



Final Evaluation
Fourth Road Sector Policy Support Program (SPSP IV)
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Lot 5: Budget Support

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Mr. Ernesto MARZANO – Team Leader

Mr. John MURPHY – Key Expert



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1.1 Issue and Revision Record

Revision	Date	Originator	Checked	Approved	Description
Original	31/08/2021	EM/JM			Submitted to EUD

1.2 List of Acronyms/Abbreviations

ACRONYM	DESCRIPTION	ACRONYM	DESCRIPTION
AfDB	African Development Bank	NBE	National Bank of Ethiopia
AfCFTA	The African Continental Free Trade Area	NDICI	Neighbourhood, Development and International Cooperation Instrument
ARSO	African Organisation for Standardisation	NDF	Nordic Development Fund
AU	Africa Union	NIAP	National Implementation Action Plan
BADEA	Bank of Arab for Economic Development in Africa	NIP	National Indicative Programme
BS	Budget Support	NRSC	National Road Safety Council
CEF	Comprehensive Evaluation Framework	NTIS	National Transport Information System
COMESA	Common Market for East and Southern Africa	OECD	Organisation for Economic Cooperation and Development
CSA	Central Statistics Agency	OFID	OPEC Fund for International Development
CV	Curriculum Vitae	OHS	Occupational Health and Safety
CVS	Communication and Visibility Strategy	ORF	Office of the Road Fund
DAG	Development Assistance Group	OSBP	One Stop Border Post
DFID	Department for International Development	PAF	Performance Assessment Framework
DFR	Draft Final Report	PFM	Public Finance Management
DG	Director General	PPP	Public Private Partnership

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DP	Development Partner	QAG	Quality Assessment Grid
DS	Driver School	QC	Quality Control
EAC	East African Community	QCS	Quality Control System
EA-SA	Eastern and Southern Africa	RACER	Relevant, Acceptable, Credible, Easy, Robust
EC	European Commission	RAI	Rural Access Index
ECF	Extended Credit Facility	RAMS	Road Asset Management System
ECWC	Ethiopian Construction Works Corporation	RCC	Regional Connectivity and Competitiveness
EDF	European Development Fund	RG	Reference Group
EFF	Extended Fund Facility	RIP	Regional Indicative Programme
EIA	Environmental Impact Assessment	ROW	Right of Way
EM	Evaluation Matrix	RRA	Regional Road Agency
EMCP	the Expenditure Management Control Program	RSDP	Road Sector Development Program
EMP	Environmental Management Planning	RWBLP	Regional Weighbridge Location Plan
EQ	Evaluation Question	SADC	Southern African Development Community
ERCC	Ethiopian Road Construction Corporation	SDG	Sustainable Development Goal
ERIMS	Ethiopian Road Information Management System	SMART	Specific, Measurable, Achievable, Realistic and Time-Bound
ETLSP	Ethiopia Transport and Logistics Support Programme	SPSP	Sector Policy Support Program
EU	European Union	STE	Short Term Experts
EUD	European Union Delegation	TA	Technical Assistance
ERA	Ethiopian Road Authority	TCP	Technical Cooperation Program
FA	Financing Agreement	TL	Team Leader
FT	Fixed Tranche	TOC	Theory of Change
FTA	Federal Transport Agency	TOR	Terms of Reference

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GOE	Government of Ethiopia	TRIPS	Tripartite Transport Registers and Information Platform System
GTP	Growth and Transformation Plan	TSA	Three Step Approach
HOA	Horn of Africa	TSWG	Transport Sector Working Group
HOAI	Horn of Africa Initiative	TTTFP	Tripartite Transport and Transit Facilitation Programme
ICT	Information and Communication Technology	UN	United Nations
IMF	International Monetary Fund	URRAP	Universal Rural Road Access Program
IOS	Institutional Organizational Setup	VLM	Vehicle Load Management
JC	Judgment Criteria	VLMA	Vehicle Load Management Agreement
MFF	Multannual Financial Framework	VT	Variable Tranche
MCBRTA	Multilateral Cross Border Road Transport Agreement	VTS	Vehicle Testing Station
MDG	Millennium Development Goal	WB	World Bank
MOF	Ministry of Finance	WFP	World Food Programme
MOT	Ministry of Transport	WRO	Woreda Road Office
M&E	Monitoring and Evaluation	WS	Weigh station
NAO	National Authorising Office		

2 INTRODUCTION

Ethiopia is a landlocked country and the second-most populated nation in the African continent, occupying a total area of 1,100,000¹ square kilometres². The Ethiopian society is also one of the least urbanized in the world with some 80% of the country's estimated 116.4 million in January 2021² inhabitants living in rural areas and depending on farming and livestock. Ethiopia has been one of the fastest growing countries in Africa, continuing being one of the fastest non-oil-dependent economies. The country has been implementing the national development policy framework, the Growth and Transformation Plan (GTP), aiming at reaching lower middle-income status by 2025.

With the importance of the road transport in supporting social and economic growth and its role as a catalyst to meet poverty reduction targets, the Government has been implementing the Road Sector Development Program (RSDP) since 1997 in five phases (RSDP I to V) with emphasis on expansion of the road network and improvement of its quality and accessibility.

The RSDP V, which the European Union (EU) Sector Policy Support Program (SPSP) IV supported, covered the period 2015 - 2020, building on the results achieved through earlier phases of the RSDP. It formed a strategic pillar of the GTP II and in terms of physical and financial plans it was the largest program ever undertaken in the sector. After decades of support to the road sector, the EU has now shifted its focus to supporting the logistics sector and started a new budget support program in Regional Connectivity and Competitiveness (RCC).

Systematic and timely evaluation of its programmes and activities is an established priority of the European Commission (EC). The focus of evaluations is on the assessment of achievements, the quality and the results of Budget Support programmes in the context of an evolving cooperation policy with an increasing emphasis on result-oriented approaches and the contribution towards the implementation of the Sustainable Development Goals (SDGs).

The current evaluation includes a diagnostic of the SPSP IV program as regards the data collection, analysis and reporting systems and performance in the policy dialogue. The lessons to be drawn from the evaluation will also make recommendations on how to improve budget support in design, implementation and monitoring of the new program (in the logistics sector) under the next EU programming cycle (the Neighbourhood, Development and International Cooperation Instrument (NDICI) of the 2021-2027 Multiannual Financial Framework (MFF).

The beneficiaries of this mid-term evaluation are the Government of Ethiopia (GoE), the National Authorising officer (NAO) and the Ethiopian Road Authority (ERA) together with the Delegation of the European Union to Ethiopia. The Contract to carry out the Final Evaluation of the SPSP IV was awarded to LINPICO in April 2021 and the team, comprising Ernesto Marzano, Team Leader (TL), Evaluation Expert and John Murphy, Key Expert No. 2 (KE2) mobilised on the 22nd April 2021 with an internal team meeting. A remote kick-off meeting was held on 23rd April 2021. A further meeting was held with ERA on 10th May 2021. A Draft Inception Report (IR) was submitted on 14th May. A remote meeting was held to discuss the IR on 26th May and the Final IR was submitted on the 3rd June 2021. On 7th July 2021, the preliminary findings of the Field Phase were presented to the Reference Group (RG). Minutes of the Meetings with the Reference Group are in Annex IX. A Draft report was submitted to EUD on 20/07/2021. Comments were received on 02/08/2021, which have been addressed in this latest version of the report.

1

<https://en.wikipedia.org/wiki/Ethiopia#:~:text=Ethiopia%20has%20a%20total%20area%20of%201%2C100%2C000%20square,the%20world%20and%20the%202nd-most%20populous%20in%20Africa.>

² <https://datareportal.com/reports/digital-2021-ethiopia>

2.1 Objectives of the Assignment

The main objectives of this final evaluation are to provide the relevant services of the European Union, the interested stakeholders and other audience with:

- in the context of the coverage areas mentioned in the terms of reference, an overall independent assessment of the past performance of the SPSP IV, paying particular attention to its results measured against its expected objectives; and the reasons underpinning such results.
- key lessons learned, conclusions and related recommendations to improve current and future Budget Support programmes. The start and end dates relevant for this evaluation are as follows:

Dates of the Budget Support Programme to be evaluated	<ul style="list-style-type: none">• Start: 29/06/2015• End: 15/03/2021
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2.2 Purpose of the Draft Final Evaluation Report

Due to a change in work practices necessitated by travel restrictions due to Covid and others, the team was unable to travel to Ethiopia for the field phase and instead arranged and carried out all interviews and document collection by remote means. This change in Workplan was communicated in the Final Inception Report submitted on 3rd June 2021. The primary purpose of the Draft Final Report (DFR) is to elicit comments from the Reference Group and the stakeholders, to ensure that the focus of the conclusions and recommendations is correct and beneficial for future planning.

2.3 Structure of the Report

This report consists of separate sections as follows:

Section 2 - Introduction (this chapter) - provides a general background to the study together with the study objectives and purpose of the draft evaluation report.

Sections 3 - Answered Questions/Findings - this chapter presents evaluation questions and answers, according to the evaluation criteria of design, relevance, efficiency, effectiveness, impact, sustainability, value-added and coherence, cross-cutting issues, coherence, and EC value added.

Section 4 – Overall Assessment – this chapter provides a narrative of the overall assessment of the project.

Section 5 – Conclusions and Recommendations – this chapter provides the conclusions to provide an overview of the assessed subject. Each conclusion is referenced by a corresponding recommendation. This can be an important reference for the design of new interventions.

As requested by TOR the **Executive Summary** (ES) is a stand-alone document, with short summary of the key findings, main conclusions, lessons learned and specific recommendations, based on a template generated by the Eval Module.

Finally, the Report contains annexes as follows:

Annex I Terms of Reference of the project

Annex II Brief Curricula Vitae (CVs) of Evaluators

Annex III Detailed Evaluation Methodology including Options taken, Difficulties Encountered and Limitations, Details of Tools and Analyses

Annex IV Evaluation Matrix

Annex V Detailed Evaluation Methodology

Annex VI Logical Framework Table

Annex VII Map of Project Area

- Annex VIII** List of Persons/Organisations Consulted
- Annex IX** Literature and Documentation Consulted
- Annex X** Minutes of Inception Report Presentation Meeting
- Annex XI** Questionnaire/Guidelines to Interviews
- Annex XII** PowerPoint Presentation (extracted in a separate soft copy)

3 ANSWERED QUESTIONS

The following sections address each of the seven Evaluation Questions (EQs) formulated during the Inception Phase and approved by EUD. Each answer to the evaluation follows the structure depicted in the Evaluation Matrix and address the proposed Judgment Criteria.

3.1 Evaluation Question 1. Which inputs have been provided and to what extent do they correspond to the envisaged SPSP IV inputs?

3.1.1 The Reasons for Budget Support

Assessments of Budget Support (BS) in relation to the Key Assessment Areas have been favourable and previous reviews of the SPSPs stated that the conditions for BS were favourable. The EU is closer to the principles of the Paris Agreement through the promotion of road sector BS, which it has been implementing since 1997. BS facilitated a closer dialogue with the Government at sector level, which resulted in more emphasis placed on rural roads, maintenance, road safety and capacity building. It also facilitated the dialogue related to macroeconomic stability, Public Finance Management (PFM) and budget transparency and it facilitated the implementation of the EU's capacity building activities.

3.1.2 Disbursements made by the EU Sector Policy Support Programme

The allocation of funds and amounts disbursed through the earlier SPSPs was as follows:

Table 3-1 : Allocation and Disbursement of Funds through previous SPSPs

SPSP	Allocation (€ M)	Disbursed (€ M)	%
I	162	150.71	93.0
II	200	187.17	93.6
III	49	42.5	86.7
Total	411	380.38	92.5

The allocation for SPSP IV, which is the subject of this evaluation, is € 140 M (being € 138 M for budget support and € 2 M for the Technical Cooperation Programme (TCP) and other activities). The allocation is illustrated in the table below.

Table 3-2 : Allocation of Funds (SPSP IV)

No	Description	Allocation (€)
1	Budget Support Sector Reform Contract	138,000,000
2	Technical Cooperation Programme (Indirect Management)	1,500,000
3	Evaluation and Audit	200,000
4	Communication and Visibility	100,000
5	Contingencies	200,000
	Total	140,000,000

Source: Financing Agreement (FA)

Over the period of disbursement, the sum of € 133 M has been disbursed for the BS component as illustrated in the table below.

Table 3-3: Disbursement of Funds (SPSP IV)

Description	2016 (M€)		2017 (M€)		2018 (M€)		2019 (M€)		Total Disbursed (M€)	
	P	D	P	D	P	D	P	D	P	D
FT	26	26	26	26	26	26			78	78
VT			20	20	20	18*	20	17 ^{3**}	60	55
Totals									138	133

Legend: FT (Fixed Tranche); VT (Variable Tranche); P (Planned); D (Disbursed)

In terms of disbursement, the BS Programme for SPSP IV can be adjudged a success with 100% disbursement of the fixed tranches and 92% disbursement of the variable tranches achieving thus an overall disbursement of 96.4%, the highest percentage of disbursement if it is compared to the 3 previous SPSPs.

3.1.3 Data Collection/Sources of Verification

The Financing Agreement (FA) makes reference to sources of verification such as ERA Reports and surveys by independent consultants, complemented by policy dialogue and field missions. In practice, reference has been made to:

- RSDP Annual Reports
- Annual surveys on RSDP impacts carried out by independent consultants on behalf of ERA
- Specific Reports on SPSP indicators carried out by independent consultants
- URRAP reviews and social impact studies (carried out by independent Consultants such as WT Consult and Wabekdon Development Consultants)

It is noted that, in early 1997, at the start of RSDP, a performance monitoring system was developed, and baseline data collected by COWI consultants with EU support, which was designed to provide feedback on RSDP progress to the Development Partners (DPs). This was later expanded to also include monitoring of transport-related Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs). Other impact studies have also been carried out (such as the Consultancy Service for Transport and Poverty Observatory – Sheladia, July 2017).

It is fair to say that the level of reporting has been comprehensive and that the development of the road sector and RSDP has made a significant contribution to reducing poverty in the project areas. However, it is also noted that sometime, the data collection is difficult and time consuming for supporting the definition of indicators for the EU budget support Variable Tranches' indicators (e.g., indicators 7 and 10). This has contributed to making the disbursement process onerous during the SPSP IV.

