

Implementation Status & Results
Ethiopia
Public Sector Capacity Building Program Support Project (P074020)

Operation Name: Public Sector Capacity Building Program Support Project (P074020) Project Stage: Implementation Seq.No: 14 Status: ARCHIVED Archive Date: 21-Aug-2012

Country: Ethiopia Approval FY: 2004
 Product Line: IBRD/IDA Region: AFRICA Lending Instrument: Specific Investment Loan
 Implementing Agency(ies): Ministry of Finance and Economic Development, Ministry of Civil Service

Key Dates

Board Approval Date	11-May-2004	Original Closing Date	07-Jul-2009	Planned Mid Term Review Date	Last Archived ISR Date	23-Apr-2012
Effectiveness Date	22-Nov-2004	Revised Closing Date	31-Dec-2012	Actual Mid Term Review Date		

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objective of the Project is to support the Borrower implement the Program, including: (a) improving the scale, efficiency and responsiveness of public service delivery at the Federal, Regional and local levels; (b) empowering its citizens to participate more effectively in shaping their own development; and (c) promoting good governance and accountability in its public sector.

Has the Project Development Objective been changed since Board Approval of the Project?

Yes No

Component(s)

Component Name	Component Cost
FEDERAL PSCAP	30.00
REGIONAL PSCAP	120.00

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Satisfactory	Satisfactory
Overall Implementation Progress (IP)	Satisfactory	Moderately Satisfactory
Overall Risk Rating		

Implementation Status Overview

The project is expected to be closed on December 31, 2012.

Relevance: The development objectives of the project maintained their relevance throughout the years. They are reflected under the public sector capacity building and governance pillars in the Government's Poverty Reduction Strategies (2003-present), the World Bank Strategy for Africa (2011) as well as the Country Assistance Strategies for Ethiopia (2003-

present). The pillars are meant to address systemic constraints in human and institutional capacity as well as inadequate accountability and transparency in order to provide better public service, empower citizens to participate in matters affecting their lives and promote transparency and accountability in the public sector.

Efficiency: The program development objectives are likely to be achieved with about 30% less financing than the original estimate of US\$398. The integration of core public sector reforms into one program and centralizing prototype development at federal level significantly reduced duplication of efforts by different sub-programs and different tiers of government. Most of the reforms (sub-programs) were able to achieve more than the original program activities. In addition, the operational cost for the project to date is 9.04% of the disbursed amount.

The project is targeted to meet its PDO: The project has made significant progress in achieving the outputs and outcomes necessary for meeting the development objectives by the end of the project. It has led to, inter alia, considerable improvement in government capabilities to: (i) raise and manage public resources more effectively, (ii) deliver improved public services, and (iii) become more inclusive, transparent and accountable.

The capacity to raise and manage public funds more effectively has improved. The adequacy and predictability of financing is being assured by the increase in revenue collection and improvements made in budget planning, execution and reporting systems. Tax collection has increased from 12.4 in 2005 to 58.9 billion Ethiopian Birr in 2011/12. The Public Expenditure and Financial Accountability (PEFA) assessments conducted in 2007 and 2010 showed improvement in 50% of the 28 indicators and specifically, the scoring for predictability of funds for commitment of expenditure has improved from D to B as a result of implementing cash management directive. Budget proclamations and expenditure reports also show reduction in regional and local fiscal gaps through increased unconditional transfers and own revenues. In addition, the variation between budgeted and actual expenditures has been reduced from 14% to 5% between 2005 and 2011/12.

Government's capacity to deliver efficient, responsive and transparent service to citizens has improved: This is mainly due to the rapid implementation of district level decentralization and other reforms that addressed outdated legal and policy frameworks, unwieldy structures, cumbersome work processes and systems as well as shortage of important skills in the public sector. The scaling up of district level decentralization from four regions to all regions has improved access to public services by bringing them closer to citizens. According to the 2010/11 Woreda (District) and City Benchmarking Survey, 88% of the local jurisdictions are providing basic services compared to only 25% in 2005. Similarly, the business process re-engineering has simplified cumbersome work processes, set service delivery standards, created one-stop shops for related services, introduced open work place designs and established complaint handling mechanisms in 145 federal, 404 regional and over 19,600 district offices. Processing time for tax collection decreased on the average from over 4 hours to average of 15 minutes, opening files in courts from one day to 24 minutes and clearance rate for courts nationwide increased from 60% to 96.2% during the project years.

