Country Partnership Strategy for the Federal Democratic Republic of Ethiopia

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The Government of the Republic of Korea

This strategy was drafted in close consultation with the government of the recipient country and may be subject to change depending on the country's local circumstances.

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II. Overview

| | | Ac and 12 | chieve Annual ‰p (19‰→ 7‰ | economic gro) decrease in | wth rate of 1 poverty rate | 0% by 2030 |
|---|--|--|--|---|---|---|
| T Po Devel (2020 | en Years erspective lopment Plan //21-2029/30) | Quality economic growth and shared prosperity | Economic productivity and competitiveness | Technological capability and digital economy | Sustainable development financing | Private sector-led economic growth |
| | | Resilient green economy | Institutional transformation | Gender and social inclusion | Access to justice and efficient civil services | Regional peace building and economic integration |
| | | | | | | |
| ROK ODA Objectives Assist in raising economic productivity, laying the foundation industrialization, and building an inclusive society | | | oundation for ociety | | | |
| | | | | | | |
| | Transport and Energy Assist in building roads and other transport infrastructure Increase access to electricity and ensure stable and reliable power sup Develop human resources capacity in energy | | | | power supply | |
| Focus of Assistan | Rural Development | Establish pri Raise small Engage in p | Establish primary infrastructure in support of increased agricultural productivity Raise small farmer's income through capacity building and develop rural areas Engage in post-conflict reconstruction of inclusive communities and regions | | | |
| ice by | | | | | | |
| Water Management and Health/Hygiene Water Management and Health/Hygiene Water Management and Health/Hygiene Management and Health/Hygiene Management and Health/Hygiene Management and Health/Hygiene | | | | Expand healthcare services both quantitatively and qualitatively by strengthening the healthcare system (capacity-building to deal with maternal and child health, and infectious diseases, and enhancing service delivery system) Improve the drinking water and hygiene environment | | al with ncing service |
| | Education | Education Support higher education and vocational training, and education of and skills Assist with the education of out-of-school girls and women | | | | eation of IT n |

II. ODA Plan by Priority Area of Cooperation

Transport and Energy

Development Needs

- (Transport) Under key strategic goals of Ethiopia's *Ten Years Perspective Development Plan*, expand transport and logistics infrastructure such as roads, railways, and freight terminals, and provide capacity building programs for relevant workforce
 - * ▲Road construction: 144,000 km (2020,2021)→246,000 km (2029,2030), ▲Highways 301 km
 →1,650 km, ▲Railways 902 km→4,199 km, Freight terminals 1→23
- (Energy) Diversify energy sources from the current hydropower -centered energy generation and build a stable energy supply system in the event of drought

Basic Directions

- (Transport) Assist to enhance road infrastructure to improve logistics and build human resources capacity
- (Energy) Improve access to electricity, enable to provide stable and reliable power supply, and build workforce capacity
- **Detailed Implementation Plan**
 - (Transport) Expand and improve road networks to improve road access
 - Assist to **build highways and repair unpaved roads**, with a focus on priority programs under Ethiopia's road development plan and other transport development strategies
 - (Energy) Assist to expand transmission/distribution facilities and power plants, and introduce a modernized power system to support of improved energy efficiency and stable power supply

- Expand power stations and transmission/distribution facilities in areas with low access to electricity and industrial complexes that demand a stable power supply
- Build human resource capacity by transferring technology and know-how in maintenance, repair, and operation of power facilities using modernized power system

Key Programs

• Program 1: Gore-Tepi Road Improvements Project

| Agencies | EDCF Ethiopian Road Authority of Ethiopia | Total Cost | KRW 144.8 billion |
|-----------------------------|--|------------|---------------------------------|
| Program Type | Project | Objective | Expand transport infrastructure |
| Timeline | Preliminary feasibility study: 2012 / Project implementation period: 2018-2023 | | |
| Details (incl. partnership) | Pave, improve and repair one section of the two-lane Gore-Tepi Road between Oromia and the Southern Nations, Nationalities, and Peoples' Region | | |
| Performance indicator | Increased daily traffic on the Gore-Tepi Road (308 vehicles → 695 vehicles/day) Reduced travel time on the Gore-Tepi Road (4.84 hrs → 2.42 hrs) | | |

• Program 2: Southern Extension of the National Electricity Grid Power Transmission

| Agencies | EDCF Ethiopian Energy Authority of Ethiopia | Total Cost | KRW 206.5 billion |
|------------------------------------|---|------------|-----------------------|
| Program Type | Project | Objective | Increase power supply |
| Timeline | Preliminary feasibility study: 2017-2018 / Project implementation period: 2021-2025 | | |
| Details (incl. partnership) | Construct 421.8 km of transmission line and substations (two extensions, three new constructions) in the Omo Kuraz and Arba Minch in the Southern Nations, Nationalities, and Peoples' Region | | |
| Performance indicator | • Sufficient electricity supply in the project area (2,359 GWh \rightarrow 5,872 GWh) | | |