3.1.4 Policy Dialogue

The main policy dialogue forum is the Transport Sector Working Group (TSWG) whose Terms of Reference (TOR) was approved at the end of 2013. It was co-chaired by Ministry of Transport (MOT) and the EU and meetings were planned to be held quarterly. The primary participants included:

- Ethiopian Roads Authority

³ Notes: * Failure to meet indicator on axle load control

** Indicator 2 Kebeles with access to all-weather roads was partially met; Indicator 7 Failure to meet indicators on axle load control.

- Office of the Road Fund (ORF)
- National Road Safety Council (NRSC)
- Ethiopian Railways Corporation
- Federal Transport Authority
- NAO/MOF
- Donors, such as the EU, the World Bank (WB) and the African Development Bank (AfDB) and others.

Typically, presentations were made by ERA, ORF, MOT and consultants representing the TCP, EU, WB, AfDB, JICA, Korea and others (such as the World Food Programme (WFP) in July 2017). China has not participated in the TWSG. The EU has been the only donor providing BS to the Ethiopian road sector. The position of co-chair allowed high visibility of the EU and its interventions in the Road Sector in Ethiopia.

In addition to this forum, the EUD met with the ERA officials in charge of the RSDP, the ORF, the MOT staff in charge of the TSWG, and the sub-sectors (roads, railways, logistics, road safety, etc.), and the Ministry of Finance (MOF)

The TSWG reported to the Development Assistance Group (DAG), which was strongly represented in preparation of the GTP. The GTP II (2016-2020) was prepared with little input from the TWSG and adopted under an assumption of sustained average annual growth around 11%. Despite its overambitious targets, the second phase of the GTP was oriented towards improved competitiveness, increased export diversification and better integration into global value chains based on a push for further structural change of the economy.

There was recognition that infrastructure development was multi-faceted and entailed the development of: 1) Roads; 2) Railways; 3) Energy; 4) Telecommunications; 5) Potable water supply and irrigation; 6) Transport services; 7) Maritime transport; 8) Air transportation services, and 9) Urban and construction development. 5 of the 9 pillars are transport-related and form sub-sectors of the transport sector, each of which has performance targets. Two sub-groups of the TWSG were formed to focus on the road sector issues of road safety and rural accessibility and the participants were drawn from ERA, NRSC and donors.

From the perspective of the EUD, the purpose of the TSWG meetings has been to monitor the Government of Ethiopia (GOE)'s measures to address and/or mitigate the identified challenges as part of an enhanced policy dialogue with the authorities in the framework of its budget support operations.

3.1.5 Technical Cooperation Programme (TCP)

EU provided complementary support through a capacity building Technical Cooperation Programme (TCP) programme designed to involve regional stakeholders for the first time in SPSP.

European Union (EU) funded Technical Cooperation to Support the Road Sector Development Program, Ethiopia a Technical Assistance project implemented by a consortium led by NTU International A/S of Denmark. The project commenced in October 2018 and was completed in October 2020. The SPSP IV TCP programme was built on the achievements of the previous TCP and was designed to further boost capacity at Central and Regional levels according to the priorities of RSDP. The purpose of the TCP was to support the Regional States in the integration of their Road functions and related activities as appropriate and contributing towards increasing the effectiveness of management of the Regional Road Authorities (RRAs) through the process of planning, organizing and controlling, in order to achieve helpful outcomes as well as facilitating the further empowerment of the RRAs, through the task of developing levels of human and institutional capacity.

The Executing Agency was the Ethiopian Roads Authority (ERA) which was also responsible for coordinating and managing all the activities The Project delivered nine volumes of manuals, guidelines and procedures which were targeted for capacity building that included, planning, procurement, design, contract management, and road asset management. Further, a Road Asset Management System (RAMS) was developed together the associated Procedures and User Guide to support the RRAs in

planning, programming, implementation and monitoring of road works (both construction and maintenance). Unfortunately, the persistence of the Covid-19 Pandemic affected the on-site training activities reducing thus the effectiveness of the programme.

3.2 Evaluation Question 2. To what extent are the budget support operations put in place consistent with the country’s strategic and policy framework and with the overall Developing Partners (DPs) development strategies?

3.2.1 EU Budget Support

The EU has been supporting road sector activities since 1997. The objectives and approach SPSP IV are consistent relevant to the country’s strategic and policy framework economic and social policies. The National Indicative Programme (NIP) for Ethiopia (2014 to 2020) had an overall budget of € 815m and was focussed on three sectors of 1) Sustainable Agriculture and Food Security; 2) Health, and 3) Roads and Transition to Energy with budgetary provision for cross-cutting measures. An understanding was that the EU and Development Partners (DPs) would align their activities in the TSWG.

The NIP was coherent with the Joint Cooperation Strategy of the Member States in response to Ethiopia’s GTP. The focal sectors were chosen to complement support to be provided under the Regional Indicative Programme (RIP) for Eastern and Southern Africa and the Indian Ocean. The Africa Union (AU) prepared Vision 2063, which presents an ambitious vision for the African continent in 2063 and which also describes the quantity and quality of the transport infrastructure and services that would be required to help achieve this vision.

The value of SPSP IV lies in reduced transaction costs and in the support to the policy and planning process. The SPSP IV is very much aligned with the EU Strategy for Africa and the principles of the Paris Declaration (Ownership, Harmonisation, Alignment, Results and Mutual Accountability) and the EC plays a leading role in this respect.

The Financial Agreement (FA) for SPSP IV was signed on 15th September 2015 and was for a duration of 5 years. The Overall Objective of the SPSP IV was to contribute to sustainable and inclusive growth, eradicate poverty and improve sector governance through the implementation of the last year of the RSDP IV (2010/2015) and its successor RSDP V (2015/2020).

3.2.2 The Chosen Indicators

For the disbursement of the variable tranches, 10 indicators were agreed and chosen as listed below (1,2 and 3 being concerned with Rural Access, 4,5 and 6 with Road Maintenance; 7 and 8 with Road Sector Management and 9 and 10 with Crosscutting Issues):

Table 3-4: Variable Tranche Indicators Chosen for SPSP IV

Category	No.	Indicator
Rural Access	1	Area further than 2 km from all-weather roads (%)
	2	Kebeles with access to all-weather roads (%)
	3	Kebeles served by regular passenger transport services (%)
Road Maintenance	4	Gravel and paved roads in good and fair conditions (%)
	5	Overall allocation to road maintenance (Million Birr)
	6	Absorption capacity of road maintenance allocation (%)
Road Sector Management	7	Trucks overloaded (%)
	8	Fatalities per 10,000 vehicles (n)
Cross cutting Issues	9	Contracts awarded to domestic contractors (%)
	10	Contracts with good and fair implementation of Environmental Mitigation Plan (EMP) (%)

These indicators were chosen as corresponding with the priorities expressed during the evolution of the RSDP. Overall, the indicators were chosen appropriately and contributed to the efficient implementation of the strategy.

The logical framework shows, in general, a good consistency of the chosen indicators and the reliability of the baselines. The value of the chosen targets of a few indicators appears to be ambitious if compared with the value of the baseline.

However, the specific analysis of each indicator, in some cases put in evidence some limits. All the indicators are SMART (Specific, Measurable, Achievable, Relevant and Time Bound) but not all of them are RACER (Relevant, Accepted, Credible, Easy and Robust). In general, this limitation is due to the difficulties of collecting the proper data. In Table 3.5 the colour orange means that the indicator doesn't fully respect the condition of RACER.




Furthermore, some the indicators used are strongly correlated. This means that the achievement of one indicator is related to the performance of the others and vice versa.

The following table illustrates the analysis.

Table 3-5: Consistency of Indicators

No	Indicators	Description	Methodology	SMART	RACER	Comments
1	Area further than 2 km from all-weather roads	The indicator aims at assessing connectivity and access to economic opportunities and basic services. The assessment of the area distant more than 2 km to all-weather roads.	The data is expressed in percentage of area further than 2 km from all-weather roads. Collecting road network length data from RRA, ERA's Road Network Management Directorates and Woreda Road Offices for URRAP			Correlation with Indicator 2
2	Kebeles with access to all – weather roads (%)	The indicator complements indicator n.1 and shows the progress towards the URRAP goal of connecting the totality of Kebeles to all-weather roads.	All weather road length is taken as of PAF No 1 while the kebele accessibility is calculated based on the length of the road in kebeles by the field surveys			Correlation with Indicator 1
3	Kebeles served by regular passenger transport services (%)	This indicator aims at assessing the real impact of new rural roads on local communities.	Transport services in remote areas are often not attractive for private operators and difficult to afford for local people. Field Studies in more than ¼ of Ethiopia's area			
4	Gravel and paved roads in good and fair conditions (%)	This indicator represents the main tool to follow (through visual inspection) the quality of the federal road network and its sustainability over time.	ERA's Asset Department ranking of federal roads based on Roughness Index measured through ground condition survey (full federal network)			Correlation with indicators 5/6
5	Overall allocation to road maintenance (Million Birr)	This indicator combines the allocations to road maintenance (Road Fund and all additional allocation from the treasury).	Budget for Maintenance from Government and Road Fund (in GTP I and GTP II)			Correlated with Indicator 4/6
6	Absorption capacity of road maintenance allocation (%)	To assess the capacity to absorb the resources allocated to road Maintenance. The share of resources allocated to maintenance is of utmost importance to ensure long term sustainability	Expenditure on maintenance projects from ERA Road Network Management Directorates assessed against the budget allocated; same from RRAs and municipalities.			Correlated with indicator 4 /5
7	Trucks Overloaded (%)	This indicator aims at assessing the percentage of trucks overloaded. According to the Ethiopian regulations, the legal limit of axle loads are 8 tons for front axle and 10 tons for rear axle.	ERA's Road Asset Management Department collection of axles checked on the 11 – axle load stations on the main roads around the country. The data was recorded manually at each weighbridge station			The statistical method for data collection is not specified Axle load instead of LGV No traffic counts at weighstations
8	Fatalities per 10.000 vehicles (n.)	Road safety remains one of the major challenges in the sector and the Ethiopian Government	Fatalities collected from Police Offices.			The “ratio” indicator is not reliable on monitoring the reduction of the number of deaths
9	Contracts awarded to domestic contractors (%)	This indicator aims at assessing the involvement of domestic contractors in road construction.	ERA's Engineering Procurement Directorate registering the origin of contractors awarded with civil work projects			

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10	Contracts with good and fair implementation of Environmental Management Plan (%)	This indicator aims to measure the percentage of a good and fair implementation.	A Sample of projects (30-40%) are taken from the total ongoing projects and are assessed against the criteria in terms of the impact of projects			
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Indicator no. 7 “Percentage of trucks overloaded” is not supported by an adequate statistical methodology and surveys for data collection. Furthermore, the data collected for the VT release calculated the axle load that exceeded the limits not the percentage of vehicles overloaded.

With regards Indicator no.8 “Number of fatalities per 10,000 vehicles”, this is not an appropriate indicator to measure the reduction of fatalities due to road accidents since the target of the indicator can be achieved just with an increase of the vehicle fleet in the period 2016. Although the performance of indicator no.8 shows a decreasing trend, the trend in fatalities and injuries in absolute terms actually increased. The fatality numbers have risen from 4,267 in 2016 to 5,118 in 2018. The absolute indicator of number of road accidents, (fatalities and injuries) per road category is more reliable.

3.2.3 Ethiopia’s Strategic and Policy Framework

The MOT is responsible for policy and oversight about all modes of transport. The Federal Transport Authority (FTA) is responsible for the overall management of land transport including the management and licensing of vehicles.

ERA is responsible for the management of the federal road network and the NRTSC is responsible for road safety management. Maintenance of the federal and link roads is also under the responsibility of ERA, with actual implementation of works handled primarily by the Ethiopian Road Construction Corporation (ERCC), with the increasing participation of private contractors.

The ORF manages the Road Fund under the overall guidance of the Road Fund Board, comprising representatives of the Federal Government, Regional States, ERA and other public and private sector stakeholders. Ethiopia also has a Ministry of Peace and a Ministry of Innovation, both of which can be interested stakeholders.

The Government treasury (GOE and Road Fund) has been the major financier of RSDP.

DPs including the European Union (EU), World Bank (WB), African Development Bank (AfDB), Nordic Development Fund (NDF), Bank of Arab for Economic Development in Africa (BADEA), OPEC Fund for International Development (OFID) and the Governments of Japan, Germany, U.K, Ireland, the Saudi Fund for Development, the Kuwait Fund and the Government of China, Abu Dhabi Fund and Korean Exim Bank have also been involved in the financing of the Program.

3.2.4 The relevance between the SPSP IV inputs to the objectives of RSDP

The objectives of RSDP are to:

- improve transport operating efficiency and reduce road transport costs for freight and passengers to encourage production, distribution and export.
- provide access to previously neglected food deficit rural areas to support efficient production, exchange and distribution throughout the country; and;
- develop adequate institutional capacity of the road sub-sector both at central as well as regional level.

The Government of Ethiopia (GOE) launched the Road Sector Development Program (RSDP) in 1997 to address the problems in the road sector. Since then, five phases of RSDP were implemented over the period of 1997 – 2020.

- RSDP I - From July 1997 to June 2002 (5 years plan)
- RSDP II - From July 2002 to June 2007 (5 years plan)
- RSDP III - From July 2007 to June 2010 (3 years plan)
- RSDP IV - From July 2010 to June 2015 (5 years plan)
- RSDP V - From July 2015 to June 2020 (5 years plan)

SPSP IV design includes specific features tailored to the priorities of the RSDP the policy dialogue and the capacity building. The SPSP IV contributed to the overall objectives of the RSDP V, namely improvement of transport operating efficiency and reduced road transport costs for freight and

passengers, provision of access to rural areas, and development of adequate institutional capacity of the road sub-sector both at central as well as regional level.

The budget support program has also targeted one of the main objectives of the RSDP, namely the development of adequate institutional capacity of the road sub-sector both at central as well as regional level with the implementation of the TCP. The SPSP IV supported the capacity building needs through the TCP while the Government's approval of the new Public Private Partnership (PPP) is a crucial step to promote increased private sector participation in future. The SPSP IV encouraged an increase in the policy dialogue on the corridors to Djibouti, Kenya, Sudan and the HOAI, and foresees the establishment of joint institutions for corridor management, operation of border posts and transport service agreements.