Improved citizen's satisfaction with services: The Woreda and City Benchmarking Survey confirmed satisfaction of citizens with basic services. For example, citizens using government health facilities have increased from 50% in 2008 to 84% in 2011 in urban areas and from 77% to 94% in rural areas, respectively. Overall satisfaction with health services increased from 62% to 70% while households satisfied with waiting times, attitudes of the medical staff, and availability of drugs increased from 66%, 66%, 53% in 2008 to 81%, 74% and 54% in 2011 respectively. II) The overall satisfaction with primary education services increased from 84% to 94%, with solid waste management from 70% to 74%, and with agricultural extension services from 90% to 94% over the same period. The only sector where satisfaction has not improved is water supply, where satisfaction was dropped from 61% in 2008 to 58% in 2011. However, there has been a 16% fall (from 26% to 10%) in the proportion of the population reliant on unprotected water sources over the past three years.

Increased public participation and engagement: Reforms supported by the project promoted participation of citizens in the preparation and monitoring of plans. Membership of Kebele/Village Councils has been increased to 300 to ensure wider representation in the grassroots assemblies. Over 3300 Kebele level government/CSO supervision and inspection committees have been formed to ensure citizens' participation through formally established voluntary bi-annual public meetings. Transparency and accountability has been enhanced through establishment of information officers at federal, regional and woreda offices as well as recruitment of over 10,400 Kebele Managers. This is complemented by increasingly opening up Woreda Council meetings to the public, posting budgets and use of information technologies such as toll-free call centers (used by over 1000 users daily), portals, websites etc. This was also confirmed by the Woreda and City Benchmarking Survey by increased number of respondents who know public service information. Based on the Woreda and City Benchmarking Survey, citizens who know what taxes and fees they are legally required to pay increased from 60% in 2008 to 81% in 2011. Those who know their woreda budget and strategic plan increased from 13% and 17% in 2008 to 20% and 19% in 2011 respectively. Citizens who know council meetings are open to the public increased from 11% in 2008 to 32% in 2011 while those who are personally consulted on development issues increased from 17% to 20% over the same period.

Other achievements: Ethiopia's ranking for on-line service improved from 126 to 80 and for e-participation from 170 to 19 from a total of 174 countries on the UN E-Government Index done between 2005 and 2011. Skills are enhanced through short and long-term as well as on the job training. In an assessment made on training aspects of PSCAP, 87% of the responses were positive and speak well of the usefulness of the training courses they had taken.

Notwithstanding the above achievements, the incentive environment for the public servants has not improved and although civil service salaries increased on average by 15% in 2005, 23% in 2008, and 38% in 2011, these adjustments in pay have only partially compensated public servants for the loss of purchasing power. On the other hand, citizens reporting paying extra money to get public service increased from 4.3% in 2005 to 6.5% in 2011. This suggests increase in petty corruption.

Locations

Country	First Administrative Division	Location	Planned	Actual
Ethiopia	Not Entered	Federal Democratic Republic of Ethiopia		

