Expected results (outcomes) -----
- Implementation status -----
- Proposed Budget Estimate -----

Major Activities Planned under Sub-Component 2.3: Strengthening systems and accountability for improved service delivery at various levels

- Description of activities under sub-sub component 2.3.1: *Strengthening capacity in multisectoral coordination and data measurement for improved service delivery*
(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----

- how these initiatives aim to overcome critical bottlenecks -----
- Expected results(outcomes) -----
- Linked indicators -----
- Implementation status -----
- Proposed Budget Estimate -----

➤ **Description of activities under sub-sub 2.3.2: *Strengthening accountability, fiduciary and E&S management at sub-national levels to improve service delivery.***

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----
- Expected results (outcomes) -----
- Linked indicators -----
- Implementation status -----
- Proposed Budget Estimate -----

➤ **Description of activities under sub-sub component 2.3.3: *Support creation of medium- to long-term development opportunities for both refugees and their host communities.***

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----
- -----
- Expected results (outcomes) -----
- Implementation status -----
- Proposed Budget Estimate -----

➤ **Description of activities under sub-sub component 2.3.4: *Support drought-affected areas for better preparedness for mitigation and adaptation of climate-related shocks***

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- Output -----
- how these initiatives aim to overcome critical bottlenecks -----
- Expected results (outcomes) -----
- Linked indicators -----
- Implementation status -----
- Proposed Budget Estimate -----

➤ **Description of activities under sub-sub component 2.3.5: *Project implementation, coordination, and management***

(List the major planned activities and describe how these initiatives are expected to address key bottlenecks and what they aim to achieve.)

- Major planned activities for 2024/25 -----
- output -----
- how these initiatives aim to overcome critical bottlenecks -----
- Expected results(outcomes) -----
- Linked indicators -----
- Implementation status -----

○ Proposed Budget Estimate -----

TABLE 2: 2017 EFY (2024/25) ANNUAL WORK PLAN SCHEDULE

S/ N	IPF Components/Sub- Components/Sub- Components/Activit ies	Outp ut	Implementi ng Agency	Expenditu re Category (Goods, consulting services, non- consulting services, training &workshop, operating cost)	Total Allocate d Budget in USD & ETB	Procureme nt Methods	Implementation Time Line for 2017 EFY												
							July 08, 2024 - July 07, 2025												
							Ju l	Au g	Se p	Oc t	No v	De c	Ja n	Fe b	Ma r	Ap r	Ma y	Ju n	Linked Indicato rs
							1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			
	Component 2:				ETB														
					USD														
	Subcomponent 2.1				ETB														
					USD														
	Sub-sub component 2.1.1.				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Sub-sub component 2.1.2				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Sub-sub component 2.1.3.				ETB														
					USD														
	Activity 1				ETB														
					USD														

S/ N	IPF Components/Sub- Components/Sub- Components/Activit ies	Outp ut	Implementi ng Agency	Expenditu re Category (Goods, consulting services, non- consulting services, training &workshop, operating cost)	Total Allocat ed Budget in USD & ETB	Procureme nt Methods	Implementation Time Line for 2017 EFY												
							July 08, 2024 - July 07, 2025												
							Ju l	Au g	Se p	Oc t	No v	De c	Ja n	Fe b	Ma r	Ap r	Ma y	Ju n	Linked Indicato rs
							1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			
	Activity 2				ETB														
					USD														
	S0ubcomponent 2.2				ETB														
					USD														
	Sub-sub component 2.2.1.				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Sub-sub component 2.2.2				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Subcomponent 2.3				ETB														
					USD														
	Sub-sub component 2.3.1.				ETB														
					USD														
	Activity 1				ETB														
					USD														

S/ N	IPF Components/Sub- Components/Sub- Components/Activit ies	Outp ut	Implementi ng Agency	Expenditu re Category (Goods, consulting services, non- consulting services, training &workshop, operating cost)	Total Allocat ed Budget in USD & ETB	Procureme nt Methods	Implementation Time Line for 2017 EFY												
							July 08, 2024 - July 07, 2025												
							Ju l	Au g	Se p	Oc t	No v	De c	Ja n	Fe b	Ma r	Ap r	Ma y	Ju n	Linked Indicato rs
1st Quarter			2nd Quarter			3rd Quarter			4th Quarter										
	Activity 2				ETB														
					USD														
	Sub-sub component 2.3.2				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Sub-sub component 2.3.3.				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Sub-sub component 2.3.4				ETB														
					USD														
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Sub-sub component 2.3.5				ETB														
					USD														

S/ N	IPF Components/Sub- Components/Sub- Components/Activit ies	Outp ut	Implementi ng Agency	Expenditu re Category (Goods, consulting services, non- consulting services, training &workshop, operating cost)	Total Allocate d Budget in USD & ETB	Procureme nt Methods	Implementation Time Line for 2017 EFY												
							July 08, 2024 - July 07, 2025												
							Ju l	Au g	Se p	Oc t	No v	De c	Ja n	Fe b	Ma r	Ap r	Ma y	Ju n	Linked Indicato rs
							1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			
	Activity 1				ETB														
					USD														
	Activity 2				ETB														
					USD														
	Total				ETB														
					USD														

6.2017 EFY (2024/25) Annual & Quarterly Financial Plan

For the 2017 EFY (2024/25), a total amount of [total amount] is planned for disbursement. From this sum, US\$ [----- amount] is allocated for the first quarter, [---amount] for the second quarter, [-----amount] for the third quarter, and [-----amount] for the fourth quarter within this fiscal year. Table 3 provides a comprehensive financial plan, including budget distributions in both US\$ and ETB, segmented by component, subcomponent, and activity across the four quarters.

TABLE 3 2017 EFY (2024/25) ANNUAL FINANCIAL PLAN BY-COMPONENT/SUB-COMPONENT/SUB-SUB-COMPONENT/ACTIVITIES. (THE EXCHANGE RATE USED IS ---- ETB FOR ONE US\$).

S. N	IPF Components/Sub-Components/Sub-Sub-Components/Activities	Expenditure Category (Goods, consulting services, non-consulting services, training & workshop, operating cost)	Implementing Agency	Unit	Total Allocated Budget	2017 EFY (2024/25) Annual Plan	Quarter Distribution			
							I	II	III	IV
	Component 2:			ETB						
				USD						
	Subcomponent 2.1			ETB						
				USD						
	Sub-sub component 2.1.1.			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.1.2			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.1.3.									
				ETB						
	Activity 1			ETB						

S. N	IPF Components/Sub-Components/Sub-Sub-Components/Activities	Expenditure Category ((Goods, consulting services, non-consulting services, training &workshop, operating cost)	Implementing Agency	Unit	Total Allocated Budget	2017 EFY (2024/25) Annual Plan	Quarter Distribution			
							I	II	III	IV
				USD						
	Activity 2			ETB						
				USD						
	Subcomponent 2.2			ETB						
				USD						
	Sub-sub component 2.2.1.			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.2.2			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Subcomponent 2.3			ETB						
				USD						
	Sub-sub component 2.3.1.			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.3.2			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.3.3.			ETB						

S. N	IPF Components/Sub-Components/Sub-Sub-Components/Activities	Expenditure Category ((Goods, consulting services, non-consulting services, training &workshop, operating cost)	Implementing Agency	Unit	Total Allocated Budget	2017 EFY (2024/25) Annual Plan	Quarter Distribution			
							I	II	III	IV
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.3.4			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Sub-sub component 2.3.5			ETB						
				USD						
	Activity 1			ETB						
				USD						
	Activity 2			ETB						
				USD						
	Total			ETB						
				USD						

7.AWPB for 2017 EFY (2024/25) by Procurement Category

For the 2017 EFY (2024/25), a total of [----number] procurement activities are scheduled, with an allocated total budget amount of US\$ [----- amount]. The quarterly plan for the procurement activities, categorized by procurement type—goods, consultancy, non-consultancy, training & workshop, and operating costs—is displayed in Table 4 below.

The allocations are as follows: [a total of – number with an amount of -----, (---%)] for goods, [a total of – number with an amount of -----, (---%)] for consultancy services, [a total of – number with an amount of -----, (---%)] for non-consultancy services, [a total of – number with an amount of -----, (---%)] for training and workshops, and [a total of – number with an amount of -----, (---%)] for operating costs.

Note: Project activities that can be undertaken by the institution's internal human resources, along with their associated project fund costs, should be categorized under operating costs

TABLE 4: AWPB FOR 2017 EFY (2024/25) BY PROCUREMENT CATEGORY

Expenditure Category	Number of Procurement Activities		2017 (2024/25) Budget by Quarter in US\$				
	Number	%	QI	QII	QIII	QIV	Total
Goods							
Consulting							
Non-Consulting							
Training and Workshop							
Operating Cost							
Total							

TABLE 5: OFFICE & IT EQUIPMENT, AND FURNITURE

(Besides the details listed in the table below, describe the major office and IT equipment and furniture to be procured. Explain their purpose and the procurement approach.)

SN	Description of Office, IT Equipment, and Furniture by Component	Category	Unit	2024/2025 Annual Plan	Quarterly Distribution (USD)			
					I	II	III	IV
Component 2-								
Sub -Component 2.1								
	Type of equipment/ furniture		Number					
			Birr					
			USD					
Sub-component 2.2								
	Type of equipment/ furniture		Number					
			Birr					

SN	Description of Office, IT Equipment, and Furniture by Component	Category	Unit	2024/2025 Annual Plan	Quarterly Distribution (USD)			
					I	II	III	IV
			USD					
	Type of equipment/ furniture		Number					
			Birr					
			USD					
Sub-Component 2.3								
	Type of equipment/ furniture		Number					
			Birr					
			USD					
	Type of equipment/ furniture		Number					
			Birr					
			USD					
Total			Birr					
			USD					

TABLE 6: RECRUITMENT OF INDIVIDUAL CONSULTANTS AND EXPERTISE

The list and purposes of individual consultants required for the year 2017 (2024-25) and the procurement approach to be followed will be discussed here-----

SN	List and Title of Individual Consultants	Implementing Agency	Total Allocated Budget		2017EFY (2024/2025) Annual Plan	Duration	Type of Contract	Number
			Unit	Amount				
Component 2:			ETB					
			USD					
Subcomponent 2.1–			ETB					
			USD					
			ETB					
			USD					
Subcomponent 2.2 –			ETB					
			USD					
			ETB					
			USD					
Subcomponent 2.3			ETB					
			USD					
			ETB					
			USD					

SN	List and Title of Individual Consultants	Implementing Agency	Total Allocated Budget		2017EFY (2024/2025) Annual Plan	Duration	Type of Contract	Number
			Unit	Amount				
TOTAL			ETB					
			USD					

Annex 1. Training Plan of the Project

IPF component/sub-component	Training	Purpose and objective of training	How does it link to the project's PDO?	Training type (e.g., classroom, e-learning, blended)	Implementing entity	Description of personnel to be trained (e.g., type of officials)	No. of personnel to be trained	Institution/Individual that will conduct the training	Location of training	Duration (in days)	Cost per-trainee per day	Total cost

Annex 2. 2017 EFY (2024/25) Annual Work Plan and Budget Summary

S. No	IPF Components/Sub-Components/Sub-Components/Activities	Implementing Agency	Total Allocated Budget in USD & ETB	Annual Plan			Timeframe (shade)				Expected results
							Q 1	Q 2	Q 3	Q 4	
				Phy/Fin	Unit	quantity					
	Component 2:			Physical							
				Financial	USD						
					ETB						
	Sub-sub component 2.1.1.			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						

					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Sub-sub component 2.1.2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Sub-sub			Physical							

	component 2.1.3.			Financial	USD							
					ETB							
	Activities implemented at Federal level											
	Activity 1			Physical	Number							
				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							
	Activities implemented at Regional level											
	Activity 1			Physical	Number							
				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							
	Activities implemented at Woreda level											
	Activity 1			Physical	Number							
				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							
	Subcomponent 2.2			Physical								
				Financial	USD							
					ETB							
	Sub-sub component 2.2.1.			Physical								
				Financial	USD							
					ETB							
	Activities implemented at Federal level											
	Activity 1			Physical	Number							
				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							

	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Sub-sub component 2.2.2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						