In terms of performance assessment, a direct output of the SPSP IV has been to put the spotlight on axle load enforcement worsening performances. This has contributed to the more active engagement of the Ethiopian Government in the Tripartite discussions, and in the regional EU program, the Tripartite Transport and Trade Facilitation Programme (TTTFP). The GoE, in accordance with TTTFP, is now working towards, among other things, harmonisation of Vehicle Load Management (VLM) system to regional standards (a revised draft regulation is already finalised) which is expected to contribute to improve the situation over the coming years.

In December 2019, the International Monetary Fund (IMF) Executive Board approved three-year arrangements under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF) for about USD 2.9 billion. The arrangements represent the first time that Ethiopia is signing onto an IMF programme since 2010. The package is one of the highest that can be provided under the IMF's lending rules and is the highest in Sub-Saharan Africa (about 700% of Ethiopia's quota).

Overall, there were positive outcomes under the successive Road Programs. The objectives of improving access and condition were met through the building and upgrading of both the federal and regional networks. Accomplishments in the areas of institution and capacity building of the sector laid the foundations for the overall capacity of the sector in physical works, policy, and institutional capacity building.

3.2.5 Physical Performance of RSDP V

SPSP IV's achievement contributed to the implementation of the partner government's sector strategy. During the five years of RSDP V, a total of 40,665 km physical work has been carried out, of which 13,973 km by Federal Roads, 9,299 km by Regional Roads and 17,394 km of URRAP roads by Woreda Road Desks (see Table 6). Regarding the Federal Road Network, 1,240 km of trunk roads were rehabilitated, 2,699 km of trunk and link roads were upgraded, 4,140 km of new link roads were constructed, and 98 km of expressway roads were constructed in the five years of RSDP V. In parallel with these works, a total of 5,795 km of heavy maintenance work was carried out on federal paved roads.

About ETB 196 billion was disbursed of which 152.3 billion was on Federal Roads and ETB 29.7 billion was on Regional Roads and 13.98 billion was on URRAP Roads. The overall physical and financial performance against plan during the five years of RSDP V was 35% and 59% respectively. The low physical performance is mostly attributed to the unrest and insecurity in the country, outbreak of COVID 19 and mainly low performance of Woreda roads, as depicted in the following sections.

Regarding kebele connectivity in the second phase of URRAP; 404 kebeles were connected in the five years of RSDP V; which total the kebeles connected so far to 12,275 (70% of the total).

Overall, the average time the households have to travel to get to an all-weather road was reduced from 2.9 hours (8.7 km) in 2010-11 to 1.52 hours (4.6 km) in 2019-20. The increased accessibility is having a positive impact on the rural economy.

The performance recorded in the year 2015-20 ensured the continued expansion of the road network, with improved accessibility of rural areas to all weather roads through the Universal Rural Roads

Access Program (URRAP) implementation. 17,394 km of all-weather URRAP roads in RSDP V till the end of 2019/20 fiscal year.

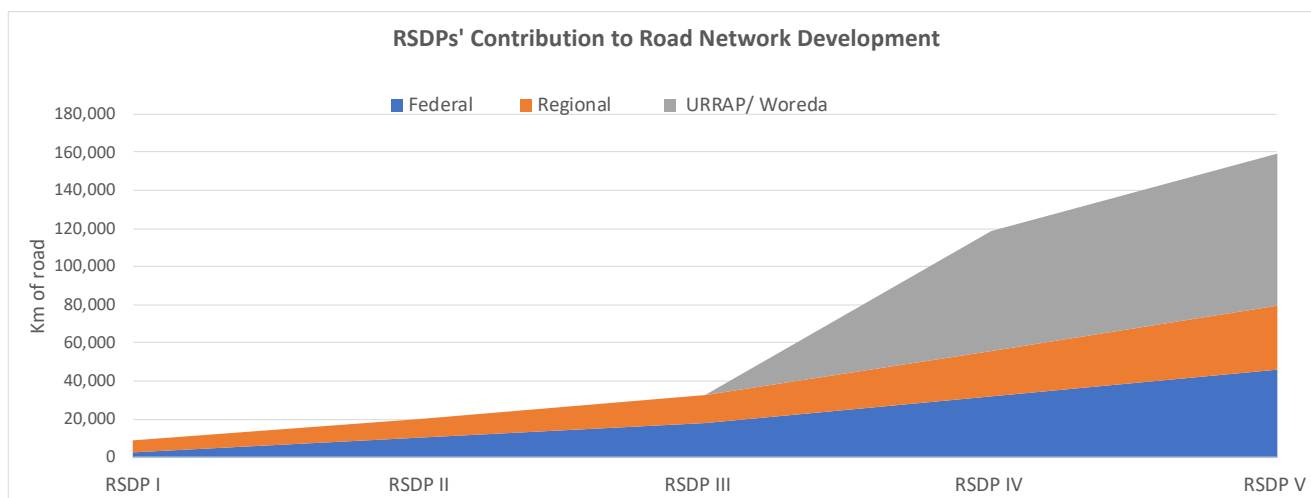
Over the 23 years of the RSDP Ethiopia 's road network has increased 117,477 Km. from 26,550 km in 1997 to 144,027 km in 2020. The physical works have been undertaken on a total of 159,218 km of roads excluding routine maintenance work and community roads. As a result of RSDP the road density per 1000 sq. km has increased from 24.1 km in 1997 to 130.9 km in 2020⁴. Also, improvement has been registered in the condition of the country's road network.

Table 3-6: RSDP Physical performance per road category

	Federal	Regional	URRAP/ Woreda	Overall
RSDP I	2,709	6,000	-	8,709
RSDP II	7,483	4,106	-	11,589
RSDP III	7,996	4,399	-	12,395
RSDP IV	13,633	9,814	62,413	85,860
RSDP V	13,973	9,299	17,394	40,665
TOTAL	45,794	33,618	79,807	159,218

SOURCE: Evaluation Team's Elaboration based on ERA Monitoring Reports

Figure 3-1: Road Development Under 23 Years of RSDP



Source: Evaluation Team's Elaboration based on ERA Monitoring Reports

Improvement has been registered in the condition of the country's road network. The proportion of road network (only federal and rural gravel road network) in good condition was 22% in 1997 and in 2020 from the total federal, regional and URRAP road network (which is 120,313 km), 20.1% is in good condition.

⁴ This estimate is not based on recent Census on population

3.2.6 Current Sector Strategy

The successor to the Growth and Transformation Program II (GTP II) has been elaborated as 'A Homegrown Economic Reform Agenda: A Pathway to Prosperity, (2019)', which states that double digit growth and over six-fold increase per capita during 2004-18 led to a 15 % decline in the rate of poverty and outlined overall developmental goals for the next 10 years.

'The 5 and 10-Years Federal Road Master Plan, (2020)', recognises that unlike earlier phases of the RSDP, RSDP IV and V placed a high emphasis on improved access, specifically the construction of link roads and engineered low volume roads. The performance of RSDP V was stated to be mixed and with many challenges as the country is passing through turbulences together with changes of Government and ERA management.

The Master Plan lays out the Government's vision for Ethiopia's road infrastructure for the next 10 years and seeks to guide infrastructure users, providers, and regulators in a common direction over the next 10 years. A Consultant was appointed to draft the Ethiopian Road Sector Policy; however, this has not yet been approved.

The African Union (AU) document AGENDA 2063, (2013) encapsulates not only Africa's aspirations for the future but also identifies key flagship programs that can boost Africa's economic growth and development and lead to the rapid transformation of the continent. The African Continental Free Trade Area (AfCFTA) is a flagship project of Agenda 2063. It was approved by the African Union Summit as an urgent initiative whose immediate implementation would provide quick wins, have an impact on socioeconomic development and enhance the confidence and the commitment of Africans as the owners and drivers of Agenda 2063. The African Continental Free Trade Area (AfCFTA) was established by an agreement adopted in March 2018. The AfCFTA was planned to be operational in July 2020, but due to the outbreak of the COVID-19 pandemic, the operationalization of AfCFTA was postponed to 1 January 2021.

3.2.7 Need for Improved Logistics

The reform agenda recognizes the need to leverage the achievements of the past decades in infrastructure and human capital for high quality growth by fostering private sector development and capacity building for increased job creation, to sustain economic growth and for the creation of fiscal space for investment. It is recognised that one of the key factors constraining private sector growth is inefficient logistics. Time and costs of freight transport are significantly higher than in other countries and, as a result, Ethiopia's competitiveness on the global market is hindered. Logistics is one of the priority areas for the structural reforms promoted by the Ethiopian Home-Grown Economic Reform Agenda. The GOE has recognised this shortcoming and prepared a National Logistics Strategy (2018-2028).

The new EU-funded RCC Sector Reform Contract Action will allocate € 100 M to support Ethiopia's renewed cooperation policy with neighbouring countries, that started with the Peace Agreement with Eritrea (2018) and continued with the Horn of Africa Initiative on regional integration and economic development. Its overall objective is to enhance regional integration and to increase Ethiopia's competitiveness in a sustainable way.

As part of its BS Programme, the EU is financing a Technical Assistance (TA) support programme, the Ethiopia Transport and Logistics Support Programme (ETLSP). The ETLSP is planned to be implemented over a 30-month period (February 2021 to August 2023) and is designed to assist the Ethiopian Administration to meet the twelve performance indicators of the EU's Budget Support Programme; support the implementation of the planned transport and logistics reforms; support the implementation of the National Logistics Strategy; and monitor Transport and Transit Corridor performance indicators and standards.

The WB also intends to provide support to the logistics sector. In the past, the transport sector projects have included:

- Support to the Road Sector Support Program
- Expressway Development Project

- Institutional Development with the MOT
- Transport Systems Improvement Programme

Future projects will include:

- Co-financing of the Addis – Djibouti corridor under the Horn of Africa (HoA) Initiative (\$500m), which will include elements of trade facilitation and logistics and will be coordinated with EU/AfDB and others.
- Roads Program for Results (\$300m) – this will be designed to support the 10-year Road Development Program.

The WB also anticipates engaging in a form of hybrid budget support, whereby if the GOE modalities for implementation are considered satisfactory, then disbursements will be made on the basis of results.

3.3 Evaluation Question 3. To what extent has budget support contributed to the establishment of a framework of policy dialogue, focused on key government strategies and priorities on the sector?

3.3.1 Terms of Reference of the Transport Sector Working Group

The TOR for the TSWG, were approved at the end of 2013. It was intended as the main forum for policy dialogue - it is chaired by MOT, co-chaired by the EU and designed to be held on a quarterly basis. The TSWG comprises also two sub-groups which were dealing with issues regarding the road sector, namely road safety and rural accessibility.

Following discussions among Development Partners (DPs) and Authorities, and considering new TCP Programmes, it was intended that the TORs and sub-groups could be amended depending on needs. The TSWG was designed to report to the Development Assistance Group (DAG), which was strongly represented in preparation of the GTP. Quarterly progress reports on RSDP are circulated by the MOF. These were designed to lead to an annual workshop on the progress of RSDP against plan.

The TORs refer correctly to the ambitions of RSDP and the desire for the continued support of the donors. The purposes of the TSWG are to:

- share information on Government policies, strategies and programmes relevant to the transport sector;
- share information on transport-related strategies and initiatives, especially those which have an impact on public-private dialogue;
- coordinate and harmonize efforts of various development partners supporting the transport sector, including missions and sector studies;
- share lessons learnt from projects and programmes in the sector;
- review progress towards the targets for the sector set out in the GTP;
- review compliance with the National Transport Policy (when available);
- review progress towards RSDP objectives and targets (currently RSDP-IV).
- interact with and mobilize partners to provide additional support to the sector, where necessary.

The policy dialogue is conducted through bilateral and multilateral meetings with stakeholders (GOE, DPs and others). Among them the TSWG represents the main forum for ensuring synchronization of activities and effective dialogue with the governmental bodies. Further to this, the policy dialogue in the transport sector has an important added-value due to the high level of ownership (MOT and ERA) and the crucial importance attributed to the road sector as enabler of social and economic growth.

The TSWG was tasked with the following:

- Programme and Policy Review and Reform.
- The TSWG will review specific programs or policy initiatives of the sector.
- The TSWG will report to the DAG High Level Forum on those policies, programs and/or progress on issues which need the attention of higher authorities.
- The members of the TSWG are expected to contribute with technical input to the review and reform discussion.
- Implementation - The TSWG will identify ways to enhance coordination of development initiatives. The TSWG will discuss and recommend solutions to overcome bottlenecks for implementation and will encourage development partners to mobilize and provide additional support for development of transport infrastructure in Ethiopia.
- Monitoring and evaluation - The TSWG will follow up progress towards GTP and RSDP objectives, together with any others set for the sector or its sub-sectors. In the spirit of the Paris Declaration on Aid Effectiveness and the subsequent mutual follow-up processes (Accra 2008, Busan 2011 and others to come), the TSWG had to identify concrete steps to achieve harmonisation of development partners' procedures in the sector.
- The working modality of the TSWG is designed to ensure GOE leadership and ownership of the process. An annual Action Plan had to be produced and monitored twice yearly. Unfortunately, during the field phase it was not possible to interview the MOT's reference people thus it is not evident that an annual action plan was prepared. The documents and MoMs collected do not mention this.

3.3.2 Performance of Policy Dialogue Mechanism

Policy dialogue is an important aspect of the BS operation, but this was difficult at the initial stages of the program due to continuous organisational changes in the Government structures. The Federal Ministry of Transport and the DPs were expected to coordinate interventions within the established sector policy dialogue platform (the TSWG) that was not very active throughout SPSP IV. Bilateral coordination and dialogue between the DPs and the Government and between the DPs has maintained a fair level of information sharing and cooperation.

From a review of documents relating to the progress to RSDP during the SPSP IV, there have been issues with policy dialogue and poor functionality of the TWSG for several reasons. Some of these reasons are listed below as we believe it can be worthwhile to analyse the shortcomings to chart a better course of action for the future.

Although meetings were expected quarterly, it was reported that in 2016 and 2017 it only met on 2 occasions and it appears the no meeting were held in the past two years. Main policy dialogue areas are assets preservation (including axle load control and enforcement), maintenance (of rural roads) and road safety. Regional connectivity and logistics also became more relevant due to changes in Government objectives.