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
1.1) Reduced budget variance	<input type="checkbox"/>	Percentage	Value	14.00	5.00	10.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	Reduced budget variance contributes to increased predictability and adequacy of financial resources flows.		The variation between budgeted and actual expenditure has narrowed down and target is met
1.2) Reduced fed-regional and regional-local fiscal gaps	<input type="checkbox"/>	Text	Value	1.2a) Federal- regional transfer indicated in budget proclamation is 6.4 billion birr in 2004/05. 1.2b) Regional own revenue is 3.6 billion birr in 2004/05. Additional Note: Ethiopia's scoring for predictability of funds for commitment of expenditure is "D" (PEFA 2007)	1.2a) The proclaimed federal-regional transfer for 11/12 is 31.4 billion birr which is 112% of the target (28.1 billion birr) on the (09/10 MEFF). 1.2b)Regional own revenue is 12.8 billion birr in 2010/11 with an annual average increment of 21%. Additional Note: Ethiopia's scoring for predictability of funds for commitment of expenditure improved to "B" (PEFA Assessment 2010) and has also improved in 50% of the PEFA indicators overall.	1.2a) The target federal-regional transfer for 12/13 is 37.6 billion birr (MEFF 11/12) 1.2b) Annual average increment of own revenue by 20%.

Public Disclosure Copy

			Date	23-Nov-2004	19-Jun-2012	
			Comments	Increased transfers and own revenue contribute to increased predictability and adequacy of financial resources flows.		The target is met.
2.1) Participatory budgeting and public reporting on budgets	<input type="checkbox"/>	Text	Value	2.1) No formal participatory budgeting and reporting in place in 2004/05.	2.1) Voluntary bi-annual public meeting on preparation and monitoring of plan has become an established practice.	2.1) Participation of citizens is to be an established practice.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			2.1) Target is met.
2.2) Involvement of civil society in planning and review processes	<input type="checkbox"/>	Text	Value	2.2) No formal involvement of civil society in planning and review process Additional Note: At federal level, there was no forum for consultation between government and civil society organizations.	2.2) Civil society involvement in plan preparation and monitoring has become an established practice through their membership in Kebele level supervision and inspection Team. In addition, the Kebele Council membership expanded to 300 to ensure wider representation in the grassroots assemblies. Communities are also managing community policing, small infrastructures, community tele-centers etc. Additional Note: At federal level, the Ministry of Civil Service established periodic consultations with civil society representatives on reforms and service delivery.	2.2) Participation of civil society organizations is to be an established practice.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			2.2) Target is met.
3.1) Increased own revenues and unconditional transfers as a share of total expenditures	<input type="checkbox"/>	Percentage	Value	91.00	100.00	100.00
			Date	23-Nov-2004	19-Jun-2012	

Public Disclosure Copy

Public Disclosure Copy

			Comments	3.1) Enhanced revenue performance and fiscal autonomy measured by increased own revenues and unconditional transfers as a share of total expenditures		3.1) The regional expenditure is covered by own revenue and unconditional transfer and the target is met.
3.2) Increased tax effort	<input type="checkbox"/>	Percentage	Value	93.00	105.00	100.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	3.2) Nationwide tax collection target for 2004/05 was 13.4 billion birr and the actual tax collection was 12.4 billion birr which is 93% of the target	3.2) Nationwide tax collection target for 2010/11 was 56.2 billion birr and the actual is 58.9 which is 105% of the target.	3.2) Nationwide tax collection target for 2011/12 was 70 billion birr and the actual is 70.7 which is 101% of the target. The target is met.
4.1) Average civil service salary	<input type="checkbox"/>	Text	Value	4.1) Weighted average civil service salary is 94% of the living wage in 2004/05	4.1) Weighted average civil service salary is 82% of the living wage in 2011/12.	4.1) Reduced gap between living wage and average civil service salary.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			
4.2) Private-public wage comparison	<input type="checkbox"/>	Text	Value	4.2) The public- average private wage comparison for instance, for an Executive Secretary is 1:1.81 in 2004/5	4.2) The public- average private wage comparison for instance, for an Executive Secretary is 1 :1.82 in 2011/12	4.2) Reduced the gap between public and private wage.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			
4.3) Wage decompression ratios	<input type="checkbox"/>	Text	Value	4.3) Using the civil service base salary, wage decompression ratio is 1:9.8 in 2004/5	4.3) Using the civil service base salary, wage decompression ratio is 1:32.6 in 2011/12 which shows salary scale for skilled professionals has improved relative to the non-skilled.	4.3) Improved salary scale for skilled professionals.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			The ratio shows salary scale for skilled professionals has improved relative to the non-skilled. The target is met.
5.1) Improved access, responsiveness and cost efficiency in priority sectors	<input type="checkbox"/>	Percentage	Value	25.00	88.00	85.00
			Date	23-Nov-2005	19-Jun-2012	