Regional Development

Development Needs

2

- The Ethiopian government is working to increase agricultural productivity and income of the rural population, and strengthen the capacity to respond to climate change.
 - * Under the Agricultural Growth Program and Productive Safety Net Program
- On the industrial policy front, the government is working to build industrial facilities with the most eco-friendly, advanced manufacturing capability in Africa by 2025.
- Demand for support to rebuild areas damaged by civil war is anticipated

Basic Directions

- Build infrastructure and capacity to increase agricultural productivity, boost commercialization and improve market access
- Assist local communities in their **post-conflict reconstruction efforts** to rebuild the region

Detailed Implementation Plan

- Expand region-specific infrastructure such as small-scale irrigation facilities and agricultural training centers to help low-income farms raise agricultural productivity
- Assist to develop agro-processing complexes for greater value addition and competitiveness in agricultural sector
- Assist to rebuild regions damaged by civil war for social inclusion and community building

☐ Key Programs

• Program 1: Ground Water Irrigation Development and Rural Development

| Agencies | EDCF Ministry of Water, Irrigation and Electricity of Ethiopia | Total Cost | KRW 114.2 billion |
|------------------------------------|--|------------|------------------------------------|
| Program Type | Project | Objective | Increase agricultural productivity |
| Timeline | Preliminary feasibility study: 2018 / Project implemenationa period: 2020-2025 | | |
| Details (incl. partnership) | Develop underground irrigation system and build two farming training centers In partnership with Korea Institute for Advancement of Technology, provide farming machines and training until 2026 through Farming Machine R&D Center project | | |
| Performance indicator | Increased irrigated area (4,995 ha) Increased capacity of drinking water supply (11,490 kl/day → 12,775 kl/day) | | |

• Program 2: Construction of Wastewater Treatment Facility in Integrated Agro-Industrial Park

| Agencies | EDCF Ministry of Trade and Industry of Ethiopia | Total Cost | KRW 35.6 billion (projected) |
|-------------------------------------|--|------------|--|
| Program Type | Project | Objective | Raise the competitiveness of the agro-industryPrevent river pollution |
| Timeline | Preliminary feasibility study: 2020-2022 / Project Implementation Period: 2023-2028 | | |
| Details (incl. partnerships) | • Build sewage and wastewater treatment facility inside the Yirgalem Integrated Agro-Industrial Park in the Sidama Region(AfDB) Assist to build the capacity to manage park projects | | |
| Performance indicator | Daily treatment of sewage and wastewater (4,200 m³/day) Preserved water quality in nearby rivers | | |

• Program 3: Project for Community-led Solution for Inclusive Socio-Economic Resilience towards Sustainable Peace in Conflict-Affected Area

| Agencies | KOICA Ministry of Peace of Ethiopia | Total Cost | USD 10 million |
|------------------------------------|---|------------|---|
| Program Type | Project | Objective | Assist to build socio-economic resilience in the areas of Oromia-Somali clashes |
| Timeline | Preliminary feasibility study: 2019 / Project implementation period: 2022-2025 | | |
| Details (incl. partnership) | Assist to organize Village Steering Committee for displaced persons and support village development planning Build local government capacity for early warning of conflict and emergency response planning Expand activities to generate income from farming and non-farming for income increase and food security Build capacity of government and financial institution to support displaced persons' access to financial services | | |
| Performance indicator | Enhanced gender-sensitive social assimilation of displaced people into new settlement location and lower risk of conflict Improved economic status of displaced people owing to the support for activities to generate income from farming and non-farming (70% of program beneficiaries had an increase in their household income) | | |

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Water Management and Health & Hygiene

Development Needs

- (Health) The country is working to make overall improvement in its healthcare system, with primary focus on maternal and child health, nutrition, child development, and management of infectious diseases
- (Water Management) Key goals of the 10-Year Development Plan include equitable supply of drinking water, increased access to hygiene facilities, and spillover effect of development through improved irrigation
 - * ▲ Increase in percentage of population with daily water supply of 25ℓ from 55% (2020/2021) to 100% (2029/2030), ▲ Integrated sewage treatment facilities in 100 cities, ▲ The number of population consuming fluoride-excessive water (3.5 million to zero)

Basic Directions

- (Health) Enhance healthcare system to make qualitative and quantitative improvement in essential healthcare services
 - (Maternal and Child Health) Assist to provide quality life-cycle healthcare services (maternal and child health, family planning, sex education for girls, etc.) and capacity-building of healthcare workers
 - (Infectious Diseases) Strengthen capacity to manage tuberculosis, malaria and other infectious diseases
- (Water Management) Improve access to safe drinking water and improve hygiene environment in local communities

Detailed Implementation Plan

- (Health) Assist to build a comprehensive healthcare management system for the delivery of essential healthcare services (including building of health center infrastructure in local communities, procurement of medical equipment and medicine, transport of patients and specimen)
 - (Maternal and Child Health) Assist to build a system for primary healthcare services and education for girls, and foster a highly skilled healthcare workers and their continuous capacity-building
 - (Infectious Diseases) Assist to build capacity for prevention, diagnosis, and treatment of tuberculosis, malaria, HIV/AIDS, and new types of infectious diseases
- (Water Management) Implement community-led programs to improve the quality of safe drinking water, sanitation, and environment, and increase efficiency and effectiveness of programs by linking water programs to healthcare and educational programs