3.3.3 Late approval of a Transport Policy

The late approval of Transport Policy, was a factor that contributed to the lower the performance of the Policy Dialogue, as envisaged.

3.3.4 Frequency of Meetings

It was reported that from mid-2016, the TWSG group was meeting less often and there was a reduction in the dynamism of the group over time with some donors disengaging or reducing their participation. This was partly due to personnel changes of the permanent and rotating chairs (WB and Department for International Development (DFID)) In 2016, the payment of the fixed tranche was rendered problematic due to the limited dialogue between the Delegation, the DPs and the GOE on the PFM

reform and the macroeconomic framework. The NAO was requested to provide further documentation before the tranche could be released.

Some improvement in bilateral dialogue was recorded after a new management was put in place in early 2018. However, follow up on issues related to the EU BS operations did not improve as the TWSG failed to meet as planned. ERA's yearly RSDP conference which was important platform for government stakeholders and DPs to review achievements was also stalled. Both the multiannual development plan (GTP II) and RSDP V also expired in mid-2020. According to what was planned at the time of the last BS disbursement, main policy dialogue topics in the last year of SPSP IV were:

- **Maintenance** (particularly of the rural network) both through the TCP and through discussions with ERA management. It was expected that a revised institutional arrangement for URRAP road maintenance would be arranged once the sector policies were finalized.
- **Assets' preservation** - including axle load control and enforcement – this was reviewed with ERA and the FTA, with the support of the TTTFP; positive steps included the dialogue between the Ministry and transporters and the consensus on the Vehicle Load Management Agreement (VLMA) at the Tripartite level.
- **Road safety** – the EUD has been supporting the GOE on training of professional drivers and has offered the TTTFP support in area such as standards for driving schools.
- **Regional corridors and logistics** - the Minister of Transport has shown a particular interest on the alignment of Ethiopia to international good practices and has asked the EU support, made available through the TTTFP, to push this reform agenda. Finally, in 2019, thanks to the Horn of Africa initiative promoted by EU, WB and AfDB and strongly supported by the GOE, the EUD had several exchanges with GOE stakeholders on regional transport corridors, multimodal transport and logistics.

Presently, DP meetings are being held by virtual means and are more frequent than before the onset of Covid-19. These meetings are very useful to avoid overlap between donors and particularly as both EU and WB are planning interventions in the logistics sector.

3.3.4 High-Level Staff Changes

Allied to the poor frequency of meetings mentioned above, in the period of review, several organizational changes in ERA and the MOT affected the planning of the policy dialogue activities. The Minister of Transport was changed on 4 occasions and the Director General (DG) of ERA was also changed. The capacity of ERA has an impact on the reporting ability and analysis skills in a rapidly expanding sector with continuous new challenges. The gap was and continues to be especially at middle management level where the annual turnover is high, around 8%, and most officials are newly graduated engineers. In the early stages of SPSP IV a clear deterioration of the policy dialogue activities occurred. Furthermore, the replacement of high-level officials at ERA and the MOT, slowed down the frequency of the organisation of meetings since the new officials had to get familiar with the procedures and their assigned responsibilities.

3.3.5 Security Situation

The deterioration of the security situation slowed down the implementation of the PFM reform in the 2 biggest regions of Amhara and Oromia. This also resulted in a non-conducive environment for genuine and effective transparency and external oversight. In addition, during SPSP IV, the Joint Review and Implementation Supervision mission, which is the main forum for policy dialogue where performance is shared, had to be postponed. Following the TWSG meeting in July 2017, given the situation of civil unrest in many areas of the country and the subsequent declaration of the state of emergency, no fact-finding missions were conducted. In addition, travel was curtailed in the TCP programme due to the civil unrest and the training was also curtailed as a result.

3.3.6 Emergence of Covid-19

Although the disruption caused by the outbreak of Covid-19 occurred largely after the final disbursement of SPSP IV, it caused tremendous disruption to organised gatherings throughout 2020 and is causing similar disruption to travel and gatherings in 2021. To some extent, this has enhanced the importance of remote meetings; however, our information is that TWSG meetings were not held during this period.

3.3.7 Current Issues

It was expected that main policy dialogue areas for the future will be focusing on the recently approved top up of the NIP by € 100M to support to RCC and the new ETLSP. Regional integration was discussed in the Horn of Africa Policy dialogues related to Budget Support. The risks were stated to be the current security climate, increasing level of violence and deterioration of rule of law at the regional level, leading to a population displacement. GOE has stated that the ongoing ethnic violence and internal displacement is not a substantial risk; and a political risk was also foreseen following the recently held general elections in Ethiopia.

The assessment of a positive overall implementation of the sector policy has to take into account also the progress towards the ratification and implementation of the Tripartite Vehicle Load Management (VLM) Initiative, for which the system of data collection, aggregation and reporting is confirmed to be well developed, robust, reliable and with sufficient standards.

3.4 Evaluation Question 4. To what extent has budget support contributed to the provision of non-financial inputs, such as technical assistance and capacity building which are strategic and focused on government priorities

3.4.1 Technical Cooperation Programme - Objectives and Deliverables

The object of the TCP was to strengthen the Regional Road Authorities (RRAs) and develop, three result areas:

- 1) Organizational structures
- 2) Equip RRAs with manuals and guidelines and
- 3) Provide capacity building and training in the use of manuals.

3.4.2 Achievements of the TCP

A Model Law was developed towards the end of the project and a new organisational set-up for ERA, the RRAs and other road entities was developed and agreed (however not yet implemented). 9 Manuals/guidelines were produced together with a toolkit and distributed to the RRAs. A Road Asset Management System (RAMS) was developed. Training was provided however this was curtailed due to the effects of Covid-19 and the need to develop online courses. The TCP also reviewed the curricula for a Master of Science (MSc) programme, and it is hoped that these courses and systems can be further developed in the future. We believe that there were good synergies between the 3 result areas of the TCP. The TA was extremely supportive of the RSDP in its quest to expand the road network to the Regions and develop capacities in the Regions to manage the road development.

It is worth focusing on the constraints experienced in order to gain a better understanding of the best way to tackle future needs.

3.4.3 TCP Team Staffing Constraints and Lack of Definition of the Terms of Reference

Perhaps the programme was overly ambitious and too many activities were planned in a short period. The TCP team comprised only 2 full-time staff throughout the programme, complemented by the use of Short-Term Experts (STE) and there was a feeling that the time allocated was limited. The TCP team was based in Addis and used to travel to the Regions. The RRAs can now monitor the condition of the road network in their areas but are still required to share information with ERA. With respect to the

TORs, the list of manuals was stated to be 'non-exhaustive' which led to a lack of definition of the scope of work and there were communication issues as the RRAs answer to the Regional Authorities and any communications to RRA had to be through ERA. The Team Leader was changed during implementation which was not ideal.

3.4.4 Institutional Organizational Setup and Structure of RRAs

NTU carried out a large exercise to assess the current structures and needs of the Road entities in Ethiopia and the proposals went through many iterations before being accepted towards the end of the assignment. What is apparent is that there are structural differences between different RRAs, which have evolved differently over the years, and it is recognised in the reporting that 'one cap does not fit all organisations. The proposed Institutional Organisational Setup (IOS) considers the need to separate executive from regulatory functions and more responsibilities are being passed from ERA to the RRAs in the spirit of decentralisation. Discussions are ongoing regarding the necessary changes and staff recruitment that is required and the principal challenge for the authorities now is to implement the proposed organisational changes.

3.4.5 Capacity of RRAs

There was a high workload entailed in the preparation and finalization of the manuals, sometimes a low participation at training and the selection of trainees was not always optimal. There are shortages of key personnel in the Regions and there is a need for recruitment of suitably qualified personnel in future. The Administrative regions are shown in the map below.

Figure 3-2 : Map of Regions



The points below were noted further to interviews held with Oromiya, SNNP and Amhara RRAs.

Oromiya – Manuals were received and training had taken place. The organisational changes are still being discussed at a higher level and not yet implemented. ORA has separate district, zonal and regional structures and the roads constructed under URRAP (more than 43,000km) are now

deteriorating; however, plans are being made to widen the income base for maintenance purposes. The ORA is still reliant on manual inspections for condition surveys; however, there are plans to move towards the use of equipment-based surveys.

SNNP – The new organisational set-up is still being discussed and it is expected that the RA will receive greater responsibility in future (including for the construction of asphalt roads). There are 11 districts in the region and at present road and bridge condition surveys are carried out manually. Available funds are insufficient to cater for maintenance of the URRAP roads. The RA employs a workforce to carry out ‘Force Account’ works. The region received the NTU manuals but did not receive training in their use – security concerns were cited as the reason for not travelling in the TCP final report.

Amhara – Over 12,000kms of road were built during URRAP; however, the roads are mountainous in the region and resources are limited. Of the 3,409 kebeles in the region, 2,621 have been connected through URRAP. The RA has prepared its own 10-year plan. The proposals for organisational change put forward by NTU have been accepted but still must be finalised and implemented – the new set-up envisages separate road and transport departments, which operate currently as one. The region has more than 22 million inhabitants and there are now up to 50 Contractors established for road and bridge-building purposes. Like the other Regions, URRAP roads are not designed for heavy vehicles, however due to demand these overlaid trucks use the roads and cause considerable damage in the process.

3.4.6 Slippage of Time

It took long to gain the approval of the organizational structures for the RRAs, mainly due to the need to interact with 11 RRAs, ERA and MOT and this in turn gave less time for implementation and follow up. It is also recognized that enactment of laws is a long process and there are many procedures to follow before a law becomes enacted. This aspect could have been underestimated.

3.4.7 Security Issues

There were security issues in some regions during implementation, which inhibited travel and sometimes it was difficult to get the meaningful participation of the RRAs. In addition, some of the training programme was curtailed.

3.4.8 Effects of Covid-19

Covid-19 also impacted negatively towards the end of the programme in 2020. Contact with the RRAs was easy to achieve; however physical presence was limited due to Covid. A high turnover of staff in the various key institutions also implied that new appointees had to undergo a steep learning curve.

3.4.9 Gender Issues

There is little reference to gender in the chosen indicators for SPSP IV. Gender issues in the Road Sector were largely addressed in the manual concerning social safeguards. Currently, there is a department in ERA concerned with gender issues. In general, the construction industry and the fact that especially road construction is undertaken in remote areas makes it complicated in terms of gender mainstreaming.

3.4.10 Administrative Issues

The Contracting Authority for the TCP was ERA. The TCP contractor experienced issues of poor compatibility between ERA and EU procedures. ERA deals with multiple models of contracts and are not always aware of the EU requirements. Some elements of the TCP TOR were not compatible with EU procedures (such as the payment of daily allowances for trainees). The project deliverables were fully approved in December 2020; however, the final invoice has not been paid for administrative reasons. The EU could be more pro-active in dealing with contractual issues that arose as a result of conflicting procedures.

3.5 Evaluation Question 5. To what extent did budget management and overall PFM improve and how far has budget support contributed to those improvements? How far can these improvements be attributed to Sector Budget Support?

SPSP IV process has contributed to improvements related to conditionalities related to disbursements of fixed tranches of SBS. The general conditions for the release of fixed tranches were that a satisfactory policy is in place and that the macroeconomy, public finance management and budget allocations were satisfactory. All fixed tranches were paid – these were based on the General Conditions of 1) Macroeconomic Stability; 2) presence of relevant Policy; 3) Satisfactory progress in the implementation of RSDP and continued credibility and additionality and 4) Satisfactory progress with regard to the public availability of accessible, timely, comprehensive and sound budget transparency.

The PFM reform strategy was considered sufficiently relevant because the different reforms of the government (expenditure, revenue, and transparency) address the necessary pillars of a sound PMF system. Moreover, the PFM system is currently in a transition towards a second-generation reform with the development of a new PFM Strategy and the Tax Transformation Program, which are looking to address the identified weaknesses. The World Bank is currently funding the Ethiopia Public Financial Management Project with the main project objectives on; i) Improving Expenditure Management and Information Systems; ii) Strengthening Accountability Institutions and iii) Project Management, Monitoring and Evaluation. This should bring several achievements namely in management and e-procurement. Past track record shows that the Expenditure Management Control Program (EMCP) has been effective in completing a first-generation reform reflected in a steady improvement of successive PEFA findings in 2000 and 2005 and reconfirmed in the latest report of 2019.

There is a stipulation that the fixed tranches must be fulfilled before the variable tranches are disbursed. The preparation of dossiers involved obtaining inputs from different Ministries, Directorates, Federal Transport Authority, Office of the Road Fund, National Bank of Ethiopia (NBE), and others. The data was collected and analysed, and the dossiers prepared.

The indicators for the variable tranches were concerned with Rural Access (3); Road Maintenance (2); Road Sector Management (3) and Crosscutting Issues (2). The focus has been to emphasise rural access, road safety, overloading, capacity building and general improvement to the road network.

The FA indicates a schedule for disbursement of funds. It takes time, energy and patience to collect and analyse all data. Challenges included late responses for information from some agencies and sometimes factors occur beyond their control such as delays in IMF assessment or sometimes donors have their own reasons which are not shared. GOE would probably have a preference for untargeted BS and this is more likely to lead to an improvement in relations and genuine strong policy dialogue.

3.6 Evaluation Question 6. To what extent have there been changes in sector policies and in public expenditure allocations and with what consequences for the composition of spending outputs, and how far has budget support contributed to those improvements?

3.6.1 The data collection

The data collection systems employed during SPSP IV have been comprehensive but have also faced challenges along with the evolution of RSDP. It is probable that some of the targets set were over-ambitious. According to the NIP (2014 – 2020), Roads and Transition to Energy was one of the three focal sectors. In general, we are in favour, therefore of the selection of fewer indicators and a measuring system tailored to the needs of the new BS programme. This should include a specific consultancy designed to collect the necessary data with the support of the authorities and include the use of equipment-based surveys where appropriate.

The sources of data are represented by different institutions. ERA is the major owner and provider as reported in the table below. The data collection involves local and central authorities. The process is

complemented by external consultants to support ERA also in calculating the values of the indicators both for SPSP IV and PFM.