	Activity 2			Physical							
					USD						
				Financial	ETB						
	Subcomponent 2.3			Physical							
					USD						
				Financial	ETB						
	Sub-sub component 2.3.1.			Physical							
					USD						
				Financial	ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
					USD						
				Financial	ETB						
	Activity 2			Physical							
					USD						
				Financial	ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
					USD						
				Financial	ETB						
	Activity 2			Physical							
					USD						
				Financial	ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
					USD						
				Financial	ETB						
	Activity 2			Physical							
					USD						
				Financial	ETB						
	Sub-sub component 2.3.2			Physical							
					USD						
				Financial	ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
				Financial	USD						

					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Sub-sub component 2.3.3.			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at										

	Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Sub-sub component 2.3.4			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Regional level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Woreda level										
	Activity 1			Physical	Number						
				Financial	USD						
					ETB						
	Activity 2			Physical							
				Financial	USD						
					ETB						
	Sub-sub component 2.3.5			Physical							
				Financial	USD						
					ETB						
	Activities implemented at Federal level										
	Activity 1			Physical	Number						

				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							
	Activities implemented at Regional level											
	Activity 1			Physical	Number							
				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							
	Activities implemented at Woreda level											
	Activity 1			Physical	Number							
				Financial	USD							
					ETB							
	Activity 2			Physical								
				Financial	USD							
					ETB							

Annex 10: The Summarized Chart of Accounts - GOE

Numbering Scheme			
No	Name	Code	Description
1	Revenues	1000000	Codes and structure consistent with GFS. Includes all the internal revenue and grants. For Cash Basis of Accounting only, loans codes are included.
2	Expenses	2000000	Codes and structure consistent with GFS excepting exclusion of non-cash expenses (e.g. depreciation and unrealized losses). Excludes repayment of borrowings and capital investments.
3	Non-Cash Expenses	3000000	Captures non-budgeted non-cash expenses on depreciation and unrealized losses etc. Can be easily excluded for budget, budget monitoring, cash management and cash basis reporting purposes.
4	Transfers	4000000	Provides accounting and control over funding transfers between PBs.
5	Assets	5000000	Structure and codes consistent with GFS. Records financial and non-financial asset balances and flows. Recording fixed assets will require PBs implementing the IFMIS asset management module.
6	Liabilities	6000000	Records balances and flows on account payables, other liabilities and public debt.
7	Retained Earnings	7000000	Retained Earnings (Net Asset Equity)
8	Spare	8000000	Reserved For Future Use
9	Technical	9000000	Oracle required control accounts for individual modules and inter account balancing.

Revenue		
Code		Description
New	Old	
1000000	1000-3999	Revenues
1100000	1100	Taxes
1110000		Taxes On Income, Profits, And Capital Gains
1111000	1100 & 1110	Payables By Individuals (Wages And Salaries, Rental Income, Profits To Individuals, Dividend And Chance Winnings, Capital Gains, Agricultural Income, Withholding Tax On Imports),
1111100 - 1111199		Payable By Individuals (Interest ,Income Tax , Chat, Others)
1112000	1100 & 1110	Payables By Corporations And Other Enterprises
1112100 - 1112199		Payable By Corporations And Other Enterprises (Rental Income, Profits To Corporations, Capital Gains, Agricultural Income, Withholding Tax On Imports, Interest Income Tax, Chat, Others)
1113000	1100 & 1110	Un-allocable
1113100 - 1113199		Un-allocable (Rental Income, Capital Gains, Agricultural Income, Withholding Tax On Imports, Interest Income Tax, Others)
1120000		Taxes On Payroll And Workforce
1130000		Taxes On Property
1131000		Recurrent Taxes On Immovable Property
1132000		Recurrent Taxes On Net Wealth
1133000		Estate, Inheritance, And Gift Taxes
1134000		Taxes On Financial And Capital Transactions
1135000	1110	Other Nonrecurring Taxes On Property
1135100		Taxes On Property (Taxes of Royalties)
1136000		Other Recurrent Taxes On Property
1136100		Taxes On Property
1140000		Taxes On Goods And Services
1141000		General Taxes On Goods And Service
1141100 - 1141199	1120, 1160 and 1170-1190	Value-Added Taxes On Domestic Trade (Petroleum And Petroleum Products, Sugar, Salt, Soft Drink, Mineral Water, Alcohol And Alcoholic Products, Beer, Tobacco And Tobacco Products, etc. other services)
1141200		Sales Taxes

1141300 - 1141399	1220-1270	Turnover And Other General Taxes On Goods And Services (Petroleum And Petroleum Products, Sugar, Salt, Soft Drink, Mineral Water, Alcohol And Alcoholic Products, Beer, Tobacco And Tobacco Products, etc. other services)
1142000		Excises Tax On Domestic And International Trade
1142100	1200-1210	Excises Tax On Domestic Trade (Petroleum And Petroleum Products, Sugar, Salt, Soft Drink, Mineral Water, Alcohol And Alcoholic Products, Beer, Tobacco And Tobacco Products, etc. other goods)
1142200 - 1142299	1330-1340	Excises Tax On International Trade (Petroleum, Automobiles , Textiles, Tobacco And Tobacco Products, Alcohol And Alcoholic Beverages, Plastic Products , other Goods)
1143000		Profits Of Fiscal Monopolies
1144000		Taxes On Specific Services
1145000		Taxes On Use Of Goods And On Permission To Use Goods Or Perform Activities
1145100		Motor Vehicles Taxes
1145200		Other Taxes On Use Of Goods And On Permission To Use Goods Or Perform Activities
1146000		Other Taxes On Goods And Services
1146100-1146199	1290	Stamps Sales And Duty (Sales Of Stamps, Stamps Duty On Vehicle Sales, Stamps Duty On House Sales, Other Stamps Duty)
1150000	1300	Taxes On International Trade And Transactions
1151000		Customs And Other Import Duties
1151100-1151199	1300-1320	Customs Duties (Motor Vehicles And Accessories, Machineries, Capital Goods And Accessories, Building Materials And Metals, Electrical Equipment And Appliances, Household, Office Goods And Appliances etc. other goods)
1151200-1151299	1370-1380	Surtax On Imports (Motor Vehicles And Accessories, Machineries, Capital Goods And Accessories, Building Materials And Metals, Electrical Equipment And Appliances, Household, Office Goods And Appliances etc. other goods)
1151300	1390	Taxes On Export (Coffee, Leather And Leather Products , Other Goods)
1152000		Profits Of Export Or Import Monopolies
1153000		Exchange Profits
1154000		Exchange Taxes
1155000		Other Taxes On International Trade And Transactions
1156000	1350-1360	Value Added Taxes On International Trade
1156100 - 1156199		VAT On International Trade (Motor Vehicles And Accessories, Machineries, Capital Goods And Accessories, Building Materials And Metals, Electrical Equipment And Appliances, Household, Office Goods And Appliances etc. Other goods)
1160000		Other Taxes
1161000		Payable Solely By Business
1162000		Payable By Other Than Business Or Unidentifiable
1190000		Revenue Provision
1191000		Revenue Provision
1191100-1191102		Revenue Provision (Refund on Tax Revenues , Regional Shares on Taxes)
1200000		Social Contributions

1210000	1490	Social Security Contributions
1211000	1491-1492	Employee Contributions
1211100-1211102		Employee Contribution (Permanent Staff Contribution To Pension Fund, Military Staff Contribution To pension Fund)
1212000	1493-1494	Employer Contributions
1212100-1212102		Employer Contribution (Government Contribution To Permanent Staff Pension Fund, Government Contribution To Military Staff Pension Fund)
1213000		Self-Employed Or Non employed Contributions
1214000		Unallowable Contributions
1214100	New	Transfers From Non-Governmental Sources
1214101	1506	Capital Transfers From Non-Governmental Sources
1220000		Other Social Contributions
1221000		Employee Contributions
1222000		Employer Contributions
1223000		Imputed Contributions
1300000		Grants
1310000		External Grants
1311000	2000-2999	External Grants From International Organizations
1311100-1311101	2000-2199	External Grants From International Organizations (Grants from Multilateral Sources)
1312000	2000-2999	External Grants From Foreign Governments
1312100-1312101	2200-2399	External Grants From Foreign Governments (Grants from Bilateral Sources)
1320000	1600	Grants From Other General Government Units
1321000	1600-1610	Subsidy From MoFED
1321100-1321102	1601-1602	Block Subsidy From MoFED (From MoFED - Recurrent Subsidy, From MoFED - Capital Subsidy)
1322000	1620	Subsidy From BoFED
1322100-1322102	1621-1622	Block Subsidy From BoFED (From MoFED - Recurrent Subsidy, From MoFED - Capital Subsidy)
1323000		Other Domestic Assistances
1323100-1323101	1483	Domestic Assistance (Domestic Assistance)
1400000		Other Revenues
1410000		Property Income
1411000	1460-1470	Interest Income
1411100-1411104		Interest (Interest On Loan To Government Agencies, Interest On Loan To Government Employees, Interest On Government Bank Accounts , Capital Charges)
1412000	1460-1470	Dividends

1412100-1412103		Dividend (Residual Surplus, Dividend Income From Government Assets , National Lottery Surplus)
1413000		Withdrawals From Income Of Quasi - Corporations
1414000		Property Income Attributed To Insurance Policyholders
1415000	1460-1471	Rents
1415100		Rent (Rural Land Use Fee, Urban Land Lease, Revenue From Leasing Public Enterprises)
1416000	New	Collection From lending
1416100-1416101	1505	Collection From Lending (Collection of Principal From On-Lending)
1420000		Sales Of Goods And Services
1421000	1430-1480	Sales By Market Establishments
1421100-1421199		Sales By Market Establishment (Sales of Government Newspapers, Magazines And Publications; Media And Public Relations, Advertising Revenue, Sales Of Medicines And Medical Supplies etc. Other Goods And Services)
1422000		Administrative Fees
1422100 - 1422199		Administrative Fee (Mining Permits, Arms And Weapons Permits, ores And Soil Conservation Services And Permits, etc. Other Fees And Charges)
1423000	1430-1450	Incidental Sales By Non Market Establishments
1423100-1423104	1500	Capital Sales Revenue (Sales Of Movable And Immovable Properties, Sales Of Stock, Sales Of Intangibles, Privatization Proceeds)
1423200-1423299	1430-1450	Sales Of Public Goods And Services (Sales of Government Newspapers, Magazines And Publications; Media And Public Relations , Advertising Revenue, Sales Of Medicines And Medical Supplies etc. Other Goods And Services)
1424000		Imputed Sales Of Goods And Services
1430000		Fines, Penalties, And Forfeits
1440000		Voluntary Transfers Other Than Grants
1441000		Voluntary Transfers Other Than Grant
1441100 - 1441102	New	Voluntary Transfers Other Than Grant (Emergency Relief Contributions, Voluntary Contributions For Infrastructure)
1450000		Miscellaneous And Unidentified Revenues
1451000		Miscellaneous And Unidentified Revenue
1451100-1451109		Miscellaneous And Unidentified Revenue (Gain on Exchange Rate Fluctuation, Gain on Sales of Scrapped Inventory, Other Miscellaneous Revenue)
1500000	3000-3999	Loans
1510000	3000-3199	Loans From International Organizations
1511000		Loans From International Organization
1511100-1511101	3000-3199	From International Organization (Loans from Multilateral Sources)
1520000	3200-3399	Loans From Foreign Governments
1521000		Loans From Foreign Government

1521100	3200-3399	From Foreign Government (Loans from Bilateral Sources)
1600000	1700	Municipality Revenues
1610000	1710-1720	Municipality Tax Revenue
1611000		Municipality Tax Revenue
1611100-1611199	1701-1719	Municipal Tax Revenue (City House Tax, Assurance, Entertainment, Other Taxes)
1620000	1720-1780	Municipality Non-Tax Revenues
1621000	1720-1730	Municipality Rent Revenue
1621100-1621199	1721-1729	Municipal Rent Revenue (City Land Rent, Residential Houses Rent, Trade Houses Rent, Verandah Rent, Sales Place/Gullet Rent, Stable Rent, Funeral Service Vehicle Rent, Other Rent)
1622000	1730	Municipality Investment Income
1622100-1622104	1731-1734	Municipal Investment Income (Municipal Land Lease Income, Non-Governmental Transfers, Private Contributions, Community Contribution)
1623000	1740	Municipality Service Charges
1623100-1623199	1741-1749	Municipal Service Charge (Trade And Professional Registration And Licensing, Housing And Fencing Construction License, Soil Dumping Space License, Vehicle License On Prohibited Land, Traffic Fines, Fines On Violation of Rules And Regulations, Bus Terminal Services, Other Charges)
1624000	1750-1780	Municipality Sales Of Goods And Services
1624100-1624199	1751-1789	Municipal Sales Of Goods And Services (Sanitation Services, Engineering Services, Building Construction Supervision, etc. Other Sales Of Goods And Services)
1630000	1790	Municipality Capital Revenues
1631000		Municipal Capital Revenues