Public Disclosure Copy

			Comments	5.1) 25% of the local jurisdictions surveyed in 2005 independent Woreda/District and City Benchmarking Survey are providing basic services.		5.1) The target is met.
5.2) Reduced unit costs and processing time in priority sectors	<input type="checkbox"/>	Text	Value	<p>5.2.a) In 2004/05</p> <ul style="list-style-type: none"> -unit recurrent cost per person for primary health is 2.8 birr and quality indicators like health officers, nurses & health extension workers to population ratios are (1:100,763), (1:4,037) and (1:7277) respectively; -unit recurrent cost for primary education per enrolled student is 62.6 birr and teacher-primary school student ratio is 1:66 and primary student-text book ratios is 2:1; - Federal tax collection cost for each 100 birr was 0.80 cents (Note we are doing federal only because regional tax offices were functioning under the Regional Finance & Economic Development bureaus until 2009). - Federal level cost for each resolved court case is 726 birr. <p>5.2.b) In 2004/05</p> <ul style="list-style-type: none"> -Processing time for tax collection requires 4 hours and 35 minutes -Opening files in courts 	<p>5.2.a) In 2010/11</p> <ul style="list-style-type: none"> -unit recurrent cost per person for primary health is 7.9 birr and quality indicators like health officers, nurses and health extension workers to population ratios are (1:22,387), (1:2772) (1:5426) respectively; -unit recurrent cost for primary education per enrolled student is 111.6 birr and teacher-primary school student ratio has improved to 1.51 and primary student-text book ratios has improved 1.25:1 (please note that the text book ratio is 2009/10 data) -Federal tax collection cost for each 100 birr was 0.61 cents. - Federal level cost for each resolved court case is 534 birr. <p>5.2.b) In 2011/12</p> <ul style="list-style-type: none"> -Average processing time for tax collection requires 15 minutes -Opening files in courts requires 24 minutes on average. -Average clearance rate for courts nationwide is 96.2% 	<p>5.2.a)</p> <ul style="list-style-type: none"> -Reduced unit cost <p>5.2.b)</p> <ul style="list-style-type: none"> -Average processing time for tax collection will require 51 minutes -Opening files in courts requires 41 minutes on average. -Average clearance rate for courts nationwide will be 80%.

Public Disclosure Copy

				requires a minimum of one day. -Clearance rate for courts nationwide is 60%		
			Date	23-Nov-2004	19-Jun-2012	
			Comments			
6.1) Reduced corruption and arbitrariness in rule enforcement	<input type="checkbox"/>	Text	Value	6.1) 4.3% of respondents in the Woreda and City Benchmarking Survey reported paying extra money to get public service	6.1) 6.5% of respondents in the Woreda and City Benchmarking Survey reported paying extra money to get public service	1) Reduction in incidence of corruption
			Date	23-Nov-2008	19-Jun-2012	
			Comments			
6.2) Increased access to justice	<input type="checkbox"/>	Text	Value	6.2) Number of courts were 850, kebele social courts/ shengos were weakened to extinction, mobile benches existed for federal supreme court and there was no VC assisted court proceedings.	6.2) Number of courts increased to over 1025, additional 8248 social courts/ shengos were re-established / revamped, mobile benches introduced in 3 regions with remote districts, VC-assisted court proceedings initiated and over 21,680 court cases were heard using the VC facility since it is initiated in 2009.	6.2) Increased access to justice
			Date	23-Nov-2005	19-Jun-2012	
			Comments			6.2) Target is met.
6.3) Independence of courts	<input type="checkbox"/>	Text	Value	6.3) Independence of judiciary is adequately recognized in the Ethiopian Constitution and the various laws. In practice, the understanding of, and respect for, the principles of judicial independence both by all judges and by executives needed improvement.	6.3) Improvements were made in independence of the judiciary. Judicial Administration Commission is now independently organized and the board has been made to include lawyers, legal education, and prominent citizen figures to make it more transparent. Judge nomination has become fully merit-based. The legal education was reformed to include exit exams, mandatory on the job training	6.3) Enhanced independence of the judiciary