Table 3.3-7: Source of data

Data/ Indicators	Source
Absorption capacity of road maintenance allocation (%)	ERA Road Network Management Directorates assessed against the budget allocated; same from RRAs and municipalities.
Area further than 2 km from all-weather roads	Collecting road network length data from Regional Road Agencies (RRAs), ERA's Road Network Management Directorates and Woreda Road Offices for URRAP
Construction/Rehabilitation/ Maintenance Cost	ERA Regional Road Contract Management Directorates - Estimated from the construction cost of on-going projects
Contracts awarded to domestic contractors (%)	ERA's Engineering Procurement Directorate
Contracts' Management	ERA Regional Road Contract Management Directorates Calculated from status of on-going projects in relation to design variation in relation to time and cost
Freight and Passenger Tariffs	Road Transport Authority
Gravel and paved roads in good and fair conditions (%)	ERA's Asset Department ranking of federal roads based on Roughness Index measured through ground condition survey (full federal network)
Kebeles served by regular passenger transport services (%)	Regional Transport Bureaus. Field Studies in more than ¾ of Ethiopia's area
Kebeles with access to all weather roads (%)	Number of connected kebeles is directly reported by Woreda Road Offices
Km Maintained (routine maintenance)	ERA Road Asset Management, Regional Road Agencies and Woreda Road Desks
Labour Based / Equip. Based Ratio (URRAP)	Woreda Road Desks, ERA's Regional Roads Technical Assistance Team. The number/km of URRAP projects undertaken by labour and machineries.
Maintenance Budget and Expenditure	ERA's Road Asset Management Department Budget for maintenance
Maintenance cost/Cost of maintaining network	ERA's Road Asset Management Department estimate of maintenance cost. Estimates from the cost of maintenance of on-going maintenance projects
Overall allocation to road maintenance	Budget for Maintenance from Government and Road Fund
Road accidents Fatalities	Collecting road accident data of each Road Transport Authority and multiply Fatalities collected from Police Offices.
Road Conditions	ERA's Road Network Management Directorates
Road Density	Collecting road network length data from Regional Road Agencies (RRAs), ERA's Road Network Management Directorates and Woreda Road Offices for URRAP
Trucks Overloaded (%)	ERA's Road Asset Management Department collection of axles checked on the 11 – axle load stations on the main roads around the country
Vehicle Flow	Traffic counts made on roads administered by ERA three times a year by ERA's Road Network Management Directorates
Vehicle Operating Cost	Collecting data on the inputs used for the operation of vehicles from the concerned organizations.

Source: Evaluation Team based on ERA reports and interviews

Some of the data collection systems are described in detail below.

- Traffic Surveys** - These are carried out 3 times per year (Jul/Nov and Feb) and cater for the Federal Roads. There are 10 Regional Branch Offices and approximately 241 traffic count stations which cover the Federal Road network of 28,000km (approximately 25% of the overall network). A standard format is used with 9 vehicle categories. 7-day counts are undertaken (2 days being on a 24-hour basis). Traditionally, these counts have been carried out internally but now 3 Consultants have been appointed to carry out surveys for the next 2 years. The traffic count manual produced by NTU was for the benefit of the Regional Road Authorities (RRAs).
- Road Condition Surveys** - These surveys are carried out twice per annum and 3 Consultants have been appointed to carry out these surveys for the next 2 years, who will be supported by the

new equipment. In addition, there is a bridge management team which collects data on over 4,000 bridges and 30,000 culverts in the system. In addition, the Branch Offices carry out condition surveys once per annum for budget purposes. Usually, Birr 10 million is allocated by ERA for data collection for internal purposes – this year approximately Birr 50 million has been allocated for internal purposes and the employment of 6 external consultants. The reliability of road condition ratings (good, fair, and poor) depends on the inspection of individual elements in the road inventory, and regular surveys provide a means for monitoring structural deterioration. During SPSP IV, road condition surveys were carried out on a visual basis only – there is a recognized need for a more formal approach utilizing road condition survey equipment and a computerized Highway Management System. Use of equipment has its pros and cons. Equipment needs to be reliable and users trained, which can be a continuous need. Visual surveys are simple and easy to organise. Perhaps both systems can be considered for different purposes.

- **Axle Load Control** –the collection of this data is in charge to ERA’s Road Asset Management Department collection. The data was recorded manually at each of 11 weighbridge stations. The stationary weighbridges operate at strategically important sites throughout the country and full time, 24 hours per day and 7 days a week and are located in such a way that they cover most of the main routes. Enforcement is further strengthened by employing the use of mobile weighbridges.
- Data on individual axles of each heavy vehicle is recorded, with each station sending summary reports of the recorded data to ERA headquarters. Reports are sent on a monthly basis and are collated and analysed at head office. A summary of the annual axle load information forms part of the annual road condition report. These reports provide detailed information on the level of overloading at each station.
- **Data on road fatalities** -The data on fatalities collected from local Police Offices. ERA collect this data through the National Road Safety Council (NRSC).

The reform of the data collection system was a goal of the TCP in SPSP III and the improvement of capacity was a goal of the TCP in SPSP III and IV. However, the addition, replacement and amendment of some indicators has proven to be a challenge for the ERA and there have been issues to collect data at regional level and therefore difficulties at Federal level to compile and analyse. In particular the absence of standards and quality control, increased mistakes on transmission.

In this respect, in mid 2019, TCP team trained ERA’s staff in order to better define the procedures and responsibilities for data collection, verification, validation and compilation.

Highway Management System - The software used for the ERA RAMS is derived from DTIMS and recently an AfDB funded project was tasked with developing the system for ERA use. SPEA, an Italian firm, is carrying out a specific technical assistance for improving RAMS.

The scope of service is to review the existing Road Asset Management Department Structure and Road Management System, to Develop a Road Asset Management Policy and Strategy, identify and develop new systems essential for Road Asset Management, prepare an integrated Road Asset Management System, identify Road Asset Key Performance Indicators and develop Standard Report Exchange Systems. The tasks include, Inter alia, the review of the existing Road Asset Management Department Structure and Road Management System Development of Road Asset Management Policy and Strategy together with the development of an integrated Road Asset Management System.

Monitoring and Evaluation - GTP II expounds the need for improved monitoring and evaluation systems; however, the addition, replacement and amendment of some indicators have been a challenge for ERA and there have been issues to collect data at regional level. Another challenge has been to collect data from many sources (such as the Office of the Road Fund, the National Road Safety Council, the Ethiopian Construction Works Corporation, and the Toll Roads Enterprise) as it has not been possible to develop a uniform and consistent monitoring system across the sector.

Reporting - Different types of reports are prepared depending on need. Condition reports are produced by the ERA RAMS. Strategic reports are prepared (considering the 10-year master plan) and annual

reports are prepared, such as the Road Asset Maintenance Plan, road condition and traffic reports. HDM4 is being used through a WB funded project; however, the software is still new and the reporting system under development.

During SPSP IV there was a delay in the procurement of data collection consultants and there was also a delay in finalizing and releasing the survey reports. The delays in receipt of information consequently led to delays in disbursements. There is a need for a more specific means of data collection tailored to the actual needs to the indicators selected for the BS to the Logistics Sector.

It is worth noting that some progress on digitalisation is being achieved. ERA is in the process of capturing the National Road Network using GIS based system. As part of the Ethiopian Road Information Management System (ERIMS), about 80% of the total road network is captured by a GIS based system. This could help both in monitoring activities and in easy calculation and verification of the Rural Accessibility Index (RAI).

ERA Management system (ERAMS) is a tool mounted on a computer server in ERA Data Centre and accessed either by the Internet or Internet over a secure website. It is available to assist in management of projects and Contracts at all levels from Project Engineers performing their duties on individual contracts, through executive chain to the Director General. ERAMS provides centrally connected data storage, designed to allow additional systems to link with data already stored.

3.6.2 Analysis of SPSP IV Budget Support Indicators

The analysis of the SPSP IV indicators is helpful to monitored quantitative and qualitative development of the Road Sectors, and the related of policy processes in key areas of Transport The specific conditions for release of individual tranches were based on joint assessment of the achievement of the ten performance indicators in the following four categories:

- Rural Access (3)
- Maintenance (3)
- Road Sector Management (2)
- Crosscutting Issues. (2)

The evolution of these indicators is described in greater detail in the tables below from before the SPSP IV start date of 29/06/2015 to the end date of 15/03/2021. A commentary is also provided under each table outlining the experiences and constraints faced during assessment and data collection.

3.6.3 Rural Access

As a major component of the RSDP IV, the Universal Rural Road Access Program (URRAP) was launched to connect all Kebeles by standard and affordable all-weather roads that provide year-round access. The overall physical and financial performance against plan during the five years of RSDP V was 35% and 59% respectively. The low physical performance was mostly attributed to the unrest and insecurity in the country and the low performance of Woreda roads.

The huge challenge of connecting the rural population to basic services has been tackled through the URRAP phase 1 (2010-2015) and phase 2 (2016-2020). The three selected indicators were chosen to track progress in rural accessibility. The URRAP phase 1 started at very low pace in 2010, after two years gained momentum and in 5 years of RSDP IV implementation achieved more than 46,000 km of new rural roads. The URRAP phase 2 had the target to build 90,000 km of all-weather roads over 5 years and continue building the capacity of domestic industry.

Challenges Faced in the Implementation of URRAP (as outlined in the RSDP 23 years' assessment report) include:

- Capacity Gap
- Frequent Turnover of Experienced and Trained Employees
- Shortage of Budget
- Delay and Quality Issues of Locally Assembled Construction Equipment's

- Rent Seeking Behaviour
- Community Participation/contribution
- Delay of Project Handover
- Relationship between Consultants and Contractors
- Reporting and Documenting
- COVID – 19.

The evolution of the individual indicators is described in more detail below. The boxes in red indicate the targets that were NOT met. The definitions relate to the assessment carried out at the release of the time of the release of the final tranches, following 21 years of RSDP. Conclusions are expressed for each indicator; however, the primary conclusions are also brought forward to Section 5 of this report.

3.6.3.1 Indicator # 1 - Area further than 2km from all-weather roads (%)

Definition: The indicator aims at assessing connectivity and access to basic services. The assessment of the area distant more than 2 km to all-weather roads is conducted by ERA, incorporating the projects completed by the Regions. The data is expressed in percentage of area further than 2 km from all-weather roads.											
Methodology and Source – Collect road network length data from RRAs, ERA’s Road Network Management Directorates and Woreda Road Offices for URRAP, RSDP Yearly Assessment, ERA											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
69.6	73.2	68.5	69.6	66	66.3	65.6	64.6	64.8	63.1	63.3	64.6

Legend: B (Baseline); T (Target); A (Actual).

The RSDP 23 years assessment report states that the area further than 2 km from an all-weather road reduced from 91 km in 1997 to 64.6 km in 2020, which is a huge and positive achievement. Reports from other DPs and field missions have highlighted that there are quality issues on a number of projects (post-construction failure, inappropriate materials, wrong traffic forecasts), which needs to be further investigated and addressed.

This indicator narrowly failed to meet targets and was difficult to measure, being reliant on information coming from Statistics and Regional sources. The indicator is purely quantitative and gives an indication of network length only. Reports have indicated that perhaps in RSDP IV and V there was too much focus on the expansion of the network at the expense of maintenance and there is a greater need now to strike a balance. This indicator is no longer relevant for the EU BS Programme in the Logistics Sector but remains relevant in terms of the goals of the 5 and 10-Years Federal Road Master Plan, which has set targets based on the average road density required for Middle Income countries and has also emphasized the need and benefits of providing alternative express highways.

3.6.3.2 Indicator # 2 - Kebeles with access to all-weather roads (%)

Definition: The indicator complements indicator # 1 and shows the progress towards the URRAP goal of connecting the totality of Kebeles to all-weather roads. The data is collected by the URRAP offices in the RRAs and/or BoTs, communicated to the Unit ‘URRAP Regional Rural Roads Support’ in ERA, which organizes periodic URRAP coordination meetings and at central level verifies and compiles the data. The value is then assessed against the total number of Kebeles in terms of percentages.
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Methodology and Source - All weather road length is taken as of Performance Assessment Framework (PAF) No 1 while the kebele accessibility is calculated based on the length of the road in kebeles by the Consultant's field surveys. Further, number of connected kebeles is directly reported by Woreda Road Offices RSDP Yearly Assessment, ERA; WT RSDP Performance Report and Sustainable Development Goals (SDGs) indicators and Impact Assessment Studies.											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
64	68	70	76	76	77	80	78	83	78	90	

In 2019, this indicator was deemed to have been partially met only. The physical accomplishment was low mainly due to low performance of Woreda roads. One of the primary potential Geographical Information System (GIS) data sources is the Central Statistics Agency (CSA). The Agency carried out a census in 2007 and developed administrative maps to Kebele level. Road construction has brought a change to settlement patterns and has promoted non-agricultural activities. Currently there is a rapid change of scattered homesteads to clusters providing marketing services and this is borne out by the impact assessment surveys.

The number of kebeles close to a road network was a challenge initially; however, much data has since been collected. It has been difficult to measure the different classes and conditions of the road network; however, ERA is taking steps to address these gaps, such as through the use of GIS-based systems. The monitoring system needs to be harmonised as it is a burden to make different reports for different stakeholders. In addition, there are problems with data collection, as the capacity at the source can vary greatly.

This has been a relevant indicator which goes to the core of the RSDP objectives of providing greater access on a countrywide basis. It is also close in definition to the Rural Accessibility Index (RAI), which is becoming more widely used as a measure of the population within proximity to a road network. The data collection exercise is quite huge and involves many agencies. The data collection would require either the services of a consultant on a periodic (say annual) basis or collection by an internal Monitoring and Evaluation Department of ERA. This indicator will no longer be of relevance to the EU BS programme for Logistics.

3.6.3.3 Indicator # 3 - Kebeles served by regular passenger transport service (%)

Definition: The indicator aims at assessing the real impact of new rural roads on local communities. Transport services in remote areas are often not attractive for private operators and difficult to afford for local people. The monitoring of the level of connectivity is a key area for policy makers and related policy dialogue within the DPs and with the Government. The indicator is normally compiled by ERA on the survey conducted by two independent consultants surveying different rural areas.											
Methodology and Source - Field Studies in more than 75% of Ethiopia's area Impact Assessment Studies, WT Consultants											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
30		35	18.9	36	36.8	37	38.1	40	44.3	45	

Improved road conditions have attracted a number of transport operators along these roads. Achievement of this indicator has suffered from overambitious targets. The DP's brought to the

attention of the GOE the need to better shape the RSDP V and URRAP II, but no lesson was taken from the previous ones. Notwithstanding the importance of the vision of the GTP II, it is necessary to identify credible priorities and set realistic targets in order to focus more on quality and sustainability rather than to increase the length of the road network only.