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Expenses, Assets and Liabilities

Expense		
Code		Description
New	Old	
2000000	6000	Expenditures
2100000		Compensation To Employees
2110000	6100	Wages And Salaries
2111000	6110 & 6120	Wages And Salaries In Cash
2111100-2111106	6110-6116	Emoluments (Salaries To Permanent Staff, Salaries To Military Staff, Wages To Contract Staff, Wages To Casual Staff, Wages To External Contract Staff, Miscellaneous Payments To Staff)
2111200-2111204	6120-6124	Allowances And Benefits (Allowance To Permanent Staff, Allowance To Military Staff, Allowance To Contract Staff, Allowance To External Contract Staff)
2112000		Wages And Salaries In kind
2120000		Social Contributions
2121000	6130	Actual Social Contributions
2121100-2121102	6131-6132	Actual Social Contribution (Government Contribution To Permanent Staff Pension, Government Contribution To Military Staff Pensions)
2122000		Imputed Social Contributions
2200000	6200	Use Of Goods And Services
2210000	6210	Goods And supplies
2211000	6210	Consumables Goods And Supplies
2211100-2211113	6211-6224	Goods And Supplies (Uniforms, Clothing, Bedding, Office Supplies, Printing, Drug and Medical Supplies, Educational Supplies, Food, Fuel And Lubricants, etc. Ammunition And Ordinance)
2212000	6280	Stocks Of Emergency And Strategic Goods
2212100-2212199	6281-6283	Stocks Of Emergency And Strategic Goods (Stocks Of Food, Stocks Of Fuel, Other Stocks)
2220000	6230	Travel And Entertainment Expenses
2221000		Travel And Entertainment Expenses
2221100-22211103	6231-6233	Travel And Entertainment (Per Diem, Transport Fees, Official Entertainment)
2230000	6240	Repairs And Maintenance Expenses
2231000		Repairs And Maintenance Expenses
2231100-2231115	6243-6259	Repairs And Maintenance (Plant, Machinery and Equipment, Buildings, Furnishings & Fixtures, Building and Structure, Infrastructure, etc. Research and Development Equipment)
2240000	6250	Expense of Contracted Services
2241000		Expense of Contracted Services

2241100- 2241109	6251- 6259	Contracted Services (Contracted Professional Services, Rent , Advertising, Insurance, Freight, Bank Fees And Charges, Electricity Charges, Telecommunication Charges, Water And Other Utilities
2250000	6270	Training Expenses
2251000		Training Expense
2251100 - 2251102	6271- 6272	Training (Local Training, External Training)
2300000	6310 & 6320	Expenditures on Fixed Assets and Construction
2310000		Expenditures on Fixed Assets and Construction
2311000		Expenditures on Fixed Assets and Construction
2311100- 2311150	6310- 6315	Fixed Assets (Purchase Of Plant, Machinery and Equipment; Purchase Of Buildings, Furnishings & Fixtures; Payments of Land Improvement, Purchase of Building and Structure, Purchase Of Furnishings and Fixtures etc. Purchase of Expensed Item
2311200- 2311209	6320- 6326	Construction (Pre-Construction Activities, Construction of Buildings - Residential, Construction of Buildings - Non Residential, Construction of Buildings - Military Purpose, Construction of Buildings, Construction Supervision Works, Pre-Construction Activities Infrastructure, Construction of Infrastructure, Construction Supervision Works Infrastructure)
2400000	6430	Interest
2410000		Interest- To Non-Residents
2411000		Interest- To Non-Resident
2411100- 2411101	6432	To Non-Residents (Payments Of Interest And Bank Charges On External Public Debt)
2420000		Interest - To Residents Other Than General Governments
2421000		Interest - To Residents Other Than General Government
2421100 - 2421101	6434	To Residents Other Than General Government (Payments Of Interest And Bank Charges On Domestic Public Debt
2430000		To Other General Government Units
2500000	6400	Subsidies
2510000		To Public Corporation
2511000		To Non-Financial Public Corporations
2512000		To Financial Public Corporations
2520000		To Private Enterprises
2521000		To Non-Financial Private Enterprises
2522000		To Financial Private Enterprises
2530000	6410	To Other General Government Units
2531000		Subsidies To Government Units
6531100- 653102	6411- New	To Government Units (Subsidies To Regions And Administrative Councils, Subsidy to Zone and Woreda)
2600000	6400	Grants
2610000		Grants To Foreign Governments
2620000	6410	Grants To International Organizations
2621000		Grants To International Organization

2621100- 2621102	6414	To International Organizations (Contributions To International Organizations)
2630000	6410	Grants To Other General Government Units
2631000		Grants To Other General Government Unit
2631100 - 2631101	6412	To Other General Government Units (Grants, Contributions And Subsidies To Institutions And Enterprises)
2700000		Social Benefits
2710000		Social Security Benefits
2711000		Social Security Benefits In Cash
2712000		Social Security Benefits In kind
2720000		Social Assistance Benefits
2721000		Social Assistance Benefits In Cash
2722000		Social Assistance Benefits in Kind
2730000		Employer Social Benefits
2731000		Employer Social Benefits In Cash
2731100- 2731102	6440- 6442	Pension Payments (Pension Payments To Permanent Staff, Pension Payments To Military Staff)
2732000		Employer Social Benefits In Kind
2800000	6300 & 6400	Other Expenses
2810000		Property Expense Other Than Interest
2811000		Dividends (Public Corporations Only)
2812000		Withdrawals From Income Of Quasi - Corporations (Public Corporations Only)
2813000		Property Expense Attributed To Insurance Policyholders
2814000		Rent
2815000	6430	Debt Payments
2815100- 2815101	6431	Debt Payments Foreign (Payments On The Principal Of External Public Debt)
2815200- 28152201	6433	Debt Payment Local (Payments On The Principal Of Domestic Public Debt)
2820000	6410	Miscellaneous Expenses
2821000		Miscellaneous Expenses
2821100 - 28211107	6415- 6419	Miscellaneous Expenses (Contingency, Compensation Io Individuals And Institutions, Grants And Gratuities To Individuals, Contribution Of Sinking Fund, Government Investment, Loss On Foreign Currency Rate Fluctuation, Miscellaneous Payments)
Non-Cash Expense		
Code		Description
New	Old	
3000000	New	Non Cash Expenses
3100000	New	Depreciation
3110000	New	Consumption Of Fixed Capital
3111000	New	Depreciation - Land, Building & Structure and Furnishing & Fixtures

3111100 - 3111101	New	Depreciation - Land Improvements (Depreciation- Land Improvements)
3111200 - 3111201	New	Depreciation - Building and Structure (Depreciation- Building and Structures)
3111300- 3111301	New	Depreciation - Furnishing & Fixtures (Depreciation- Furnishing & Fixtures)
3112000	New	Depreciation - Infrastructure
3112100- 3112101	New	Depreciation - Infrastructure (Depreciation- Infrastructure)
3113000	New	Depreciation - Plant & Machinery, Transport Equipment, ICT Equipment, Office & Other Equipment and Research and Development Equipment
3113100- 3113101	New	Depreciation - Plant & Machinery (Depreciation- Plant & Machinery)
3113200- 3113201	New	Depreciation - Transport Equipment (Depreciation- Transport Equipment)
3113300- 3113301	New	Depreciation - ICT Equipment (Depreciation- ICT Equipment)
3113400- 3113401	New	Depreciation - Office & Other Equipment (Depreciation- Office & Other Equipment)
3113500- 3113501	New	Depreciation - Research & Development Equipment (Depreciation- Research & Development Equipment)
3114000	New	Depreciation - Military Equipment
3114100- 3114101	New	Depreciation - Military Equipment (Depreciation - Military Equipments)
3115000	New	Depreciation - Cultivated Asset and Amortization of Intangible Assets and Leaseholds
3115100- 3115101	New	Depreciation - Cultivated Asset (Depreciation - Cultivated Asset)
3115200- 3115201	New	Amortization - Intangible Assets (Amortization - Intangible Assets)
3115300- 3115301	New	Amortization - Leaseholds & Leaseholds Improvement (Amortization Leaseholds & Leaseholds Improvement)
3200000	New	Provision for Loss on Receivables, Inventory and Fixed Assets
3210000	New	Provision for Receivables
3211000	New	Provision for Doubtful Account
3211100- 3211102	New	Provision for Receivables (Bad Debts Expense - Prepayments, Bad Debts Expense - Other Receivables)
3220000	New	Provision for Inventory
3221000	New	Provision for Inventory
3221100- 3221101	New	Provision for Inventory (Provision for Loss on Inventory)
3230000	New	Provision for Fixed Assets
3231000	New	Provision for Fixed Assets
3231100- 3231101	New	Provision for Fixed Assets (Provision for Loss of Fixed Assets)
3300000	6400	Other Expenses
3310000	New	Other Expenses

3311000	New	Other Expenses
3311100-3311199	New	Other Expenses (Loss on sale of Scrapped Inventory, Loss on Disposal of Fixed Assets, Inventory Adjustment Account, Other Losses)
Transfer		
Code		Description
New	Old	
4000000	4000-4099	Transfers
4100000	4000-4049	Cash Transfers
4110000	New	Cash Transfer
4111000	New	Cash Transfer Between Public Bodies and/or Regions
4111100-4111199	4001-4009	Cash Transfer Between Public Bodies and/or Regions (Recurrent Salary And Allowances, Recurrent Operating Expenditure, Capital Salary And Allowances, Capital Expenditure, Staff Advances, Channel-1 Funds, Grace Period , Payables, Transfer Between BI And/or Region, Transfers Between BoFED And D/OFED, Non Subsidy Transfers, MoFED Transfer PSCAP, Transfer To And From Zero Balance Bank Account, Other Cash Transfers)
4112000	New	Cash Transfer With in Public Body
4112100-4112101	4010	Cash Transfer With in Public Body - Head Office and Branches (Cash Transfer With In BI (Bank Account Transfer)
4112200-4142203	New	Cash Transfer With in Public Body - Between Branches (Cash Transfer Between Head Office and Branch, Cash Transfer Between Branches)
4200000	4050-4099	Non-Cash Transfers
4210000		Non-Cash Transfer
4211000		Non-Cash Transfer Between Public Bodies and/or Regions
4211100-4211199	4051-4055	Non-Cash Transfer Between Public Bodies and/or Regions (Recurrent Salary And Allowances Non-Cash, Recurrent Operating Expenditure Non-Cash, Capital Salary And Allowances Non-Cash, Capital Expenditure Non-Cash, Other Non-Cash Transfers)
4212000		Non-Cash Transfer With in Public Body
4212100-4212103	New	Non Cash Transfer With in Public Body - Head Office and Branches (Non-Cash Transfer - Fixed Assets, Non-Cash Transfer - Inventory , Non-Cash Transfer - Other Claims)
4212200-4212203	New	Non Cash Transfer With in Public Body - Between Branches (Non-Cash Transfer - Fixed Assets , Non-Cash Transfer - Inventory , Non-Cash Transfer - Other Claims)