Key Programs

• Program 1: (Health) Primary Health System Strengthening Project Focused on Reproductive Material and Newborn Health in Jimma Zone

| Agencies | Ministry of Health and Welfare Ministry of Health and Welfare of Ethiopia | Total Cost | KRW 8.33 billion |
|------------------------------------|--|------------|---|
| Program Type | Project Objective Improview health | | Improve maternal and child health index |
| Timeline | Preliminary feasibility study: 2020 / Project implementation period: 2021-2025 | | |
| Details (incl. partnership) | Improve primary healthcare environment for maternal health service delivery and strengthen local evacuation system Build capacity of the healthcare workers and raise community awareness | | |
| Performance indicator | Increased access to and quality of maternal health services (higher service rate) Reduced number of maternal and child mortality in the project area | | |

 Program 2: (Water Management) Integrated Water, Sanitation and Hygiene Program

| Agencies | KOICA Ministry of Water, Irrigation and Electricity of Ethiopia | Total Cost | KRW 11 billion |
|------------------------------------|---|------------|-------------------------------------|
| Program Type | Project | Objective | Improve water supply and hygiene |
| Timeline | Preliminary feasibility study: 2018 / Project implementation period: 2019-2023 | | |
| Details (incl. partnership) | Financial support the Consolidated WASH Account II (CWA II) Improve drinking water hygiene in the Gurage Zone communities Assist to strengthen the capacity to respond to COVID-19 in the drinking water hygiene sector | | |
| Performance indicator | Higher percentage of population with access to safe drinking water Lower cases of waterborne diseases as a result of improvement of toilets and latrines | | |

Education

4

Development Needs

- Under the *Education Sector Development Program 6 (EDSP VI*), Ethiopia is working to ▲ provide knowledge and technology education and training relevant to job demand, and ▲ improve access to universal education.
 - * The goal of the *Ethiopian Education Sector Development Program 6 (EDSP VI)* (2020-2025) is to raise the net enrollment rate of middle school students (grades 7 to 8) from 97% (2018/2019) to 99% (2024/2025), and that of high school students (grades 9 to 12) from 25% to 53%.
- The government also engages in expanding science and technology education for industrial development.

Basic Directions

- Assist to provide higher education, vocational training, and IT and technology education and training for capacity building
- Assist to ensure equitable educational opportunities for out-of-school girls and women
- **Detailed Implementation Plan**
 - Assist to establish vocational training centers and supply tools and materials for better educational environment, and provide advanced vocational and technical training
 - Build the capacity of higher educational institutions and government agencies to lay an industrial foundation, such as fostering of skilled workforce in science and technology
 - Create a female-friendly educational environment to provide learning opportunities to school dropout girls and illiterate women, and build their capacity through vocational training

Key Programs

 Program 1: Establishment of Centers of Excellence for Adma Science and Technology University

| Agencies | EDCF Adama Science and Technology University of Ethiopia | Total Cost | KRW 104.5 billion |
|------------------------------------|---|------------|---|
| Program Type | Project | Objective | Improve research and educational infrastructure |
| Timeline | Preliminary feasibility study: 2018-2019 / Project implementation period: 2022-2025 | | |
| Details (incl. partnership) | Build five research centers (manufacturing engineering, automotive engineering, material engineering, electrical electronics, and pharmacology) in Adama Science and Technology University Supply equipment and tools, and build the capacity of the faculty and researchers | | |
| Performance indicator | Newly constructed labs in the research centers (30) Provided Equipment and tools in the research centers (1,273 types) | | |

• Program 2: Capacity Development of Technical and Vocational Education Training(TVET) Leaders and Trainers

| Agencies | KOICA Ministry of Labor and Skills of Ethiopia | Total Cost | KRW 10 billion |
|-------------------------------------|---|------------|--|
| Program Type | Project | Objective | Contribute to manufacturing-led economic growth through human resources development and capacity-building |
| Timeline | Preliminary feasibility study: 2019 / Project implementation period: 2020-2026 | | |
| Details (incl. partnerships) | Build the capacity of vocational training faculty Revise the curricula of six engineering departments (electrical electronics, ICT, automobile, architecture, road construction, and clothing), develop teaching materials, and provide equipment and tools Build the teaching capacity and the institutional management capacity of the faculty in the six engineering departments | | |
| Performance indicator | Revised curricula (six engineering departments, 108 teaching materials) Improved environment for practical training (six engineering departments) | | |

III. Implementation Strategy

- ☐ (Strengthening of Aid Effectiveness) Maintain discussion with the Ethiopian government from the program identification stage to align the assistance plan with the partner country's development plan
- ☐ (Contribution to SDGs) In addition to focused assistance in priority areas of cooperation, take SDGs into consideration in overall ODA programs, including inequality reduction, support for vulnerable groups, gender equality, and climate change