The reason for choosing this indicator is understandable and targets the economic impact of rural roads on the local communities which was a key goal of RSDP and URRAP. We believe this indicator is not Specific, Measurable, Achievable, Realistic and Time-Bound (SMART) and awkward to measure. There is need for a further definition of what is a regular service and what is the distance involved? The indicator is very difficult to measure accurately. We believe that this indicator is very relevant for impact surveys and policy makers but could have been kept outside of the reach of the BS Programme. One criticism is that the BS programme attempted to cover many aspects of the road sector development, whereas a narrower focus may have been more relevant and in keeping with the percentage of the overall allocation of funds to RSDP. This indicator will no longer be of relevance to the EU BS programme for the Logistics Sector.

3.6.4 Maintenance

The fast-growing road network and the recently built URRAP roads make maintenance one of the main challenges in the sector. The data collected by ERA show that the situation is constantly improving and both paved and gravel roads are largely in good and fair conditions. According to ERA the extent of the positive results is due to newly built and upgraded federal and regional roads. This has been partly confirmed by field missions and has to be carefully monitored in the near future since the share of roads in fair condition is increasing. However, it has to be noted that only visual inspection is performed. The trend is positive (systematic increase of resources allocated to the maintenance and of the absorption capacity) but the maintenance and construction costs are increasing and the network is ageing.

Maintenance (e.g., km of road maintained), axle load control and road safety remain major concerns. While the indicators are mostly in line with the targets, the recorded increasing costs of maintenance and the lack of a well-defined planning for the new URRAP roads need further attention.

ERA has not yet defined an overarching maintenance plan for URRAP roads and currently maintenance activities are undertaken by the Regions with little coordination with the federal level. This implies that the data provided for the measurement of the maintenance indicators is not consistent between regions. The management of rural roads and the coordination between the different administration levels is an issue raised by the DPs in the past and has not been fully addressed by the authorities yet.

3.6.4.1 Indicator # 4 – Gravel and paved roads in good and fair conditions (%)

Definition: The indicator represents the main tool to follow the quality of the federal road network and its sustainability over time. The condition of roads is of crucial importance to ensure a reliable transport of passengers and freight and contribute to the sustained growth of Ethiopia. The improvement of the road quality in the last 21 years (the share of good quality asphalt road has improved from 17% in 1997 to 74% in 2018) is considered to have played an important part in the economic development of the country. The assessment of road quality is periodically conducted by the ERA and Regional Authorities on the totality of the network, the data are collected by the ERA Maintenance District Offices and transmitted to ERA Federal Office. However, it has to be noted that is only based on visual inspection.

Methodology and Source - ERA's Asset Department ranking of federal roads based on Roughness Index measured through ground condition survey (full federal network) RSDP Yearly Assessment, ERA

2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
85	91	85	91	86	92	86	93	87	93	88	58.6

This indicator (although not specified in the original FA) should refer to paved and gravel federal roads only, however the decline in the proportion of road network in good and fair condition in 2020 from the previous years and from 1997 is due to a change in categorization, definition and class of road condition of the federal road network. Reports from DPs and field missions have highlighted that there are quality issues on a number of projects (post-construction failure, inappropriate materials, wrong traffic forecasts), which need to be addressed.

In the first year of the RSDP, 52% of the federal road network was in poor condition and only 22% was in good condition. Huge strides have been made since then. The TCP under RSDP IV was designed to build the capacity of both RRAs and ERA to better review their overall asset management strategy. The challenge remains huge to implement the asset management systems. Road condition surveys have been carried out to date on a visual basis. There is need for an equipment-based survey system which would provide a focus on planning for immediate maintenance needs. This is an issue that should be addressed in the next budget support programme to the logistics sector.

During SPSP IV, road condition surveys were carried out on the basis of visual surveys only and roads were classed as good, fair and poor. This is very subjective and is now inappropriate when you consider that large volume of URRAP roads added to the network. This has been recognized in the Logistics Budget Support Programme, which envisages more equipment-based surveys of the main corridors. RRAs contacted stated that they intended to purchase equipment for the purpose of condition surveys and ERA is in the process of procuring such equipment, although they have experienced procurement delays. Although condition surveys for a Road Asset Management System should comprise of much more than just a measurement of Roughness (expressed in terms of IRI) only, we believe it appropriate that BS payments can be tied to a measurement of roughness as it is relatively easy to measure and does provide an overall view of the quality of the roads. In fact, roughness measurements obtained from Smartphone technology (such as RoadlabPro) can be related to good, fair and poor classifications.

3.6.4.2 Indicator # 5 – Overall allocation to road maintenance (METB)

Definition: This indicator combines the allocations to road maintenance (Road Fund and all additional allocation from the treasury). The share of resources allocated to maintenance is of utmost importance in order to ensure long term sustainability of a rapidly increasing road network. The data is compiled by ERA collecting all appropriate information from relevant authorities. The indicator is not limited to the Road Fund allocation since there are crucial projects, mainly trunks road rehabilitated at the beginning of the RSDP and lately needing substantial periodic maintenance projects, which are managed by ERA and funded directly with a resource transfer from the treasury.

Methodology and Source - Budget for Maintenance from Government and Road Fund (in GTP I and GTP) RSDP Yearly Assessment, ERA

2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
2100	1831	2300	2479	2500	2927	2700	4244	2900	5164	3100	5164

Ethiopia has made relatively massive investment on the development of roads to tackle isolation and improve the welfare of the rural poor. When ERA’s new management was put in place in July 2018, it stated that asset preservation was to be their priority. Although the spending has increased substantially, the current level of road maintenance allocation is seen to be insufficient to cover for the optimum needs of an expanding network. There are limitations to applying the user-pays principle in the short-term; however, it is certainly a goal that road users should pay for a larger share of maintenance spending in the future.

In the past, the allocated budget figure for maintenance included only the Government’s budget for heavy maintenance and Road Fund’s allocation for ERA, regional road authorities and municipalities and did not include regional governments’ budget allocation to regional road authorities, URRAP and municipalities. The RSDP 23 years assessment report states that it is a priority that the ORF increases its revenue base in future to cover all required maintenance costs.

The figures indicate a regular annual increase in expenditure; however, the increase in USD terms is not as impressive. There is also a recognised need for the expenditure base to be widened and currently moves are being made so that the Regions can collect funds from various road users, to go towards maintenance of the roads constructed under URRAP. A decision will also be made on the extent of the Road Fund allocation to road maintenance (at present this is allocated 50% maintenance and 50% to MOT). This has remained as an indicator in the EU BS to the Logistics Sector.

3.6.4.3 Indicator # 6 – Absorption capacity of road maintenance allocation (%)

<p>Definition: This indicator combines the allocations to road maintenance (Road Fund and all additional allocation from the treasury). The share of resources allocated to maintenance is of utmost importance in order to ensure long term sustainability of a rapidly increasing road network. The data is compiled by ERA collecting all appropriate information from relevant authorities. The indicator is not limited to the Road Fund allocation since there are crucial projects, mainly trunks road rehabilitated at the beginning of the RSDP and lately needing substantial periodic maintenance projects, which are managed by ERA and funded directly with a resource transfer from the treasury.</p>											
<p>Methodology and Source - Expenditure on maintenance projects from ERA Road Network Management Directorates assessed against the budget allocated; same from RRAs and municipalities. RSDP Yearly Assessment, ERA; WT RSDP Performance Report and SDGs indicators</p>											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
75	74	80	78	85	84	87	89.5	89	89.8	93	

Maintenance indicators give a mixed picture due to the rapidly increasing size of the network which is requiring more and more technical capacity and financial resources. The budget for maintenance of roads is mainly allocated by the Road Fund; however, in addition an additional budget is allocated from Central Treasury for heavy maintenance and overlay projects, which have quite a long lead in time due to procurement needs. Other projects are also undertaken by the Road Asset Management Department of ERA – hence there has been a need to revise the targets of this indicator during implementation.

As Ethiopia’s road infrastructure investment accelerates, there is a clear gap in developing and implementing an Asset Management System to systematically define goals / objectives, determine the required financial resources, assess the value of the assets and evaluate their performance, aiming at cost effective interventions. The trend is positive (systematic increase of resources allocated to the maintenance and of the absorption capacity) but the maintenance and construction costs are increasing and the network is ageing.

The data collected by ERA show that the situation is constantly improving and both paved and gravel roads are largely in good and fair conditions. However, it has to be noted that only visual inspection is performed. The fast-growing road network and the recently built URRAP roads make maintenance one of the main challenges in the sector. We find that there is a strong correlation between the 3 chosen indicators for maintenance. This particular indicator of ‘absorption capacity’ is difficult to define and measure and we would have recommended focusing on ‘road condition’ and ‘allocation to road maintenance’ only. Absorption Capacity is difficult to measure, as it should not just be concerned with amount of allocation but rather, focus on what has been delivered? In the logistics BS programme, the indicator of ‘overall allocation to road maintenance’ for the corridor network is retained and there is also an indicator for an equipment-based survey of the corridors. These are appropriate in our view.

3.6.5 Road Sector Management

Axle load control underwent a modernization program in 2018 (with the support of JICA funds) however a 2019 study by EU funded TTTFP highlighted several deficiencies and incompatibilities with the Tripartite VLMA and Regional Weighbridge Location Plan (RWBLP). Overloading was confirmed to be a worrying issue and the efforts of the EUD to intensify the policy dialogue on this issue need to continue as more needs to be done in the control and enforcement of axle loads.

The operation of the weighbridge stations falls under the direct supervision of ERA. ERA realizes that axle load control is a big issue and is giving special attention to the enforcement of axle load limits. There has been important progress in achieving a coordinated effort towards addressing road safety as a multidimensional social and economic problem. The necessary legislation and operative tools are under development and a program of activities drawn up and implemented.

3.6.5.1 Indicator # 7 – Trucks overloaded

Definition: This indicator aims at assessing the percentage of trucks overloaded. According to the Ethiopian regulations, the legal limit of axle loads are 8 tons for front axle and 10 tons for rear axle. The figure is obtained calculating the percentage of the total number of axles exceeding the legal limits (plus 5% tolerance) on the total number of axles weighted.											
Methodology and Source - ERA’s Road Asset Management Department collection of axles checked on the 11 – axle load stations on the main roads around the country RSDP Yearly Assessment, ERA											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
11	6	10	8	9	6	8	11.8	7	10.8	6	

This indicator has persistently deemed to have not been met during the course of SPSP IV and the results have shown deteriorating performance.

14 weighbridges operate at strategically important sites throughout the country and operate on a full-time basis. Enforcement is further strengthened by employing the use of mobile weighbridges for random axle load control activities. The current system is imperfect both from a technical and an enforcement point of view.

Through JICA support, 11 of the 14 were transformed from single to multi-axle weighing systems and an additional 3 were constructed in 2018. The EU funded TTTFP 2019 study shows that there is no record verifying the weighing of all vehicle target groups. Only the data from the new weighbridges are recorded automatically while for the others scale readings are manually recorded. Each station sends summary reports of the recorded data to ERA headquarters. A summary of the annual axle load information forms part of the annual road condition report. However, given the above technical issues,

the overload statistics reported by the weigh stations represents a sample of the vehicles on the road and in particular the percentage of vehicles overloaded and the extent of overload reported are not fully representative of all vehicles that contribute to the accelerated consumption of the road and in addition, not all of the weighbridges were in working order.

In addition, the level of penalty is so small that it does not have a serious effect on persistent offenders.

In the past, doubt was cast on the accuracy of manual statistics as the weigh stations were very old. JICA provided upgraded equipment which has greatly improved the reliability of data; however, this also needs to be monitored and improved. In addition, there have been clear problems with the need for standardisation of regulations and enforcement by police. The capacity and training for the weigh station staff are also important issues. Weigh-in-motion technology should also be employed. Currently there is a heavy reliance on Djibouti port; however, Berbera and others also have potential and it is likely that Regional Trade will increase in future. A system needs to be put in place where it is no longer attractive for transporters to overload their trucks and this should also involve other stakeholders in logistics, such as forwarders, shippers etc.

In terms of performance assessment, a direct output of the SPSP IV has been to put the spotlight on axle load enforcement worsening performances. This has contributed to the more active engagement of the GOE in the Tripartite discussions, and in the regional EU program, the TTTFP. Some of these indicators have been taken on board in the Logistics BS Programme. This indicator has been difficult to assess as the collection and weighing methods have not been standardised and the recommended new standards have to be adopted. Of course, it remains a crucial aspect for sustainability of the network. It is regrettable that the funds have been lost and perhaps the targets have been too high and there is greater need to recognise the obstacles and time required to achieve compliance.

3.6.5.2 Indicator # 8 – Fatalities per 10,000 vehicles

Definition: This indicator shows the number of fatalities per 10,000 vehicles. Data are collected at Kebele level by police officers, transmitted to Woredas, Regions and eventually to the Federal Police in Addis Ababa. The Federal Police Office compiles and transmits the data to the National Road Safety Council and ERA. The fleet size is provided by the Federal Transport Authority, which oversees vehicles registration and inspection.											
Methodology and Source - Fatalities collected from Police Offices. WT RSDP Performance Report and SDGs indicators											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
73	62	70	65	65	60	63	53	61	54.7	55	

Pedestrian deaths account for over 50 % of road fatalities, and there are key issues related to planning and design. More specific gaps include scrutinizing transport operator safety standards, effective control of the standards of driver training, vehicle repair and road safety engineering, road safety audits, lack of expertise in undertaking improvements to hazardous locations, vehicle crash reconstruction and vehicle condition and inspection to identify the contributory factors and how they could be modified and prevented, speed control, as well as un-controlled pedestrian crossing. Studies (WHO, UN-ECA, WB) show that road traffic accidents are the second highest cause of mortality in Contracts awarded to domestic contractors.

No systematic record of accidents is in place and the initiatives undertaken so far have shown very little impact.