Asset		
Code		Description
New	Old	
	4100-4999	Assets
5100000		Non-Financial Assets
5110000	4500	Fixed Assets
5111000	4520-4599	Land Improvement, Building & Structure and Furnishing & Fixtures
5111100-5111103	New	Land Improvement (Land Improvement - Cost, Land Improvement- Clearing, Land Improvement- Accumulated Depreciation)
5111200-5111203	4525	Building and Structure (Building and Structure - Cost, Building and Structure - Clearing, Building and Structure - Accumulated Depreciation)
5111300-5111302	4500-4519	Construction In Progress - Buildings (Construction Of Buildings - Cost, Construction Of Buildings - Clearing)
5111400-5111404	New	Furnishing & Fixtures (Furnishing & Fixtures - Cost, Furnishing & Fixtures - Clearing, Furnishing & Fixtures - Accumulated Depreciation, Furnishing & Fixtures - Allowance)
5112000		Infrastructures
5112100-5112103	4527	Infrastructure (Infrastructure - Cost, Infrastructure - Clearing, Infrastructure - Accumulated Depreciation)
5112200-5112202	4503	Construction In Progress - Infrastructure (Construction Of Infrastructure - Cost, Construction Of Infrastructure - Clearing)
5113000		Plant & Machinery, Transport Equipment, ICT Equipment, Office & Other Equipment and Research and Development Equipment
5113100-5113104	4520-4599	Plant & Machinery (Plant & Machinery - Cost, Plant & Machinery - Clearing, Plant & Machinery - Accumulated Depreciation , Plant & Machinery - Allowance)
5113200-5113204	4521	Transport Equipment (Transport Equipment - Cost, Transport Equipment - Clearing, Transport Equipment - Accumulated Depreciation , Transport Equipment - Allowance)
5113300-05113304	4529	ICT Equipment (ICT Equipment- Cost, ICT Equipment- Clearing, ICT Equipment- Accumulated Depreciation, ICT Equipment- Allowance)
5113400-5113404	New	Office & Other Equipment (Office and Other Equipment- Cost, Office and Other Equipment- Clearing, Office and Other Equipment- Accumulated Depreciation, Office and Other Equipment- Allowance)
5113500-5113504	New	Research and Development Equipment (Research and Development Equipment- Cost, Research and Development Equipment- Clearing, Research and Development Equipment- Accumulated Depreciation , Research and Development Equipment- Allowance)
5114000		Military Equipment
5114100-5114103	New	Military Equipment (Military Equipment - Cost, Military Equipment- Clearing, Military Equipment - Accumulated Depreciation)
5115000		Cultivated Asset and Intangible Assets
5115100-5115103	New	Cultivated Asset (Cultivated Assets - Cost, Cultivated Assets - Clearing, Cultivated Assets - Accumulated Depreciation)
5115200-5115203	New	Intangible Assets (Intangible Fixed Assets - Cost, Intangible Fixed Assets - Clearing, Intangible Fixed Assets - Accumulated Depreciation)

5116000		Leaseholds & Leasehold Improvement
5116100-5116103	New	Leaseholds & Leasehold Improvement (Leaseholds & Leaseholds Improvement - Cost, Leaseholds & Leaseholds Improvement - Clearing, Leaseholds & Leaseholds Improvement - Accumulated Amortization)
5117000		Fixed Asset In Transit
5117100-5117101	4302	Fixed Asset In Transit (Fixed Asset In Transit)
5120000		Inventories
5121000		Strategic Stocks
5121100-5121199	New	Strategic Stock (Fuel Reserve, Food Reserve, Other Strategic Stocks, Allowances for Strategic Stocks)
5122000		Other Inventories
5122100-5122199	4401-4418	Materials And Supplies (Materials And Supplies, Uniforms, Clothing, Bedding, Office Supplies, Printed Materials, Medical Supplies, Educational Supplies, Food , Fuel And Lubricants, etc. ,Other Materials And Supplies, Allowances for Materials and Supplies Inventory)
5122200-5122201	4416	Work In Progress (Factory Work-In-Progress)
5122300-5122301	4417	Finished Goods (Factory Finished Goods)
5122400		Goods For Resale
5122500-5122504	4300-4302	Inventory In Transit (Inventory In Transit from Supplier, Allowance for Inventory In Transit - Supplier, Inventory In Transit between Organizations (Public Body), Inventory In Transit between Branches)
5122900-5122901	New	Scrapped Inventory (Scrapped Inventory)
5130000		Valuables
5140000		Non-Produced Assets
5141000		Land
5142000		Subsoil Assets
5143000		Other Naturally Occurring Assets
5144000		Intangible Non-Produced Assets
5200000		Financial Assets
5210000		Domestic Financial Assets
5211000	4100-4199	Currency And Deposits - Cash on Hand
5211100-5211150	4101	Cash On Hand (Cash On Hand - Birr, Cash On Hand - Clearing)
5212000	4100-4199	Currency And Deposits - Cash at Bank
5212100-5212110	4103 - 4104	Cash At Bank - Standard Domestics (Treasury) [Cash At Bank Budgetary, Cash At Bank Budgetary - Clearing, Cash At Bank Deposit , Cash At Bank Deposit - Clearing, Cash At Bank Zero Balance, Cash At Bank Zero Balance - Clearing, Letter Of Credit Restricted Account , Cash At Bank Deposit for Refund and clearing]
5212200-5212204	4105	Cash At Bank - Central Treasury (Central Treasury Birr Account, Central Treasury Birr Account - Clearing, Central Treasury Dollar Account , Central Treasury Dollar Account - Clearing)

5212300-5212316	4106-4109	Cash At Bank - Budget Support (General Budget Support From Government Birr Account and Clearing; General Budget Support From Government Dollar Account and Clearing; General Budget Support From Government Dollar Account, General Budget Support From Loan Birr Account and Clearing; General Budget Support From Loan Dollar Account and Clearing; Commodity Credit Grant Birr Account and Clearing; Commodity Credit Grant Dollar Account and Clearing; Grant Deposit Birr Account and Clearing; Grant Deposit Dollar Account and Clearing)
5212400-5212416	4110-4112	Cash At Bank - Program Support (Channel 1-Assistance Birr Account and Clearing; Channel 1-Assistance Dollar Account and Clearing; Channel 2-Assistance Birr Account and Clearing; Channel 2-Assistance Dollar Account and Clearing; Channel 1-Loan Birr Account and Clearing; Channel 1-Loan Dollar Account and Clearing; Channel 2-Loan Birr Account and Clearing; Channel 2-Loan Dollar Account and Clearing;
5212500-5212508	413-414	Cash At Bank - Other Funds (Sinking Fund and Clearing; Pension Fund and Clearing; Road Fund and Clearing; Fuel Stabilization Fund and Clearing)
5212600-5212601	4114	Deposit In Transit (Deposit In Transit)
5213000		Loans
5213100-5213199	4700-4719	Long Term Loans To Public Enterprises (Food sector, Beverage, etc Mining And Energy' Others)
5214000	4800-4899	Shares, Securities Other than Shares And Other Equity
5214100	4800-4819	Investment Public Enterprises (Food sector, Beverage, etc Mining And Energy' Others)
5214200-5214201	4820-4899	Investment Private Organizations (MOENCO)
5214300		Securities Other Than Shares
5214400		Other Equity
5215000		Insurance Technical Reserves
5216000		Financial Derivatives
5217000		Accounts Receivables
5217100-5217112	4203-4249	Advances (To Staff From Salary and Clearing, To BI For Channel 1, To BI For Staff From Next Year's Budget, To BI For Recurrent Expenditures From Next Year's Budget, To BI For Capital Expenditures From Next Year's Budget, To Regions, Other Advances To BI, Other Advances Within Government and Clearing, To Staff - Purchases and Clearing, Advances to Staff - Others)
5217200-5217299	4250-4269	Prepayments (To Contractors , Allowances for Doubtful Accounts - Contractors, To Consultants, Allowances for Doubtful Accounts - Consultants, To Suppliers , Allowances for Doubtful Accounts - Suppliers , Other Prepayment Outside Government, Allowances for Doubtful Accounts - Outside Government
5217300-5217399	4200,4270 &4299	Other Receivables (Suspense, Cash Shortage and Clearing, Peasant Associations, Cooperatives etc. Other Receivables)
5220000		Foreign Financial Assets
5221000		Currency And Deposits
5222000		Securities Other Than Shares
5223000		Loans

5224000		Shares And Other Equity
5225000		Insurance Technical Reserves
5226000		Financial Derivatives
5227000		Other Accounts Receivable
5230000		Stocks Of Monetary Gold And SDRs

Liabilities		
Code		Description
New	Old	
6000000	5000-5599	Liabilities
6100000		Domestic Liabilities
6110000		Currency And Deposits
6120000		Securities Other Than Shares
6130000		Loans
6131000	5040-5049	Loans - Short-Term
6131100-6131104		Short-Term Loans (Direct Advances, 28 Day Treasury Bill, 91 Day Treasury Bill, 182 Day Treasury Bill)
6132000	5100-5149	Loans- Long-Term
6132100-6132102	5101-5102	Long-Term Debt (Bonds, Special Bonds)
6140000		Shares And Other Equity (Public Corporations Only)
6150000		Insurance Technical Reserves
6160000		Financial Derivatives
6170000		Other Accounts Payable
6171000	5000-5099	Accounts Payable To Suppliers
6171100-6171101	5002	Payable To Supplier (Payables To Suppliers)
6172000	5000-5019	Accounts Payable Various
6172100-6172111	5003-5009	Accounts Payable - Payroll Deductions 9 (Pension Contribution Payable and Clearing, Salary Payable and Clearing, Withholding Tax Payable, etc. Other Payroll Deductions)
6172200-6172204	5001	Accounts Payable - Others (Grace Period Payables, Sundry Creditors, Inventory AP Accrual, Expense AP Accrual)
6173000	5020-5039	Payables With In Government
6173100-6173119	5021-5035	Payable With In Government (Due To Staff, Due To MOFED For Channel 1, Due To MOFED For Staff From Next Year's Budget, etc. Pension Contribution by Private Organizations)

6174000	5050-5599	Deposits
6174100-6174199	5500-5599	Deposits For Letter Of Credits (Organs Of Government And Justice, National Defense & Public Order, General Service, Agriculture And Natural Resource, Trade And Industry etc Other)
6174200-6174299	5050-5059	Other Deposits (Custom Deposits, Court Deposits, Hospital Deposits wtc. Other Deposits
6175000	5060-5069	Retentions
6175100-6175101	5061	Retention (Retentions)
6200000		Foreign Liabilities
6210000		Currency And Deposits
6220000		Securities Other Than Shares
6230000		Loans
6231000	5150-5179	Special Purpose Loans
6231100-6231103	5151-5153	Special Purpose Loans (Commodity Credit , Credit Fund, Special Purpose)
6232000	5180-5199	Private Loans
6232100-6232101	5118	Private Loan (Commercial Loans)
6233000	5200-5299	Loans - Multilateral
6233100-6233101	New	Multilateral (Loans from Multilateral Sources)
6234000	5300-5399	Loans - Bilateral
6.23E+13	New	Bilateral (Loans from Bilateral Sources)
6240000		Shares And Other Equity (Public Corporations Only)
6250000		Insurance Technical Reserves
6260000		Financial Derivatives
6270000		Other Accounts Payable

How is the project expenditure plan of the HCO project mapped/recorded in the charts of accounts of the GOE?

It is evident that HCO implementing agencies at all levels—federal, regional, or wereda—use the GOE's Charts of Accounts to record expenditure plans and all other transactions. To demonstrate how this is done, let us take the IPF Sub-Component of the MOH, sub-component 2.1 under this component, component 2.1.1, and pick an activity under this sub-component.

Component 2:- Investment Project Financing (IPF)

Sub-component 2.1: Design and implementation of multisector interventions in areas affected by conflicts, drought, and high levels of refugees.

2.1.1 Support resilience and rebuilding of service delivery systems in areas affected by conflicts, drought, and high levels of refugees

Among the many activities under 2.1.1 is:

Provision of training for service delivery personnel on socio-emotional support, inclusive education, gender-sensitive methodologies, refugee integrations, monitoring and evaluation, etc., in woreda X for y number of trainees

Once the purpose and objectives of the training, the trainer, the number of trainees, the venue, and the duration of the training are clearly outlined, budgeted, and, of course, approved by the concerned bodies, the expenditure planning will be mapped in the GOE's charts of accounts.

The expenditure plan for this training would entail training costs: the trainer's fee, rental of the training hall, food and recreation, training materials (stationaries), per-diem for trainees, and fuel and transport costs for trainees.