Public Disclosure Copy

Public Disclosure Copy

					before joining the workforce and curriculum revision is conducted to 16 courses which were found to be sub-standard.	
			Date	23-Nov-2004	19-Jun-2012	
			Comments			
6.4) Freedom of information	<input type="checkbox"/>	Text	Value	<p>6.4.a) There is no proclamation on right to information and no institutional focal point for information.</p> <p>Additional Note: -According to the 2008 woreda and city benchmarking survey, citizens who know what taxes and fees they are legally required to pay are 60%, those who know woreda budget are 13%, those who know their woreda strategic plan are 17% and those who know council meetings are open to the public are 11%.</p> <p>-Ethiopia's E-participation ranking in the UN Index is 170 out of 174 countries in 2004/05.</p>	<p>6.4a) Right to information proclamation is enacted and information officers in all offices and Keble Mangers are established in all Kebeles.</p> <p>Additional Note: -According to the 2011 woreda and city benchmarking survey, citizens who know what taxes and fees they are legally required to pay are 81%, those who know woreda budget are 19%, those who know their woreda strategic plan are 19% and those who know council meetings are open to the public are 32%.</p> <p>-Ethiopia's E-participation ranking in the UN Index is 19 out of 174 countries in 2011/12.</p>	6.4a) Information act to be issued and institutional focal points for information to be established.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			Target is met.

Intermediate Results Indicators

Public Disclosure Copy

Public Disclosure Copy

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
1.1) Law reform and revision undertaken and adopted at federal level	<input type="checkbox"/>	Text	Value	1.1) Studies that will lead to new laws are being conducted.	1.1) At federal level, property registration, asset registration and disclosure enacted. Civil service and financial acts along with 11 directives were revised. In addition, the justice, decentralization and ICT sub-programs adopted a No. of acts, policies and strategies listed in the aide memoire.	1.1) Laws to be enacted and strategies to be adopted at federal level.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			
1.2) No. of regions adopting enabling legislation for local authorities	<input type="checkbox"/>	Number	Value	4.00	11.00	11.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	1.2) Municipal enabling legislation adopted in 4 regions		1.2) Municipal Legislation enacted and urban development policy and strategy implemented in all regions. The target is met
1.3) No. of regions adopting various tax proclamations (income, excise, TOT)	<input type="checkbox"/>	Number	Value	0.00	11.00	11.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	1.3) VAT, income, turnover tax and withholding tax laws passed at federal level but no region adopted the income, turnover, agricultural income tax.	1.3) In addition to the targeted proclamations, a large No. of tax laws were issued by regional governments such as the chat tax, livestock t	1.3) The target is met.
2.1) Percentage of ministries, bureaus and agencies (MABs) (at federal and in each region) initiating restructuring and performanceimprovement	<input type="checkbox"/>	Percentage	Value	3.00	100.00	75.00
			Date			
			Comments	2.1) Performance and service delivery program (PSIP) modality has been adopted by 11 Ministries, Agencies and Bureaus (MABs)	2.1) The Business process re-engineering (BPR), a more comprehensive performance improvement system than the PSIP, is implemented in 145 federal and 404 regional level ministries, bureaus and agencies (MABs).	2.1) The target is met.
2.2) Percentage of woredas and municipalities undergoing restructuring	<input type="checkbox"/>	Percentage	Value	0.00	98.00	75.00
			Date	23-Nov-2004	19-Jun-2012	