A baseline study conducted under TTTFP has been a valuable source in terms of assessing where a country is in terms of achieving compliance with the programme objectives. Ethiopia was rated as follows:

Table 3-8 : Ethiopian Compliance to TTTFP

Standards	Compliance (%)
Vehicles	28%
Vehicle Fitness	36%
Drivers and Professional Drivers	35%
Driving Codes	13%
Operators	27%
Weighbridges	1%
Law Enforcement	16%
Average	22%

Source: Evaluation Team elaborations based on TTTFP data

Ethiopia was found to be non-compliant in a range of issues. Currently Ethiopia rates very poorly in terms of compliance with TTTFP requirements; however, in the recent past they have shown a willingness to change and to achieve results quickly.

A Quality Assurance Directorate has been set up to ensure Road Safety and quality of design implementation process as per the established standards and procedures.

The reform of the data collection system and the improvement of capacity was one of the main components of the TCP under the SPSP III, however the model produced has not been institutionalised and its implementation is a slow process. Ethiopia has to yet make headway in making its road network safe, by promoting safe drivers, vehicles and roads. There are other issues contributing to poor road safety including lack of harmonisation and adoption of signage and vehicle standards. Similar to the indicator on axle load control, this indicator has been retained in the Logistics BS Programme.

The EU SPSP IV has highlighted the need for more active engagement of the GOE in the Tripartite discussions and this has led to the adoption of new indicators in the Logistics BS programme such as 'Indicator 6 Improve vehicle standards' and 'Indicator 8 Accession to UN conventions on Road Traffic and on Road Signs and Signals'. Both of these are being brought forward through the TTTFP and will also impact on Road Safety. We believe this to be appropriate, as rather than look solely at road safety in terms of absolute number of fatalities it is preferable to also address some of the underlying causes. Perhaps the number of fatalities, rather than the number per 10,000 vehicles would be a simpler statistic to measure – why should it be classified as number of fatalities per 10,000 registered vehicles?

3.6.5.3 Cross-cutting Issues

The impact of the program in building the capacity of the domestic construction industry is very positive. Participation of local contractors and consultants has increased in terms of value and number of projects over the last 23 of the RSDP. ERA is putting a clear effort in tackling issues related to the social and environmental impact. It has developed a number of instruments (such as Environmental Procedural Manual, Road Safety Audit Manual, Resettlement/Rehabilitation Policy Framework, etc.) and it is mandatory since 2002 that an Environmental Impact Assessment (EIA) should be carried out for all construction contracts.

3.6.5.4 Indicator # 9 – Contracts awarded to Domestic Contractors (%)

Definition: This indicator aims at assessing the involvement of domestic contractors in road construction the data represents the total of contracts, including construction, designing and supervision, awarded in the period July 2017 – June 2018 by ERA.

Methodology and Source - ERA's Engineering Procurement Directorate registering the origin of contractors awarded with civil work projects RSDP Yearly Assessment, ERA											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
75	76	70±10	76	70±10	79	70±10	80	70±10	85	70±10	

Over the last 23 years of RSDP, participation of the local construction industry has increased in terms of both value and number of projects. The total value of contracts awarded to local contractors, accounts for 51.4% of the total contract amount awarded since July 1997. In addition, some local contractors are now taking bigger contracts, with values amounting as much as ETB 3.6 billion. In terms of contract value, local consultants have received around 63.6% of the consultancy services during the 23 years of RSDP. Local consultants have also been awarded a total of more than ETB 7 billion contract value of the total consultancy services. In terms of number of projects, of the 1,964 contracts (both construction and consultancy) awarded over the last 23 years of the RSDP, some 1,543 contracts were awarded to local companies of which 53.2% were for consultancy services and 46.8% for construction contracts.

Local companies are a post-1999 phenomenon in Ethiopia and their capacity has been built throughout the RSDP and still requires further improvement. It is reported that one third of domestic Contractors are not performing well but there is very little growth of zonal industry. For example, the SNNPR is clearly lagging behind in comparison to regions such as Oromia and Amhara. The positive aspects include the creation of employment opportunities both for casual labour and skilled/semi-skilled positions. Roughly 20% of those employed have been women.

The indicator was not formally met in 2019 because the FA caps the target to 80%. However, the idea behind this indicator was to monitor and encourage the capacity of the industry therefore, *de facto*, the 2017/2018 results are showing an excellent performance. The intention was, however, not to exclude the foreign industry. The penalty applied for non-adherence to this indicator was re-examined and subsequently deemed to be compliant.

The maintenance districts have been returned to ERA from The Ethiopian Construction Works Corporation (ECWC) since the last quarter of 2020 following the internal restructuring made in the authority.

The statistics will indicate that there has been a very high level of participation of local Consultants and Contractors; however, what the statistics don't indicate is that there was a high number of failures and issues of quality, which can often be linked to poor capacity, lack of appropriate skills, lack of access to equipment, lack of finance, need for training in contract management and procurement, among others. This is also similar to the challenge of focusing on the extension of the network without adequately planning for the means for maintenance. We note that this indicator is not continued in the Logistics BS Programme but remains a key for local capacity.

3.6.5.5 Indicator # 10 – Contracts with good and fair implementation of EMP (%)

Definition: This indicator aims to measure the percentage of a good and fair implementation of the Environmental Management Plan (EMP). The EMPs are mandatory in all contracts managed by ERA and ERA has a specific unit in charge of reviewing and monitoring the implementation of mitigation measures. The specific indicators which feed into the overall assessment are: materials resources, protection for physical environment such as soil erosion protection measures, air pollution/emission control, solid and liquid waste management, occupational health and safety and application of grassing and plantation activities. The data is collected by ERA-Regional Contract Management Directorates using the format prepared by the Planning and Programme Management Directorate (Environmental Management Team). Sample projects are assessed against the criteria mentioned

above, which have equal weight, and the rating goes from poor (<50%), to fair (51-65%), good (66-85), very good (86-95%) and excellent (>95%). The sample is composed by 70 roads selected among the projects administered by the Regional Contract Management Directorates, and also including examples from Design and Build and Expressway directorates.											
Methodology and Source - A Sample of 70 projects are taken from the total 200 ongoing projects and are assessed against the criteria in terms of the impact of projects on the bio – physical environment like soil erosion, air pollution, sanitation and hygiene, occupational health and safety, pollution, plantation and others. RSDP Yearly Assessment, ERA; WT RSDP Performance Report and SDGs indicators											
2013/14		2014/15		2015/16 (VT1)		2016/17 (VT2)		2017/18 (VT3)		2020 (GTP II ERA)	
B	A	T	A	T	A	T	A	T	A	T	A
50	55	60	65	70	70	80	83	85	84	90	

A study of environmental and social impacts of a number of projects confirmed that positive aspects included the fact that many jobs were created for both male and female workers and that pedestrian walkways were constructed, which contributed to safety. Negative aspects included the prevalence of dust affecting traffic movement and causing vehicle accidents during construction, complaints regarding compensation and the recurring problem of flooding.

In 2019, this indicator was deemed to have not been met. Currently all projects (including URRAP) comprise an Environmental Impact Assessment (EIA). Concerns remains about compensation and limited capacity by local authorities to properly monitor the implementation of projects and their impacts on the environment. The following manuals and guidelines have been developed.

- Environmental Impact Assessment Procedural Manual (2002)
- Road Safety Audit Manual (2004)
- Sectoral Policy for HIV/AIDS Prevention and Control in the workplace of ERA (2004)
- Resettlement /Rehabilitation Policy Framework (2006)
- Environmental and Social Management Manual (2008)
- Drafting the Road Sector Environmental Policy is under progress, soon it will be finalized.
- Drafting of Occupational Health and Safety (OHS) Guidelines.

Moreover, ERA also works closely and implements the safeguard policies of key financiers in the sector, such as the WB, AfDB, EU, JICA and others.

One of the main challenges of environmental management in the road sector is the shallowness of the EIA studies and the little emphasis given to environmental matters by design consultants. As a result, EIA findings have not been reflected in the design of the roads as required. Lack of adequate consultation has impaired the design consultants to reflect the needs and aspiration of the local community in the design. Improved EMP is also difficult to measure as you rely on a sample assessment made by Supervising Consultants on the level of implementation of environmental clauses.

This indicator was formulated at a time when EIA was not incorporated to any great extent for road projects in Ethiopia. Since then, Ethiopia has made great strides and the need for EIA has been legislated. Reviews have indicated that other issues have now come to the fore such as the lack of implementation of mitigation measures and constraints with the compensation procedure and social issues have not come to the fore. For future reference, it may be more relevant to focus on the current pressing needs. In addition, we believe that the sampling method is not clear and also what constitutes 'good' and 'fair' implementation is not clear and may be subjective. However, it served its purpose and there is no direct environmental indicator in the Logistics BS Programme, although the indicator no 6 to 'Improve Vehicle standards' certainly has a goal to reduce vehicle emissions and the indicators related to road safety can certainly be related to social and environmental issues.

3.7 Evaluation Question 7. How have the key outcome and impact indicators evolved in the road sub sector? What factors have been the main determinants of the changes identified?

3.7.1 Outcome for road sector

EU has been implementing BS to the road sector since the start of the RSDP around 1997 and since that time has gained considerable experience in BS in Ethiopia. Tranche releases used to take a long time, particularly in SPSP I and II as the level of reporting required was new and extensive at the time. During SPSP IV, the level of requested reporting was never at the 100% level but often reached say 80 to 90%. To some extent the level of reporting requested was too high in relation to the amount of funds involved and it may have been preferable to focus on fewer targets with more tangible reporting requirements. The intention of BS should not be to penalise GOE for failing to meet a target, but to encourage the Government to focus on priority areas to fulfil joint objectives.

The Country's road network increased from 26,550 km in 1997 to 144,027 km in 2020. As a result, the road density per 1000 sq. km increased from 24.1 km in 1997 to 130.9 km in 2020. The proportion of road network (only federal and rural gravel road network) in good condition was 22% in 1997 and in 2020 from the total federal, regional and URRAP road network (which is 120,313 km), 20.1% is in good condition. This decline is due to a change in categorisation. A new baseline indicator for 2020 has been set as 'road network in acceptable condition' and according to this indicator the road network in acceptable condition is 58.6% in 2020.

Table 3-9 road network increased

No	Region	ERA Road in the Region (km)	Regional Rural Gravel Road (km)	URRAP Road in the Region (KM)	Municipality (Urban) Roads (km)				Total Network Found in the Region (km)
					Asphalt	Cobble Stone	Gravel	Total	
1	Tigray	2588	1490	2302	106.44	576.85	587.91	1271.2	7651.2
2	Afar	1916	1124		3	87	264	354	3394
3	Amhara	6502	4786	11000	166.16	675.37	3462.69	4304.22	26592.65
4	Oromiya	9081	10655.67	35460	102	1336	4604	6042	61238.67
5	Somali	2586	3305		75	90	250	415	6306
6	SNNP	4592	10866	6070	194.03	1003.47	5663.12	6860.62	28388.62
7	Benishangul	735	936	519	25	40	90	155	2345
8	Gambella	602	2027	33	23	40	70	133	2795
9	Dire Dawa	45	161	280	54	143	182	379.565	865.565
10	Harari	52	455.3	144	31	20	50	101	752.3
11	Addis Ababa				954	1786	958	3699	3698.8
	Total	28699	35806.4	55808	1734	5797.93	16182	23714.41	144027.8

3.7.2 Critique of Indicators chosen for Logistics BS based on Experiences of SPSP IV

It is not the purpose of this report to outline the changes that occurred through the BS Programmes. They are many but it is also time to stand back and look at new priority challenges in a changing environment, which to some extent, have been created by the successes of the past. This is one of the reasons that the Evaluation Team support the concept of the move towards the BS for the Logistics sector.

There are some very relevant acronyms when it comes to the choice of indicators. Firstly, there is a need to select simple indicators, which, in order to be effective, should be Specific, Measurable, Assignable, Realistic and Time-Bound (SMART). Secondly, RACER stands for “Relevant, Acceptable, Credible, Easy, Robust and clearly there is a need for selected indicators to comply with these descriptions.

The performance indicators chosen for the BS programme for the logistics sector are listed below together with their relation to the road sector.

Table 3-10: Performance Indicators Chosen for Logistics BS Programme

No	Indicator	Road Sector	Relevance
1	Regional Trade Corridors maintained (km)	OK	Maintenance and road condition surveys
2	Equipment based survey of regional trade corridors (baseline definition)	OK	
3	Overall allocation to road maintenance	OK	
4	Harmonisation of Vehicle Size and Weight Regulations to the regional Tripartite (COMESA - SADC-EAC) standard	OK	Axle Load Control
5	Trucks overloaded	OK	Road Safety
6	Improve vehicle standards	OK	
7	Improving road traffic safety per 10,000 vehicles	OK	
8	Accession to 1968 UN conventions on Road Traffic and on Road Signs and Signals	OK	
9	Containerised dry cargo transported by rail.	N/A	Not so relevant to the road sector
10	Import time on the Djibouti road corridor	N/A	
11	Establish and operationalise the National Logistics Council	N/A	
12	Private sector participation in the logistics sector	N/A	

Specific observations are made on the road sector-related indicators in the table below.