The following accounts in the charts of accounts of the GOE are affected while performing the expenditure planning:

At regional and woreda levels, IBEX is used, and the expenditure plan will affect:

Training Expenses 6270

Local Training 6271

At the Federal where IFMIS is in use, the expenditure plan would affect:

Training Expenses 2251100

Local Training 2251101

This will afterwards facilitate or ease budget analysis, whereby the actual expenditure will be compared to the planned one to see any budget variance.

Note: The entry of training expenditure planning is done against Training Expenses because it is clearly defined in the Charts of Accounts that all training costs are to be recorded against Training Expenses 6270 (Local Training 6271 and International Training 6272) while using IBEX; and Training Expenses 2251100 (Local Training 2251101, and International Training 2251102) under IFMIS. However, if staff travel is for a different purpose, say, for instance, for routine inspection, the recording for per-diem, fuel, transport cost, etc., would be against different cost centers:

IBEX -Under Travel and Entertainment Expenses 6230

Staff per-diem 6231

Transport fees 6232
Under Consumable and Supplies 6210
Fuel 6217
IFIMIS- Under Travel and Entertainment Expenses 2221100
Staff per-diem 2221101
Transport fees 2221102
Under Consumable and Supplies 2211100
Fuel 2211107

Annex 11: HCO Quarterly Interim Financial Reporting (IFR) Format

Ministry of Finance

Human Capital Operation P for R

Consolidated Statement of Sources & Uses of Funds

For the Quarter Ended on----- In ETB

	Current Quarter		Cumulative	
Opening Balance /i				
Designated Account HCO (GPG)				
Government				
Total opening balance				
Sources /ii				
HCO P for R				
Government				
IDA E206-ET				
TF OC1474				
Other donors				
Total Sources				
Available Funds				
Program Expenditures				
Basic Sector Expenditure	-			
Total Expenditure				
Excess of income over expenditure				
Add : Gain from foreign exchange rate difference				
Net available funds				
Less : Bank service Charges				
Closing Balance				
Designated Account HCO (GPG)				
Total closing Balance		-		-

Ministry of Finance
Human Capital Operation P for R
Consolidated Statement of Sources & Uses of Funds
For the Quarter Ended ---- In USD

	Current Quarter		Cumulative	
Opening Balance /i				
Designated Account HCO (GPG)				
Government				
Total opening balance				
Sources /ii				
HCO P for R				
Government				
IDA E206-ET				
TF OC1474				
Other donors				
Total Sources				
Available Funds				
Program Expenditures				
Basic Sector Expenditure				
Total Expenditure				
Excess of income over expenditure				
Less : Bank service Charges				
Foreign Exchange gain/loss from rate Fluctuation				
Closing Balance				
Designated Account HCO (GPG)				
Total closing Balance		-		

Ministry of Finance						
Human Capital Operation Pfor R						
Statement of Uses of Funds by program Activity Human Capital Operation						
For the quarter ----				in million Birr		
Program Activities	Actual		Plan		Variance	
	Current Quarter	Cumulative to Date	Current Quarter	Cumulative to Date	Current Quarter	Cumulative
1. Education						
2. Health						
3. Agri. and Rural Dev. & Natural Res.						
4. Water Supply and Sanitation Services						
Grand Total Expenditures						
Apportionment						
No	Financers	Financing Share (%)	Actual Expenditure of the Quarter Million ETB	Actual Expenditure of the Quarter Million USD		
1	Government (Federal/Regional)					
2	IDA E206-ET					
3	TF OC1474					
4	Other Donors					
	Total					

Ministry of Finance				
Human Capital Operation P for R				
Block Grant Transfer Forecast				
For the Quarter Ended on ---				
In Birrs and dollars				
Sub component activities	Cash Requirement for Quarter ending ---	Cash Requirement for Quarter ending -----	Cash Requirement for the 6 months ending ---	Cash Requirement for the 6 months ending---- USD
sector				
Health				
Agriculture & Nat. Res				
Education				
Water & Sanitation				
Sub total				
Grand Total				

Ministry of Finance
Human Capital Operation P for R
Summary of Cash Forecast
As at ----

	(a)	(b)	(c)	
	Cash Requirement for Quarter ending Birr	Cash Requirement for Quarter ending ---- Birr	Cash Requirement for the 6 months Birr	Cash Requirement for the 6 months ending USD
Component/Sub Component	Birr	Birr	Birr	USD
Forecasted Total Expenditure				
Human Capital Operation				
Total				
Less : Cash Balance at 7 July 2024				
Cash and Bank HCO (GPG)				
Recivables				
Payble				
Total Cash at Bank				
Net Cash requirment				
Apportionment of Net Cash requirement by financers:				
Government				
IDA E206-ET				
TF OC1474				
Total				
Note:				

Ministry of Finance
Human Capital Operation P for R
Designated Account (DA) Statement for Human Capital
Operation
For the Quarter Ended on ----
In US Dollars

Description	Total	TF OC 1474	IDA 206-ET
Opening balance			
Donor advance during the Period			
Refunded to Donors from DA during the quarter			
Available			
Less :			
Transfers out of the DA to the treasury during the quarter			
Bank Services Charges			
Total Transfer and Bank Service Charges			
DA closing balance as at ---			

Ministry of Finance				
Sector expenditure apportionment table for HCO P for R, GEQIP and CALM*				
For the Quarter Ended --- (in USD/ETB)				
	For the quarter ended ----			
Description	Amount in ETB	Amount in USD	Amount in ETB	Amount in USD
Cummulative opening balance of ESPES expenditure since previous quarter				
Less: expenditure reported under GEQIP E since previous quarter				
Less: Expenditure reported under CALM since previous quarter				
Total expenditure reported				
Agriculture sector				
Agriculture sector reported expenditure for the quarter as per the ESPES report				
Less: agriculture sector expenditure of Afar region				
: Agriculture sector Expenditure of Somali region				
Agriculture sector expenditure to be shared between ESPES and CALM				
70% portion of CALM (1)				
10% portion of ESPES				
20% HCP				
Education sector				
Education sector expenditure as per HCO report				
100% non salary expenditure to GEQIP E				
80% of salary expenditure to HCO				

TOTAL SUMMARY OF EXPENDITURE ALLOCATED TO HCO P for R				
	For the quarter ended ----		For the year ended ---	
Description	Amount in ETB	Amount in USD	Amount in ETB	Amount in USD
Cummulative expnditure of HCO less CALM and GEQIP E expenditures prior to this quarter				
10% of Total agriculture expenditure				
80% of salary expenditure of Education expenditure*				
50% of health sector expenditure				
50% of water expenditure				
80% of road sector expenditure				
Total expenditure allocated to HCO				

Ministry of Finance
Human Capital operation Pfor R
Statement of Recurrent Expenditure at Regional and Woreda Level
For the Fourth Quarter Ended ---- In Million ETB

Description	3 Months								
	Region Total excluding addis ababa								
	Bureau Level			Woreda Level			Regional Level		
	Salary	Oper. Expn.	Total	Salary	Oper. Expn.	Total	Salary	Oper. Expn.	Total
Administration & Gen. Serv.									
Organ of the State									
Regional council									
Audit Beuro									
Population Office									
Justice									
Public Order									
o/w Police									
General Service									
Information									
Finance & Economic Devel.Beauro									
Revenue Beauro									
Civil Service									
Investment Office									
Economic Service									
Agriculture & Rural Development									
o/w: Food Security									
Natural Resource									
o/w Water									
Trade & industry, tourism									
Mining & Energy									
Trade & Tourism									
Transport & Communication									
Construction									
o/w									
Road Construction									
Urban Development									
Social Service									
Education									
o/w									
Primary & Junior Education									
Secondary School Education									
Technical Education									
Higher Education									
Culture & Sport									
Health									
o/w									
Primary Health, Clinic & Health Station									
Hospitals									
Malaria Prevention									
Nurses Training									
HIV/AIDS Office									
Social Affaires									
DPEC									
Miscellaneous.									
Grand Total									

Human Capital Operation P for R Recurrent Expenditure Q4

Description	Bureau Level			Woreda Level			Regional Level		
	Salary	Oper. Expn.	Total	Salary	Oper. Expn.	Total	Salary	Oper. Expn.	Total
Education(excluding higher education)									
Health (including HIV/AIDS)									
Agriculture & Natural Resource									
Water Supply and Sanitation									
Rural Road									
Total									

IPF-Interim unaudited Financial Statements

**Human Capital Operation Ministry of Finance
P172284**

Interim Unaudited Financial Report

Content

Discussion of Financial performance, Notes & Explanations

Consolidated Statement of Sources and Uses of Fund

Statement of Uses of Funds by Sub programs

Statement of Cash Forecasts

Statement of Designated account

Supporting schedules

Ministry of Finance Human Capital Project Statement of Program Sources & Uses of Funds IPF For The Quarter Ended --- (in Ethiopian Birr)			
Particulars	Actual		
	Current Quarter (In ETB)/I	Year to date (In ETB)/II	Cumulative (To date) (In ETB Birr)/III(a)
Opening Balance			
Designated Accounts /III			
Counterpart contribution Birr account at MoF			
Balance at MoF (Cash/Bank balances plus receivables minus payables)			
Balance at regions or other entities (Cash/ Bank balances plus receivables minus payables)			
Total Opening Balance			
Add: Sources			
IDA			
TF			
Counterpart contribution			
Total Source For the Period			
Total Available Fund For The Period			
Less : Program Expenditures (ANNEX 1)			
Total Available Fund less Total Expenditures			
Foreign Exchange Difference Gain			
Net Fund Available			
Ending Balance			
Designated Accounts			
Counterpart contribution Birr account at MoF			
Balance at MoF (Cash/Bank balances plus receivables minus payables) v			
Balance at Regions or other entities (Cash/Bank balances plus receivables minus payables) v			
Total Ending Balance			
NOTES:			
I - The amounts are drawn from the ledger accounts of the program			
II - Program of the fiscal year			
II(a) - Program to date (for the whole life of the project)			
III- T			
IV - The gain or loss on exchange rate is determined by the rate prevailing at the reporting date.			
V - Schedule for designated accounts, receivable and payables should be provided as a note to the IFR			
Prepared By _____ Approved By _____			
Signature _____ Signature _____ Date _____			
Date _____			

Ministry of Finance Human Capital Project Statement of Program Sources & Uses of Funds IPF For The Quarter Ended ---- (in USD)			
Particulars	Actual		
	Current Quarter (In USD)	Year to date (In USD)	Cumulative (To date) (In USD)
Opening Balance			
Designated Accounts /III			
Counterpart contribution Birr account at MoF			
Balance at MoF (Cash/Bank balances plus receivables minus payables)			
Balance at regions or other entities (Cash/ Bank balances plus receivables minus payables)			
Total Opening Balance			
Add: Sources			
IDA			
TF			
Counterpart contribution			
Total Source For the Period			
Total Available Fund For The Period			
Less : Program Expenditures including bank service charge			
Total Available Fund less Total Expenditures			
Foreign Exchange Differenc Gain/Loss			
Ending Balance			
Designated Accounts			
Counterpart contribution Birr account at MoF			
Balance at MoF (Cash/Bank balances plus receivables minus payables) v			
Balance at Regions or other entities (Cash/Bank balances plus receivables minus payables) v			
Total Ending Balance			
NOTES:			
I - The amounts are drawn from the ledger accounts of the program			
II - Program of the fiscal year			
II(a) - Program to date (for the whole life of the project)			
III-			
IV - The gain or loss on exchange rate is determined by the rate prevailing at the reporting date.			
V - Schedule for designated accounts, receivable and payables should be provided as a note to the IFR			
Prepared By _____		Approved By _____	
Signature _____		Signature _____ Date _____	