Public Disclosure Copy

Public Disclosure Copy

Public Disclosure Copy

			Comments		2.2) The BPR is implemented in 19, 635 offices at woreda level.	2.2) The target is met.
2.3) Percentage of courts at each level initiating performance improvement	<input type="checkbox"/>	Percentage	Value	1.00	100.00	75.00
			Date	23-Nov-2004		
			Comments	2.3) Federal Supreme Court, few federal courts and two regional supreme courts initiated court reform	2.3) The court reform program is rolled out to the three levels of courts at federal, regional and woreda courts. As a result the average clearance rate improved from less than 60% in 2005 to 96.2% in 2011/12.	2.3) The target is met.
2.4) No. of regions adopting sector-specific automated IT solutions	<input type="checkbox"/>	Text	Value	2.4) Data centers existed in 560 locations at all level for document exchange and messaging. Additional Note: - Court Case Management system (CCMS) was used in 25 courts, - there is no biometric system for taxpayer information registration - no on-line applications are developed and Ethiopia's ranking for on-line service is 126 and for e-participation 170 from a total of 174 countries on the UN E-Government Index done in 2004/05.	2.4) Data centers are expanded to all 735 locations. Additional Note: -CCMS is expanded to 466 courts - biometric taxpayer information registration is introduced at all levels -on-line and mobile services are introduced in selected sectors. Ethiopia's ranking for on-line service improved to 80 and for e-participation to 19 from a total of 174 countries on the UN E-Government Index done in2011.	2.4) Data centers to be expanded to all levels of government.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			2.4) The target is met.
			Value	23.00	100.00	100.00
3.1) Percentage of budgetary institutions at each level implementing medium term and strategic planning	<input type="checkbox"/>	Percentage	Date	23-Nov-2004	19-Jun-2012	
			Comments	3.1) Medium term and strategic plan is used at federal level budgetary institutions	3.1) Medium term and strategic plan is used at all levels of government.	3.1) Target is met.
			Value	8.00	11.00	11.00
3.2) No. of regions adopting new budget structure at all levels	<input type="checkbox"/>	Number	Date	23-Nov-2004	19-Jun-2012	

Public Disclosure Copy

			Comments	3.2) New budget structure introduced in 8 regions.	3.2) All regions are using the new budget structure and chart of accounts. Additional Note: The program budgeting is introduced at federal level.	3.2) The target is met. Another program led by USAID has also supported the activity excluding the program budgeting.
3.3) No. of regions adopting of double entry, modified cash systems at all levels	<input type="checkbox"/>	Number	Value	4.00	11.00	11.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	3.3) Double entry modified cash systems in all federal budgetary institutions and the 4 regions	3.3) All regions adopted the double entry modified cash system	3.3) The target is met. Another program led by USAID has also supported the activity.
3.4) Percentage of budgetary institutions each level adopting cash management directives	<input type="checkbox"/>	Percentage	Value	23.00	100.00	100.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	3.4) Cash management directive adopted at federal level budgetary institutions only.	3.4) All regions adopted the cash management directive	3.4) The target is met.
3.5) Percentage of budgetary institutions at each level rolling out automated financial systems	<input type="checkbox"/>	Percentage	Value	56.00	100.00	100.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	3.5) BIS and BDA in federal budgetary institutions and 4 regions.	3.5) The BIS and BDA are adopted at all levels. Additional Note: The system has been upgraded to IBEX which PSCAP also supported until 2009.	3.5) Target is met. Another program led by USAID has also supported the activity.
3.6) Procurement legislation adopted and directives issued	<input type="checkbox"/>	Text	Value	3.6) Outdated procurement act and directive	3.6) The revised procurement legislation and directive are enacted and adopted at all levels. Additional Note: The property management Directive, stock management and fixed asset manuals are introduced.	3.6) Procurement legislation and directive to be enacted.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			The target is met.