Ministry of Finance Human Capital Project Statement of Uses of Fund by Program Activity IPF (in Ethiopia Birr/USD) For The Quarter Ended ---						
Particulars	Current reporting quarter		Year to date		Project life cumulative	
	Expenditure in foreign currency	Domestic Expenditure in local currency	Expenditure in foreign currency	Domestic Expenditure in local currency	Expenditure in foreign currency	Domestic Expenditure in local currency
Component 1: Protect and improve human capital outcomes in selected high risk, conflict-affected areas						
Support resilience and rebuilding of service delivery systems						
Support the education system in high risk woredas affected the most by the conflict to recover learning losses						
Support nutrition interventions in high risk woredas affected the most by the						
Total component 1						
Component 2: Building models for innovation to address learning poverty and reduce stunting in selected SPG woredas						
2.1 To improve learning outcomes						
2.2 To address stunting						
Sub-Component 2.3. Strengthening Systems and accountability for improved service delivery at various levels						
Sub-Sub-Component 2.3.1. Strengthening capacity in multi-sectoral coordination and data measurement for improved service delivery						
Conduct Capacity building for Unified Nutrition Information System for Ethiopia (UNISE) system installation to strengthen data collection to meet M&E requirements (600+583) trainees						
Total component 2						
Component 3: Strengthening systems and accountability for improved service delivery						
Strengthening capacity in multisectoral coordination and data measurement for improved service delivery						
Strengthening accountability, fiduciary and safeguards at sub-national levels to improve service delivery						
3.3 Project Management and Coordination						
Total component 3						
Grand Total						

Prepared By _____
 Signature _____

Approved By _____
 Signature _____ Date _____

Date _____

Note - _____

Ministry of Finance Human Capital project Expenditure apportionment table IPF					
IDA	Allocation	Documented so far	Current quarter expenditure allocation	Total documented	Undocumented
Consultancy services					
Non consultancy services					
Training					
Operating costs					
Total					
Counterpart contribution	Allocation	Documented so far	Current quarter expenditure allocation	Total documented	Undocumented
Consultancy services					
Non consultancy services					
Training					
Operating costs					
Total					
TF	Allocation	Documented so far	Current quarter expenditure allocation	Total documented	Undocumented
Consultancy services					
Non consultancy services					
Training					
Operating costs					
Total					

Ministry of Finance Human Capital Project Designated Account Activity Statement IPF For the quarter ended--- USD	
Line description	IDA
<i>Opening balance as at the quarter end/i</i>	
IDA advance during the quarter	
Refund to IDA from DA during the quarter	
Less: Transfers out of the DA to the pooled account during the quarter	
DA closing balance as at the quarter end carried forward to the next period	
Bank balance per bank statement	
Difference	
/I - enter the amount shown in the previous IFR	

Ministry of Finance							
Human Capital Project IPF							
Expenditures Forecasts & Cash Requirements (In Ethiopia Birr & USD)							
Particulars	For The 6 Month	From --- to ---	Cash requirement for the six months ending XX	Cash requirement for the six months ending xx	Total cash requirement for foreign expenditure	Total cash requirement for domestic expenditure (IDA)	Total cash requirement for domestic expenditure (GOE)
	Cash requirement for the quarter ending ---	Cash requirement for the quarter ending ---					
Expenditures for the next Six Months	ETB	ETB	ETB/i	USD/i	USD/i	USD/i	USD/i
Component 1: Protect and improve human capital outcomes in selected high risk, conflict-affected areas							
Support resilience and rebuilding of service delivery systems affected the most by the conflict to recover learning losses							
Support nutrition interventions in high risk woredas affected the most by the conflict							
Total component 1							
learning poverty and reduce stunting in selected SPG							
2.1 To improve learning outcomes							
2.2 To address stunting							
Sub-Component 2.3. Strengthening Systems and accountability for improved service delivery at various levels							
Sub-Sub-Component 2.3.1. Strengthening capacity in multi-sectoral coordination and data measurement for improved service delivery							
Conduct Capacity building for Unified Nutrition Information System for Ethiopia(UNISE) system installation to strengthen data collection to meet M&E requirements (600+583) trainees							
Sub-Sub-Component 2.3.2.Strengthening accountability, Fiduciary and E&S management at Sub-national levels to improve service delivery							
Conduct review meeting on the integration of Social Accountability and Human Capital Operation involving all key stakeholders							
Sub-Sub-Component 2.3.3. Support creation of medium to long-term development opportunities for both the refugees and their host communities							
Sub-Total 2.3.3							
Sub-Sub-Component 2.3.4. Support drought-affected areas for better preparedness for mitigation and adaptation of climate-related shocks							
Sub-Total 2.3.4							
Sub-Sub-Component 2.3.5. Project Implementation, Coordination and Management							
Staff salary							
Federal							
Regional							
Operational Cost for CoPCD							
Operation Cost to support account closing , IBEX and other financial management issues for Regions							
Preparation of HCO- PoM / SPG implementation manual							
Preparation of five-year IPF and SPG work plan and budget							
Preparation of Stakeholder Engagement Plan, Labor Management Procedure, Social Risk Assessment and Planning framework for the underserved Communities							
Preparation of Environment & Social management Framework (ESMF) including Gender Based Violence Action Plan							
Preparation of HCO awareness workshop for Federal and Regional level stakeholders							
Consultancy service(study)Need Assessment report identifying a menu of priority of intervention areas at all levels of the government (Birr400000 per woreda for 42 woredas							
Consultancy service(study) Security Risk Assessment and preparing Security Management Plan based on the assessment							
Improvement of ESS surveys and verification methodology (including GIS verification method) and data collection tools							
Improving and Strengthening Organisational Training Center (ESS training center program verification training and other statistical training activities)							
Salary for contract staff (two senior accountant and other HCO-IPF contract staff)							
Monitoring and support to Regional FEACC							
Conduct Fraud and Corruption Handling Program Verification							
Conduct continuous audit							
Organize and conduct training on environment and social management at national, regional and woreda level (600 Experts)							
Organize project orientation/launching workshop							
Organize Five Year and 2017 annual woreda based costed planning workshop for SPG woredas							
Launching of workshop for 80 participants from federal,regions,and SPG woredas in the conflict and drought affected areas on service delivery							
Sub-Total 2.3.5							
Total component 2							
for improved service delivery							
and data measurement for improved service delivery							
at sub-national levels to improve service delivery							
3.3 Project Management and Coordination							
Total component 3							
Grand Total Cash requested							
Less: undocumented advance							
Net cash requested							
/i - exchange rate ruling on the reporting dates are used to convert BIRR to USD and vise							
/ii - Comprises expenditures for which contracts have been signed, goods received but not paid, other commitments made but not settled, which are not included under forecasts.							
Prepared By	Approved By						
Signature	Signature						
Date	Date						
Reconciliation of government contribution							
Description	Amount in USD						
Total domestic expenditure							
Share of government for domestic expenditure							
Contributed amount for the year by government							
Contribution carried forward/(remaining amount to be collected from the government)							

Ministry of Finance Human Capital Operation STATEMENT OF FUND FLOW (IDA)
DESIGNATED DOLLAR ACCOUNT NO.0100101300613
THE PERIOD, FROM--- TO ---

	USD		BIRR
OPENING BALANCE			
Add :Receipt IDA Fund Available for use Less :Transfer and Expenditure Transfer to pool birr account as at Expenditures			
Less :Transfer and Expenditure Transfer to pool birr account as at Expenditures			
Bank services Charges			
Total transfer & expenditure			
Ending balance			
Current quar. Excha. Rate			
Add: Gain /Loss			
			-
Prepared By _____ Approved By _____ Signature _____ Signature _____ Date _____ Date _____			

Ministry of Finance Human Capital Project STATEMENT OF FUND FLOW (GFF) DESIGNATED DOLLAR ACCOUNT NO. THE PERIOD, FROMTo			
OPENING BALANCE	USD		BIRR
Add :Receipt TF			
Fund Available for use			
Less :Transfer and Expenditure			
Transfer to pool birr account as at			
Expenditures			
Bank services Charges			
Total transfer & expenditure			
closing balance			
Actual exchange rate of			
..... closing balance /Leger birr			
account/			
Add gain or (Loss) on Foreign			
exchange Gain Balance After Gain of			
foreign exchange			
Prepared By _____ Date _____ Signature _____ Approved By _____ Signature _____ Date _____			

Ministry of Finance Human Capital Project			
Fund flow statement local currency Bank a/c As----			
		<u>Birr</u>	Total <u>Birr</u>
	Balance brought forward Cash Transfer From IDA Cash transfer from USD Account		
	Cash transfer from Government		
	Fund available for use		
	Fund transfer To regions and implementing entities) MoF Expenditure		
1	Tigray Region		
2	Afar Region		
3	Amhara Region		
4	Oromia Region		
5	Somali Region		
6	Benishangul Gumuz Region		
7	Sidama Region		
8	South West Ethiopia Peoples Region		
9	Gambella Region		
10	Harari Region		
11	DireDawa Administration		
12	Addis Ababa City Admi.		
13	Central Ethiopia Region		
14	South Ethiopia Region		
	Region Total		
15	Federal Ethics and Anti-corruption Commission		
16	Environmental Protection Authority		
17	Ethiopian Statistical Service		
18	Ministry of Health		
19	Ministry of Water and Energy		
20	Office of the Federal Auditor General		
21	Ministry of Finance		
	Federal Total		
	Total Transfer		
	Bank service charge		
	Total Transfer & bank service Charge		
	Ending balance		
<div> <div>Prepared By _____</div> <div>Signature _____</div> <div>Date _____</div> </div> <div> <div>Approved By _____</div> <div>Signature _____</div> <div>Date _____</div> </div>			

Ministry of Finance Human Capital Project IPF Cash movement			
	For the current quarter	For current year	Cumulative for project life
	Birr	Birr	Birr
Opening Balance Add :Cash transfers			
Transfers from MoF			
Fund Available for use			
Less :Expenditure			
Component 1: Protect and improve human capital outcomes in selected high risk, conflict-affected areas			
Support resilience and rebuilding of service delivery systems			
Support the education system in high risk woredas affected the most by the conflict to recover learning losses			
Support nutrition interventions in high risk woredas affected the most by the conflict			
Total component 1			
Component 2: Building models for innovation to address learning poverty and reduce stunting in selected SPG woredas			
2.1 To improve learning outcomes			
2.2 To address stunting			
Total component 2			
Component 3: Strengthening systems and accountability for improved service delivery			
3.1 Strengthening capacity in multisectoral coordination and data measurement for improved service delivery			
3.2 Strengthening accountability, fiduciary and safeguards at sub-national levels to improve service delivery			
3.3 Project Management and Coordination			
Total component 3			
Bank service charge			
Total expenditure			
Closing balance			
Breakdown of closing balance			
Cash at Bank balances in MOF COPCD Birr			
Cash and Bank balances			
Receivables			
Payables			
Others			
Total Closing Balance			
Prepared By_____			

Annex 12: Sample Grievance Form and Complaint Report Form

Sample Grievance Logs

1.Registration Form

Contact Details of Compliant	Name:		
	Address:		
	Telephone:		
	E-mail:		
How would you prefer to be contacted?	In Person	By Phone	By email
Details of your comments, grievance, recommendation. Please describe the problem, how it happened, when, where and how many times, as relevant?			
What are the complainant's suggestions to resolve the grievance?			
Details of how Grievance Submitted	In Person:		
	In Writing:		
	By Phone:		
	Other:		
Signature of Complainant(s)		Date:	
Name of Person Receiving Complaint		Date Logged:	

2.Compliant Report Form		
Contact Details of Complainant	Name:	
	Address:	
	Tel:	
	E-mail:	
Grievance Number		
Summary of Grievance		
Is the Complaint Project Related?	No Justification: Communication to Stakeholder (information, form and date): Acceptance by Stakeholder: Yes _____ No _____ Yes Cause: Communication to Stakeholder (information, form and date):	
Agreement Reached to Resolve Grievance	Yes _____ No _____ Form of the agreement Next Steps	
Next Steps (either to implement resolution or resolve grievances with dates and responsible parties)		
Signature of Complainant(s)		Date
Signature of Grievance Committee		Date Logged

Annex 13: Monitoring & Evaluation Plan Template

<Logo>

<Organization Name>

<Project title>

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INSTRUCTIONS: Instructions for this template are shown in red and yellow. Delete all instructions before submitting your proposal.

Items to be completed are highlighted in grey. Remove the grey highlighting before submitting your proposal.

Contents

INSTRUCTIONS: Update the Table of Contents as the final step before submitting your report.

Acronyms

INSTRUCTIONS: Delete any acronyms that you do not use in your report. Add any additional acronyms that you use. Acronyms should ONLY be used for things that appear more than 15 times in your plan. If something appears less than 15 times it should be written out in full every time. The first time you use an acronym it should be written out in full with the acronym in parentheses afterwards.

AIDS Introduction

INSTRUCTIONS: Complete this section with background details.

Purpose of this plan

<Describe what the purpose of the monitoring and evaluation plan is, such as who prepared it, for which audience and why>

Project summary

<Provide basic information on the project that this monitoring and evaluation plan is for>

Title	<Insert>
Starting Date	<Insert>
Duration	<Insert>
Partners	<Insert>
Target Area	<Insert>
Beneficiaries	<Insert>
Cost	<Insert>
Funding Source	<Insert>
Goal	<Insert>

Logical Framework

INSTRUCTIONS: Complete the following logical framework table, describing the goal, outcome, outputs and activities of the project. See the [Logical Framework \(Logframe\) Template](#) on tools4dev for an example of how to complete this table.

	PROJECT SUMMARY	INDICATORS	MEANS VERIFICATION	OF	RISKS ASSUMPTIONS /
Goal	<Insert>	<Insert>	<Insert>		<Insert>
Outcomes	<Insert>	<Insert>	<Insert>		<Insert>
Outputs	<Insert>	<Insert>	<Insert>		<Insert>
Activities	<Insert>	<Insert>	<Insert>		<Insert>

Indicators

INSTRUCTIONS: For each indicator listed in the previous logframe table describe precisely what the indicator is and how it will be measured. An example is shown below. Copy and paste the table as many times as required for completing all the indicators.

Indicator	Reading proficiency among children in Grade 6
Definition	Sum of all reading proficiency test scores for all students in Grade 6 divided by the total number of students in Grade 6.
Purpose	To assess whether reading proficiency at the schools participating in the program is improving over time. This would provide evidence on whether the reading component of the program is effective.
Baseline	Average score: 47
Target	Average score: 57
Data Collection	The class teacher will conduct a reading proficiency test for all students in the class. Each student will be assessed individually in a separate room. The teacher will ask them to read a list of words, sentences and paragraphs out loud and will mark each one that they have difficulty with. Any students not present on the day of the assessment will be excluded.
Tool	National Reading Proficiency Assessment questionnaire (See Annex A)
Frequency	Every 6 months
Responsible	Teachers
Reporting	The individual score for each student will be reported in the six monthly progress reports submitted by each teacher to the Program Manager. The Program Manager will then combine the data from each class to create full list of students and their scores. This will be used to calculate the average score for all students in Grade 6 using the definition above. The average score will be included in the report for the donor submitted every six months.
Quality Control	All teachers will attend a one day training course on how to complete the assessment. To verify the accuracy of the test scores submitted by the teachers the Program Manager will randomly select one class every six months to audit. This audit will involve re-testing all the students in the class and comparing the results to the results submitted by the teacher.
Indicator	<Insert>
Definition	<Insert>
Purpose	<Insert>
Baseline	<Insert>
Target	<Insert>
Data Collection	<Insert>

Tool	<Insert>
Frequency	<Insert>
Responsible	<Insert>
Reporting	<Insert>
Quality Control	<Insert>

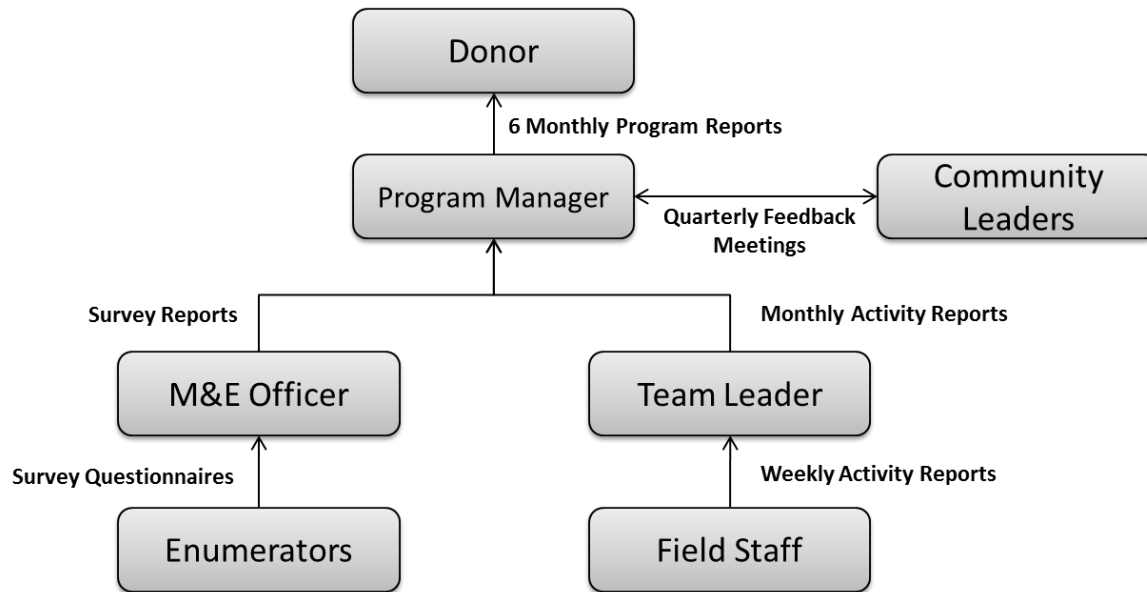
Roles & Responsibilities

INSTRUCTIONS: List each role in the organisation and their specific responsibilities for monitoring and evaluation. This may include collecting data, checking data, conducting analysis, reviewing reports, making decisions based on the data, etc. Some examples are shown below.

Role	Responsibilities
<Insert>	<Insert>
<Insert>	<Insert>
<Insert>	<Insert>
<Insert>	<Insert>
<Insert>	<Insert>
<Insert>	<Insert>
<Insert>	<Insert>
<Insert>	<Insert>

Data Flow

INSTRUCTIONS: Insert a flow chart and description showing how the monitoring data will flow from the place where it is collected up to the management team and then to other stakeholders, including the donor. An example is shown below.



<Insert description of the data flow process>

Data Management

Storage

<Describe how the data collected will be stored. For example, will it be stored in a spread sheet, database, hard copies, etc. How will it be backed up? How long will it be stored for? Data for different indicators may be stored in different ways>

Analysis

<Describe which software / tools will be used to analyse the data, such as SPSS, Stata, Excel, Tableau Public, etc>

Privacy

<Discuss any privacy issues with the data and how they will be addressed. For example, if you are collecting personal medical records how will they be kept confidential, who will have access to them, when will they be destroyed, etc>

Appendices

INSTRUCTIONS: Add any necessary appendices. As a minimum this should include the tools (questionnaires, interview guides, procedures etc) that will be used to measure each indicator.

<Tool Title>

<Insert tool>

<Tool Title>

<Insert tool>

<Tool Title>

<Insert tool>

Annex 14: Monitoring & Evaluation Responsibility Assignment Matrix

No.	Actor	M&E Tasks	Frequency
1	HCO Steering Committee	1) Discuss and approves the M&E Result Framework and propose the development of M&E plan	Quarterly
		2) Operational oversight and track performance to ensure HCO goals, PDO level indicators, outputs and outcomes are fully realized	Semi-annually
		3) Review semi-annual, annual reports and JRIS missions to provide operational guidance	Semi-annually
2	HCO Technical Committee	1) Provide technical assistance on the Development of M&E plan and methodologies	Monthly
		2) Track performance to ensure PDO level indicators, outputs and outcomes are progressing well	Monthly
		3) Approves the overall M&E plan and methodologies for implementation	Monthly
		4) Provide Operational guidance and technical support on the basis of monitoring report	Monthly
		5) Verify the progress of intermediate targets and ensure the specified disbursement is going well as scheduled	Monthly
3	Ministry of Finance	1) In reference to the M&E Result Framework develop the M&E plan as well as methodologies	Recurrent
		2) Develop an analysis plan, reporting templates and define data collection methods	Semi-annually
		3) Provide expertise assistance and arrange capacity building programs to the respective M&E unit and staff	Recurrent
		4) Communicate, through the COPCD M&E unit, with HCO Federal Sector ministries and other implementing agencies to ensure adequate inputs are available to implement the program	Recurrent
		5) Monitor selected 42 SPG woredas and IPF funded CDR woredas implementation progress in collaboration with sector ministries	Recurrent
		6) Organize pre-JRIS field and JRIS missions with the collaboration of the World Bank	Semi-annually
		7) Organize field supervision missions to monitor implementation status and rectify bottlenecks	Recurrent
		8) Disseminate periodic M&E and other consolidated reports to the concerned body	Quarterly
4	Ministry of Education and Ministry of Health	1) Develop the M&E plan and methodologies with reference to the M&E Result Framework	Annually
		2) Develop M&E tools, analysis plan, reporting templates and define data collection methods	Annually
		3) Provide expertise assistance and arrange capacity building programs to their M&E staff and regional bureaus	Quarterly
		4) Communicate with their respective regional bureaus and other implementing agencies to ensure adequate inputs are available to implement the program	Recurrent
		5) Receive financial, technical including M&E and other reports from their respective regional bureaus and consolidate for CoPCD inputs	Recurrent
		6) Organize field missions to monitor & review the implementation status of the project under PforR as well as CDR woredas under IPF to provide expertise assistance	Recurrent
		7) Collaborate to organize pre-JRIS field and JRIS missions and make sector specific presentation	Semi-annually
5	MOWE, MOPD, &	1) Make awareness to their respective regional bureaus to actively engaged in the M&E tasks to streamline the program objectives	Recurrent

Annex 14: Monitoring & Evaluation Responsibility Assignment Matrix

No.	Actor	M&E Tasks	Frequency
	RRS	2) Engage in the M&E activities of Multi-sector IPF funded sub-components with the collaboration of other implementing agencies	Recurrent
		3) Participate in the M&E field mission to monitor implementation status	Quarterly
6	MOE and MOH	1) Ensure to provide technical assistance on the Development of M&E plan and methodologies	Recurrent
		2) Make awareness to their respective regional bureaus to actively engaged in the M&E tasks to streamline the program objectives	Recurrent
		3) Actively engaged in the M&E activities of Multi-sector IPF funded sub-components with the collaboration of other implementing agencies	Recurrent
		4) Lead the M&E field mission to monitor implementation status and rectify bottlenecks	Recurrent
7	Regional Technical Committee	1) Ensure to provide technical assistance on the adaptation of region specific M&E plan and methodologies based on the blueprint	Weekly
		2) Track performance to ensure that PDO level objective and outputs are progressing well	Monthly
		3) Provide Operational guidance and technical assistance regarding M&E activities to woredas	Weekly
		4) Verify the progress of intermediate targets and output level in their specific regions	Semi-annually
		5) Ensure required inputs are available to implement the HCO activities at regional and woreda levels	Monthly
		6) Initiate M&E field supervision team into woredas to address implementation bottlenecks	Quarterly
		7) Make sure that M&E report is well prepared and inclusive of essential inputs	Quarterly
7	BoFED/BoF/BOFR C	1) Ensure the utilization of necessary M&E tools to monitor the outputs of respective HCO programmatic actions	Monthly
		2) Use reporting templates and consolidate data and information to update M&E reporting system	Monthly
		3) Follow up that adequate inputs are available to implement the program	Recurrent
		4) Update the M&E plan and disseminate periodic reports to the regional HCO sector bureaus	Monthly
		5) Prepare IFR and technical reports to provide inputs to CoPCD as part of monitoring mechanism	Monthly
		6) Organize field missions to monitor implementation status and rectify bottlenecks	Quarterly
		7) Organize regional level capacity building and pre-JRIS field and JRIS missions with the collaboration of sector bureaus	Semi-annually
		8) Perform any other M&E related activities and provide inputs to update the Result Framework	Recurrent
8	Regional bureaus of Education and Health	1) Implement the use of reporting templates and consolidate data and information to update M&E reporting system	Monthly
		2) Use necessary M&E tools to monitor the outputs of respective HCO programmatic actions	Monthly
		3) Organize field missions into woreda (including PforR components and IPF funded sub-components to monitor implementation status and rectify bottlenecks	Quarterly
		5) Consolidate monitoring and reviewing reports on both GPG & SPG woredas to their respective ministries	Semi-annually
		6) Actively participate in the organization of pre-JRIS field and JRIS missions and Perform any other M&E activities and provide inputs to update the Result Framework	Semi-annually
9	Other Regional HCO bureaus	1) Actively participate in the M&E planning session and provide inputs	Recurrent
		2) Make awareness to their respective woredas bureaus to actively engaged in the M&E tasks to streamline program objectives	Recurrent
		3) Participate in the M&E field missions to monitor implementation status and rectify bottlenecks	Quarterly
10	Woreda Technical	1) Operational follows up to ensure HCO outputs of both GPG, SPG and CDR	Weekly