Public Disclosure Copy

Public Disclosure Copy

3.7) Accounts and audits backlog reduced at federal, regional levels	<input type="checkbox"/>	Text	Value	3.7) -2 years accounts backlog at national level - 4 years audit backlog at federal level and more than 4 years backlog at regional level.	3.7) - No accounts and audit backlogs at national level	3.7) No accounts and audit backlog
			Date	23-Nov-2004	19-Jun-2012	
			Comments			3.7) Target is met. Another program led by USAID and protection of basic services (PBS) have also supported the activity
3.8) Percentage of budgetary institutions preparing standardized internal audit reports	<input type="checkbox"/>	Percentage	Value	0.00	100.00	100.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	3.8) Internal audit office established and preparation of internal audit report was very limited.	3.8) All offices prepare internal audit reports.	3.8) The reports quality needs improvement.
4.1) Medium-term remuneration policy developed, adopted at all levels	<input type="checkbox"/>	Text	Value	4.1) No medium-term policy developed	4.1) The medium-term remuneration policy is not yet developed. Additional Note: New job grading and evaluation based on the new flat structure is being finalized.	4.1) Medium-term remuneration policy to be developed.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			4.1) target is not met.
4.2) Results-Oriented Performance Appraisal (ROPA) rolled out at all levels HR guidelines in woredas and municipalities developed, adopted	<input type="checkbox"/>	Text	Value	4.2) ROPA study completed and piloted in selected offices	4.2) The upgraded performance management system, namely, the Balanced Score Card is introduced in 145 federal and 196 regional offices.	4.2) ROPAS to be implemented in 20 Ministries
			Date			
			Comments			Target is met.
4.3) Percentage of budgetary institutions at each level implementing IT based HRM systems	<input type="checkbox"/>	Percentage	Value	0.00	55.00	100.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	4.3) No IT-based HRM systems	4.3) Six regions attempted to develop IT-based personnel information management system, however the	

Public Disclosure Copy

Public Disclosure Copy

Public Disclosure Copy

					integrated civil service MIS for pilot organizations is under procurement.	
5.1) No. of regions adopting fiscal decentralization strategy including capital funding mechanisms	<input type="checkbox"/>	Percentage	Value	4.00	11.00	11.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	5.1) The federal government and the 4 big regions have fiscal transfer formula	5.1) The federal government and all regions have fiscal transfer formula to provide predictable and transparent fiscal transfers.	5.1) The target is met.
5.2) No. of regions implementing TIN	<input type="checkbox"/>	Number	Value	11.00	11.00	11.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	5.2) TIN implemented in 11 regions and the total number of taxpayers issued with TIN were 15,555 but there is no biometric-based TIN system	5.2) The computerized tax identification number (TIN) is now implemented in all regions. Currently, 2 million taxpayers were issued TIN certificate. TIN is complemented with the biometric technologies and total of 1.98 million tax payer information has been collected nation-wide using the biometric system.	5.2) Target is met.
5.3) Guidelines developed and implemented for implementing withholding taxes, assessing presumptive tax bases	<input type="checkbox"/>	Text	Value	5.3) Presumptive taxation guideline developed and is operational at federal level.	5.3) Presumptive taxation guidelines for implementing withholding taxes and assessing presumptive tax bases were adopted by all regions.	5.3) Presumptive taxation guideline to be adopted by all regions.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			5.3) Target is met.
5.4) Strengthening and performance improvement of FIRA and Customs	<input type="checkbox"/>	Text	Value	5.4) Tax system reform action plan prepared.	5.4) The tax system reform program implemented at all levels of government. The three revenue bodies were merged into one and the capacity to collect revenue has been strengthened.	5.4) Tax system reform to be implemented in all regions
			Date	23-Nov-2004	19-Jun-2012	
			Comments			5.4) Target is met.