Annex 14: Monitoring & Evaluation Responsibility Assignment Matrix

No.	Actor	M&E Tasks	Frequency
	Committee	woredas) are progressing well	
		2) Ensure that data collection is being conducted on appropriate templates.	Monthly
		3) Make sure that required inputs are availed to implement the respective HCO activities at woreda levels	Monthly
		4) Verify the progress of output level deliverables and activities are on the right track	Quarterly
		5) Make sure that IPF funded projects are engaged the community at large and provide technical assistance	Quarterly
		6) Perform M&E field supervision team into specific project site to address implementation bottlenecks	Quarterly
12	Other Woreda HCO bureaus	1) Actively participate in the M&E planning session and provide inputs	Monthly
		2) Collect essential data & information on the implementation of the program to update their respective regional bureaus	Recurrent
		3) Monitor, review and report on the IPF funded Sub-components implementation progress to their respective regional bureaus	Monthly
		4) Support the implementation of IPF funded intervention areas of CDR woredas to improve learning & stunting reduction	Recurrent
		5) Participate in the M&E field missions to monitor implementation status and rectify bottlenecks	Quarterly

Annex 15: HCO Results Framework Matrix

Program Development Objective(s): The objective of the Operation is to improve learning outcomes and nutrition services for girls and boys, and to strengthen service													
Program Development Objective Indicators by Objectives/Outcomes													
No.	Indicator Name	DLI's/ DRL's	UoM *	Baseli ne (FY)	Intermediate Targets					Frequency	Data Source	Responsibility of Data collection	Verifying Entity
					2024 EFY	2025 EFY	2026 EFY	2027 EFY	2028 EFY				
Result area One: Strengthening basic service delivery system to mitigate the impact of the crises													
1	Girls’ survival rate in secondary school in all regions including areas affected by conflict, droughts and high levels of refugees		%	19		22	24	27	29	Annual	EMIS, RRS and UNHCR	MOE/EMIS Directorate	ESS
2	Girls’ survival rate in secondary school for refugee children in high refugee host areas		%	12		14	16	18	20	Annual	EMIS	MOE/EMIS Directorate	ESS
3	Girls’ promotion rate from grade 11 to 12, nationwide	DLI 1	%	83		85	86	87	88	Annual	EMIS, RRS & UNHCR	MOE/EMIS Directorate	ESS
4	Children 0–59 months with diarrhea treated with	DLI 2	%	72		75	77	80	82	Annual	DHIS2, RRS and UNHCH in	MoH	ESS
5	Woredas that engage citizens in planning and budgeting including in areas affected by conflict, droughts and high levels of refugees in conflict affected areas		%	61		63	65	68	70	Annual	Administrative reports from regions and RRS and UNHCR	MOF/EMCP	ESS
6	Refugee children 0-59 months with diarrhea treated with ORS and Zinc in		%	50		53	36	59	62	Annual DHI S2	DHIS2	MoH	ESS
7	Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in selected SPG woredas.	DLI 3	%	0				10	20	Year 3 & 4	Questionnaire	MoE & EFCCC	ESS
8	In all SPG pilot Woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year’s allocation amount for the subsequent years	DLI 4	Yes/No	No	No	Yes	Yes	Yes	Yes	Annual	IBEX	MoF	OFAG
9	Regional procurement regulatory bodies in 12 Regions and Dire Dawa city administration report procurement performance in their respective Regions, nationwide	DLI 5	Number	0	0	7	9	11	13	Annual	Performance Report	EPPPA	FPPA

Result area Two: Improve learning outcomes and address stunting in selected woredas													
10	Children 6–23 months fed a minimum acceptable diet in 29 selected SPG woredas including woredas affected by droughts and high levels of refugees		%	9		11			14	Years 1,3 and 5	Project M&E end line.	MOH	ESS
11	Children who are able to read and understand a simple text by age 10 in 29 selected SPG woredas including woredas affected by droughts and high levels of refugees		%	9		34			39	Every two years	NEAEA	MOE/NEAEA	ESS
12	Share of new entrants in the first grade of primary school who attended pre-primary education in selected SPG Woredas	DLI 6	%	To be determined		3	2	2	2	Annual	EMIS	MoE, WoFED	ESS
13	Pregnant women and caregivers of children 0-23 months participating in community conversations sessions in 29 selected SPG Woredas	DLI 7	%	0	2	4	6	8	10	Annual	MOH/DHI S2	MOH	ESS
14	Quarterly reports of minutes of multisectoral committee meetings in selected SPG Woredas	DLI 8	Number	0		2	3	4	4	Annual	Administrative Data/WoFED	WoFED, MOF	ESS
15	Students benefiting from direct interventions to enhance learning		Number	0	241,000	482,000	723,000	964,000	1,205,000	Annual	Project M&E	MOE and WOEFD	ESS
16	Large-scale primary/secondary learning assessments completed (CRI, Number)		Number	0	1	1	2	2	3	Year 1, Year 3 and Year 5	NEAEA	MOE/NEAEA	ESS
17	People who have received essential health, nutrition, and population (HNP) services		Number	0	456,000	912,000	1,368,000	1,824,000	2,280,000	Annual	Project M&E	MOH and WOEFD	ESS
18	Number of refugee children and adolescents aged 6-18 enrolled either in refugee schools or any other schools in high refugee host areas (Number)		Number	0	100,000	130,000	160,000	190,000	220,000	Annual	EMIS	MOE/EMIS Directorate	ESS
19	Pregnant refugee women and caregivers of children 0-23 months participating in community conversations sessions in high refugee host areas (Percentage)		%	0	2	4	6	8	10	Annual	UNISE/DHI S2	MoH and WoFED	ESS
UoM* = Unit of Measurement													

Annex 16: DLIs and Disbursement Protocol Matrix

No.	Indicator Name	DLI's	Requirement		Data Source	Responsibility of Data Collection	Verifying Agency	Disbursement	
			Submission of Financial Report	Submission of Technical Report				Proportional fulfillment of Target	Complete Fulfillment of Target
Result Area One: Strengthening basic service delivery system to mitigate the impact of the crises									
1	Girls’ survival rate in secondary school in all regions including areas affected by conflict, droughts and high levels of refugees		Monthly, Quarterly Semi-annual and Annual	Annual	EMIS, RRS and UNHCR	MOE/EMIS Directorate	ESS	PD	FD
2	Girls’ survival rate in secondary school for refugee children in high refugee host areas		Monthly, Quarterly Semi-annual and Annual	Annual	MOE/EMIS Directorate	EMIS, RRS & UNHCR	ESS	PD	FD
3	Girls’ promotion rate from grade 11 to 12, nationwide	DLI 1	Monthly, Quarterly Semi-annual and Annual	Annual	EMIS, RRS	MOE/EMIS Directorate	ESS	PD	FD
4	Children 0–59 months with diarrhea treated with ORS and zinc in low performing regions	DLI 2	Monthly, Quarterly Semi-annual and Annual	Annual	DHIS2, RRS and UNHCH in refugee host communities	MoH	ESS	PD	FD
5	Woredas that engage citizens in planning and budgeting including in areas affected by conflict, droughts and high levels of refugees in conflict affected areas		Monthly, Quarterly Semi-annual and Annual	Annual	Administrative reports	MOF/EMCP	ESS	PD	FD
6	Refugee children 0-59 months with diarrhea treated with ORS and Zinc in high refugee host areas		Monthly, Quarterly Semi-annual and Annual	Annual DHI S2	DHIS2	MoH	ESS	PD	FD
7	Percentage of secondary schools that have received IEC materials and conducted at least one school community workshop on climate change awareness using the materials in selected SPG woredas.	DLI 3	Monthly, Quarterly Semi-annual and Annual	Year 4 and Year 5	Questionnaire	MoF & EFCCC	ESS	PD	FD
8	In all SPG pilot Woredas, GPG allocation maintained at least at baseline level for the first year and at the previous year’s allocation amount for the subsequent years	DLI 4	Monthly, Quarterly Semi-annual and Annual	Annual	IBEX	MoF	OFAG	PD	FD

No.	Indicator Name	DLI's	Requirement		Data Source	Responsibility of Data Collection	Verifying Agency	Disbursement	
			Submission of Financial Report	Submission of Technical Report				Proportional fulfillment of Target	Complete Fulfillment of Target
9	Regional procurement regulatory bodies in 12 Regions and Dire Dawa city administration report procurement performance in their respective Regions, nationwide	DLI 5	Monthly, Quarterly Semi-annual and Annual	Annual	Performance Report	MoF, FPPPA	FPPPA	PD	FD

Result area Two: <i>Improve learning outcomes and address stunting in selected woredas</i>									
No.	Indicator Name	DLI's	Requirement		Data Source	Responsibility of Data Collection	Verifying Agency	Disbursement	
			Submission of Financial Report	Submission of Technical Report				Proportional fulfillment of Target	Complete Fulfillment of Target
10	Children 6–23 months fed a minimum acceptable diet in 42 selected SPG woredas including woredas affected by droughts and high levels of refugees		Monthly, Quarterly Semi-annual and Annual	Years 1,3 and 5	Project M&E end line.	Project M&E end line.	ESS	PD	FD
11	Children who are able to read and understand a simple text by age 10 in 42 selected SPG woredas including woredas affected by droughts and high levels of refugees		Monthly, Quarterly Semi-annual and Annual	Every two years	Project M&E end line.	NEAEA	ESS	PD	FD
12	Share of new entrants in the first grade of primary school who attended pre-primary education in selected SPG Woredas	DLI 6	Monthly, Quarterly Semi-annual and Annual	Annual	EMIS	EMIS	ESS	PD	FD
13	Children 6–23 months fed a minimum acceptable diet in 42 selected SPG woredas including woredas affected by droughts and high levels of refugees	DLI-7	Monthly, Quarterly Semi-annual and Annual	Annual	MOH/DHSI2	MOH/DHSI2	ESS	PD	FD
14	Quarterly reports of minutes of the multisectoral committee meetings in selected SPG woredas	DLI-8	Monthly, Quarterly Semi-annual and Annual	Annual	NEAEA	Admin Reports	ESS	PD	FD

15	Children who are able to read and understand a simple text by age 10 in 42 selected SPG woredas including woredas affected by droughts and high levels of refugees		Monthly, Quarterly Semi-annual and Annual	Annual	NEAEA	MOE/NEAEA	ESS	PD	FD
16	Students benefiting from direct interventions to enhance learning		Monthly, Quarterly Semi-annual and Annual	Annual	Project M&E end line.	Project M&E	MOE and WOEFD	PD	FD
17	Large-scale primary/secondary learning assessments completed (CRI, Number)		Monthly, Quarterly Semi-annual and Annual	Year 1, Year 3 and Year 5	Project M&E end line.	NEAEA	ESS	PD	FD
18	People who have received essential health, nutrition, and population (HNP) services		Monthly, Quarterly Semi-annual and Annual	Annual	Project M&E end line.	Project M&E	ESS	PD	FD
19	Number of refugee children and adolescents aged 6-18 enrolled either in refugee schools or any other schools in high refugee host areas (Number)		Monthly, Quarterly Semi-annual and Annual	Annual	Annual DHI S2	EMIS	ESS	PD	FD
20	Pregnant refugee women and caregivers of children 0-23 months participating in community conversations sessions in high refugee host areas (Percentage)		Monthly, Quarterly Semi-annual and Annual	Annual	Annual DHI S2	UNISE/DHI S2	ESS	PD	FD
Note:	The Approving Agency for all financial and technical including the achievement of DLI's and DLR's is the World Bank task team								
Key:	Proportional Disbursement of the allocated budget to that specific period (on the basis of actual performance)							PD	
	Full Disbursement of the allocated budget to that specific period							FD	