Public Disclosure Copy

6.1) Service standards for urban and other essential services developed and established at all levels	<input type="checkbox"/>	Text	Value	6.1) No service standards developed	6.1) Over 20,000 offices that have implemented BPR developed service standards (processing time and required information for each service) and these are posted in these offices. Additional Note: Model Citizens' Charter is developed. Ministry of Civil Service published the first ever citizens' charter in Ethiopia. Training was provided to federal and regional representatives on citizens' charter.	6.1) Service standards to be established at all levels.
			Date	23-Nov-2004	19-Jun-2012	
			Comments			Target is met.
7.1) No. of regions implementing guidelines for citizen participation at the woreda and municipal levels	<input type="checkbox"/>	Number	Value	0.00	11.00	11.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	7.1) Government white paper on woreda participation was under development	7.1) All regions have implemented the guidelines for citizens' participation at woreda, municipal and kebele levels through the adoption of the good governance package (GGP).	The target is met.
7.2) Percentage of courts at each level undergoing performance improvement	<input type="checkbox"/>	Percentage	Value	1.00	100.00	75.00
			Date	23-Nov-2004	19-Jun-2012	
			Comments	7.2) Please see 2.3 of Intermediate Results Indicators. They are exactly the same.	7.2) Please see 2.3 of Intermediate Results Indicators. They are exactly the same.	7.2) Target is met.
7.3) Enhanced independence and efficiency of judiciary	<input type="checkbox"/>	Text	Value	7.3) Please see the 6.3 of the PDO indicators. They are exactly the same.	7.3) Please see the 6.3 of the PDO indicators. They are exactly the same.	7.3) Enhanced independence of the
			Date	23-Nov-2004	19-Jun-2012	
			Comments			

Public Disclosure Copy

7.4) Judges and lawyers trained	<input type="checkbox"/>	Text	Value	7.4) Judges in Federal courts and 2 Regional Supreme Courts took training as part of Canadian supported court reform program.	7.4) All judges (over 4400) are trained. In addition, over 2000 supporting personnel are also trained.	7.4) All judges are to be trained
			Date	23-Nov-2004	19-Jun-2012	
			Comments			7.4) Target is met.

Data on Financial Performance (as of 11-Jul-2012)

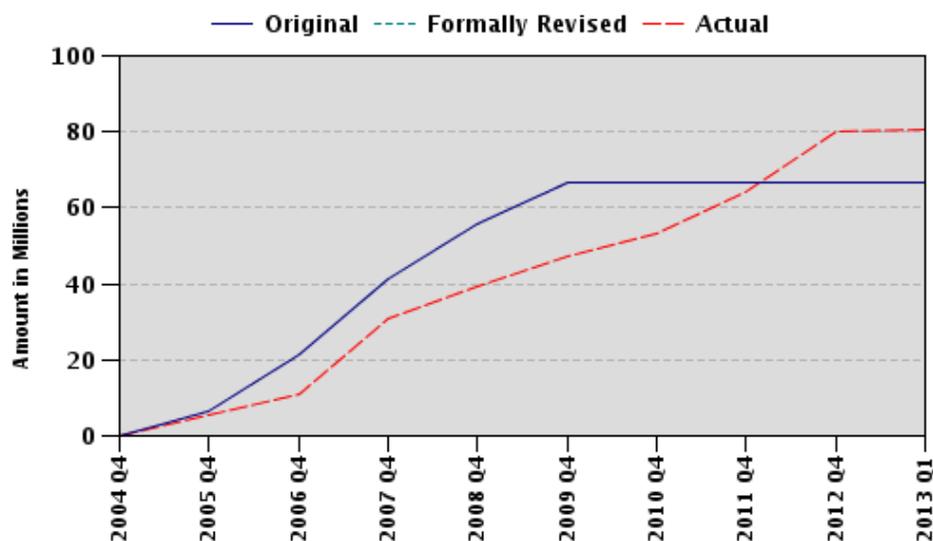
Financial Agreement(s) Key Dates

Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P074020	IDA-38990	Effective	11-May-2004	23-Aug-2004	22-Nov-2004	07-Jul-2009	31-Dec-2012
P074020	IDA-46690	Effective	23-Mar-2010	30-Apr-2010	14-Jul-2010	31-Dec-2012	31-Dec-2012

Disbursements (in Millions)

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P074020	IDA-38990	Effective	XDR	66.90	54.17	12.73	53.85	0.32	99.00
P074020	IDA-46690	Effective	XDR	31.50	31.50	0.00	26.53	4.97	84.00

Disbursement Graph



Key Decisions Regarding Implementation

None.

Restructuring History

Level two Approved on 06-Mar-2012

Related Projects

P107217-Additional Financing to the Public Sector Capacity Building Program Support Project