Table 3-11: Observations on Road-Sector related Indicators for the Logistics BS Programme

No	Indicator	SMART?	Comment
1	Regional Trade Corridors maintained (km)	OK	Km targets have been set. Information is provided by ERA. Care should be taken to agree on the standard of maintenance required and independent checks should be carried out.
2	Equipment based survey of regional trade corridors (baseline definition)	OK	This is a clear need following the previous manual surveys which applied throughout SPSP. Roughness is not the only criterion for road condition but it is simple to measure and verify and appropriate for BS. There is mention of procurement delays and use of RoadLabPro equipment; however, this is a smartphone application and is readily available. Note that the survey information should be used to set the priorities for the next year's road maintenance.
3	Overall allocation to road maintenance	OK	This is relevant to ensure that the road sector is getting the funding it needs not just for corridors but for all classes of roads. There may be difficulties with data collection, as apart from the MOF budget to ERA, there is also the ORF budget to ERA, RRAs and Municipal RAs. In addition, the RRAs expect to raise their own funds from various road-user associations. The question can be asked – why spend many resources collecting data on a nationwide basis, whereas the main focus of the Logistics BS is on the transport corridors only? Road maintenance is a key to sustainability however if these funds were instead allocated to Indicator 1 then the target would be more specific to the Logistics BS Programme.
4	Harmonisation of Vehicle Size and Weight Regulations to the regional Tripartite (COMESA - SADC-EAC) standard	OK	On the face of it, this is a straightforward indicator to measure on a pass or fail basis; however, we know that the introduction of a new law is a lengthy process and we question whether this has been adequately considered. Also, we are not sure what happens after these standards are adopted and what steps can be taken to ensure the standards are implemented. The goals of TTTFP are very much aligned to the goals for the development of the road sector and this should provide added incentive for compliance.
5	Trucks overloaded	OK	This has been a vexing issue for the road sector throughout the SPSP and funds have been lost to the road sector due to overloading targets not being met. Improvements have been made throughout SPSP through the complementary efforts of JICA; however, Ethiopia is not compliant with axle load regulations in the region and the measurement of overloading has not been consistent and has been a mixture of automatic and manual measurement and there have been documented constraints with the measurement of overloading, including the consideration of empty trucks. This indicator is an improvement in that it

No	Indicator	SMART?	Comment
			considers the results of the automatic stations only and will be in accordance with Ethiopian legislation. There are still some uncertainties in data collection and initial targets may not be met but it is an issue that Ethiopia needs to grapple with.
6	Improve vehicle standards	OK	As for 4) above this is relatively straightforward and can be measured on a pass or fail basis. It is noted that legal texts often have a long lead-in time and we are unsure if these yes/no targets can be achieved in time for projected tranche releases.
7	Improving road traffic safety per 10,000 vehicles	OK	We are given to understand that collection of data may be difficult to achieve.
8	Accession to 1968 UN conventions on Road Traffic and on Road Signs and Signals	OK	As above, it is noted that legal texts often have a long lead-in time and we are unsure if these yes/no targets can be achieved in time for projected tranche releases. Also, we need to ask what steps can be taken to ensure the standards are implemented.

3.8 Evaluation Question 8. To what extent have the operations been effective, and have they generated sustainable impacts? Extent to which SPSP IV have contributed to the results identified and their sustainability, considering positive processes and negative side-effects

3.8.1 SPSP IV's contribution to achieve results

Important results have been achieved in terms of rural connectivity and reduced travel times and the percentage of population living within 2 km from an all-weather road has increased substantially. Results have also been achieved in terms of trunk roads and regional corridors. Rehabilitation/upgrading works have been undertaken to improve the connectivity with Djibouti, Kenya, Somalia and South Sudan.

The EU has provided substantial funds in support of job creation and economic development. Parallel funding has been provided through EU support to the Common Market for East and Southern Africa (COMESA) for the Corridor Development Fund.

Axle load control underwent a modernization program in 2018 (with the support of JICA funds) however a 2016 study by EU funded TTTFP highlighted several deficiencies and incompatibilities with the Tripartite VLMA and the Regional Weighbridge Location Plan (RWBLP). Result 4 of TTTFP is concerned with corridor development and there should be linkages developed as a result. The main TTTFP's outcome, in line with the development of an efficient network if the TTTFP is to facilitate the development of a more competitive, integrated and liberalised regional road transport market in the EA-SA region, as evidenced by a real reduction in transit time of 10% from the baseline of 8-9 days by the end of 2023.

Direct support to the transport sector has phased out with the completion of the 11th EDF; however, in the 12th EDF continued involvement is guaranteed in the form of the Support to the Logistics Sector.

3.8.2 Sustainability

Many of the problems that used to apply to the roads sector in Ethiopia still apply today. Construction costs are high as a result of high input costs, claims by Contractors and lack of competition. There are issues to do with dispute resolution, specifications and poor economic feasibility leading to the use of expensive surface treatments. Project managers within ERA may be overloaded.

Maintenance has not been the top priority as the emphasis has been to expand the existing road network. These challenges have been acknowledged by ERA). The road network development target has been achieved. The planned and continuous maintenance if not properly implemented might hinder the sustainability of the road network.

According to Ethiopian institutions the financial gap left by EU switching to the logistics sector, will be covered by GOE and other DPs that are currently active in the sector.

ERA and RRAs still need support for RAM both in term of equipment and capacity building, since ERA does not have a very effective data server; however, the ERA Data Center is an IT project being supported by WB and designed to strengthen IT capacity. This is a large (US\$ 4-5 million) project and will also benefit the Ministry of Transport. There is also a Public-Based Service (PBS), which is an online reporting system to be used by the Regional Authorities; however, this system covers roads and is currently not functioning.

The JICA transport related projects include working with ERA on Road Asset Management. They are also carrying out a survey on the logistics sector for the purpose of future cooperation. The surveys are likely to focus on border controls, the trucking industry, connectivity of industrial parks and logistics for the Tigray Region. They have a technical cooperation programme with the Ministry of Urban Development and expect to assist in the procurement of road maintenance equipment.

JICA has attended two of the TSWG meetings during SPSP IV and confirmed that this forum had not been very active in the recent past. JICA is continuing to liaise with the TTTFP programme on axle load control, as this remains a big issue both for the transport and logistics sectors.

3.8.3 EU Added Value

Policies and strategies of the EU SBS to Road sector in Ethiopia has been highly relevant and have largely responded to expressed needs at national and regional levels in concentrating on provisions of infrastructure and technical assistance (TA) and to the needs of EU's development cooperation policy which also foresees coordination of such policies between the EU and other donors.

In areas in which the EU does not have exclusive competence, the principle of subsidiarity seeks to safeguard the ability of the Member States to take decisions and action and authorises intervention by the Union when the objectives of an action cannot be sufficiently achieved by the Member States, but can be better achieved at European Union level, 'by reason of the scale and effects of the proposed action' with the key objective of poverty reduction.

The EU added value involved, primarily, the mobilisation of a significant financial support for the implementation of the RSDP V and human resources. Secondly, one of the strengths of SPSP IV was that it followed from the SPSP III interventions targeting the entire Road Sector stakeholders (Ethiopian Road Authority, Office of the Road Fund, National Road Safety Council, Regional Road Authorities, Woredas/Districts, Contractors and Consultants).

Overall, EU's added values have made sector support management more transparent, thus providing a strong demonstrative example of improved sector governance to the partner governments and sector institutions.

4 OVERALL ASSESSMENT

The RSDP came to an end in 2019 after 23 years. During the 23 years of RSDP, the network increased from 26,550 to 144,027 km (from 48,000 to 110,000 kms during RSDP IV alone) and the 10-year road master plan aims to increase the network by a further 100,000 kms.

It is well documented that BS has worked well in Ethiopia and we should not lose sight of the fact that it has made a very important contribution to the RSDP goals and SPSP IV has been a successful programme. Overall, the performance indicators show continued achievements regarding growing accessibility of communities to all-weather roads, a network mostly in fair or good conditions under the pressure of growing vehicle-km, maintained commitment to road maintenance with substantially increased budget allocation and a continued effort in growing the sector capacity at federal, regional and sub-regional levels.

An assessment of previous EC support to Ethiopia (8th EDF) concluded that previous strategies were well-thought out and comprehensive however they were seen to be too ambitious, trying to incorporate all of the themes in which the Commission believed it had an added value instead of being selective and thus ignored the staff limitations in the EC Delegation.

tThe RSDP came to an end in 2019 after 23 years the 10 years Road Sector perspective plan will be implemented in two- 5 years RSDP phases: RSDP VI and RSDP VII.

Looking forward, ERA is in charge of 28,000 kms of the road network only and in future the main access, feeder and collector roads will be the responsibility of the RRAs. A new road classification study will be carried out and in future the RRAs will construct asphalt roads and more roads will fall under the responsibility of the RRAs for construction and maintenance. Better regulation is anticipated for road safety and a department has been set up in ERA concerned with the same. Many domestic Contractors were engaged in RSDP and MOT is now planning on means to fill the gaps of financial and technical capacity.

The logistics sector is a big focus and is currently a prime concern for Ethiopia. The WB is also involved in supporting this sector alongside the EU and is contributing to the Modjo Dry Port expansion. In addition, the MOT has been working on a new logistics policy and strategy.

In an effort to guide future BS activities, it is worthwhile focusing on the various challenges faced during the implementation of SPSP IV, as this should help to guide future BS activities. These are outlines in the Conclusions, Lessons Learned and Recommendations below.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

Conclusions are listed under the headings below.

5.1.1 Budget Support

The FA was signed on 15/09/2015 and the initial tranche was released in 2016. Typically, the GOE, through the NAO would make a request for the release of funds and provide supporting documentation. The documentation was not always complete and further information was required, the EUD made an assessment of eligibility and a recommendation for release of tranche.

Budget Support (BS) continues to work well in Ethiopia (the experience elsewhere in Africa has been mixed). The GOE's results on implementing policies to stabilise the macro-economic situation over the years and carry out reform of macroeconomic stability of public finance management, reform strategy and budget transparency and oversight were satisfactory. This is evidenced by the high rate of disbursement throughout SPSP IV, namely the fixed tranches. The policy dialogue in the transport sector, depicted in detail in section 5.1.3, was an important element that enhanced the strategic importance of the road sector to ensure economic and social development. To gain approval of the Variable Tranche releases and all associated reports proved to be a time-consuming exercise.

SPSP IV's achievement contributed to the implementation of the partner government's sector strategy. During the five years of RSDP V, a total of 40,665 km of physical work was carried out, of which 13,973 km were Federal Roads, 9,299 km Regional and 17,394 km URRAP roads. With regards to the Federal Road Network, managed by ERA, in the five years of RSDP V, 1,240 km of trunk roads were rehabilitated, 2,699 km of trunk and link roads were upgraded, 4,140 km of new link roads were constructed, and 98 km of expressway roads were constructed. In parallel with these works, a total of 5,795 km of heavy maintenance work was carried out on federal paved roads.

The SPSP IV completed 4 cycles of SBS assistance to road sector. Substantial progress is confirmed by positive trends in the sector. GOE is committed to financing the sector for the forthcoming years and the Ethiopian Road Authority (ERA) has achieved maturity and leadership in the sector dominated by a growing number of vehicles and expanding network. However, the road sector faces challenges on road asset maintenance that have been realized over the years. In particular, the maintenance strategy and capacity in the sector could not keep pace with the expanding network characterized by an increased number of trucks (with a high rate of overloading) and fatalities. In this respect, one criticism is that perhaps it is still too wide-ranging in its approach and could have been better advised to look for greater impact in specific areas of concern. For instance, the results are not completely satisfactory, and support is needed especially in road safety and maintenance, due to the exponential growth of vehicles (including those overloaded). After several years of SBS; the road sector shows improved sustainability; the SBS modality to transport sector should continue, exploring and evaluating whether other sub-sectors could be the priority for Ethiopia.

5.1.2 Data Collection Systems

The compilation of tranche release reports, which entailed an assessment of the performance indicators, was a major undertaking carried out periodically under SPSP IV. SPSP required the setting up of an appropriate data collection system and the analysis of data collected by the ERA and other institutions in calculating the values of the indicators and assessing and monitoring their performance.

In general, there were some difficulties in collecting data, inconsistencies in data aggregation, processing and reporting which sometimes affected the disbursement process. Furthermore, due to the size of the country the amount of raw data collected was enormous.

Given the absence of internal resources to carry out these activities, ERA was supported by external consultants in order to assess the performance of RSDP. Inevitably, the information provided was lacking, and this led to delays in disbursement and penalties, which perhaps could have been avoided.

Equally we are clear that the EU demands the principle of accountability (also evidenced by the periodic checks of the Court of Auditors). ERA provides an impressive amount of information; however, some key data are not presented in such a way as to allow an easy assessment of the Performance Assessment Framework (PAF) and Performance Indicators. (Refer to section 3.6.1 for a more detailed description of the problems experienced in data collection during SPSP IV).

5.1.3 Policy Dialogue

- Policy dialogue is an important aspect of the BS operation, but this has been difficult at the initial stages of the program due to continuous organisational changes in the government structures. In addition, lack of a road sector policy has limited the scope for re-defining the functions and responsibilities of road sector agencies and regulatory bodies (through definition of the policy, legal, regulatory, planning, management, and operational functions).
- TSWG was supposed to be an effective means for policy dialogue among the various players in the transport sector; however, it did not function as planned during the SPSP IV. In general, the TOR were not fully addressed.
- In the specific, the TSWG and its' sub-committees have not been meeting regularly as originally designed (quarterly) and there has not been an annual conference of GOE and DPs in the road sector during SPSP IV.
- GOE intends to focus on more decentralization of power from ERA to the RRAs and in future more financing of road maintenance will be generated by both the ORF and the private sector and due to the strategic importance of the logistics sector.
- There is still a need for a step up in the policy dialogue in logistic-related issues together with a thematic support, from interventions such as the TTFP Technical Assistance. However, stakeholders interviewed indicated that the TSWG was effective and a useful platform for policy dialogue, namely till 2019.
- Apart from the TSWG, policy dialogue was achieved through bilateral meetings with the Ministry of Transport, ERA and other stakeholders. This is evidenced by progress made on axle load control, road safety and implementation of TTFP activities. Coordination meetings were also frequent between donors under the umbrella of the DAG.
- The TSWG, when it convened and by its very nature, was seen to be wide-ranging, and of course not focused on the EU budget support. The meetings usually comprised of a presentation by GOE followed by one or more presentation by donors and was not therefore helpful in the furtherance of the goals of the EU budget support programme. The question is posed therefore, what is the most appropriate means for policy dialogue for a similar BS programme in future?
- It should be noted that the evaluation team had some difficulties in obtaining a wide range of data and information concerning policy dialogue and the information available consisted of meeting agendas, minutes of some meetings held by TSWG and stakeholder confirmation that meetings were not held as planned for various reasons. The tranche release reports provided valuable information on the information obtained from various stakeholders concerned with the BS indicators and provided evidence of the various policy meetings and discussions held throughout the SPSP IV.

5.1.4 Axle Load Control

Apart from the first two years of the SPSP IV, the targets for axle load control were not met during SPSP IV and financial penalties were incurred as a result. The performance indicator, after having achieved the targets in the first years of RSDP V, has shown a constant increasing percentage of

overloaded vehicles, above 10%. It is clear that overloading jeopardises all the immense efforts to expand and maintain the road network in Ethiopia. Allied to this is the stated wish for Ethiopia to have a peaceful co-existence with its neighbours and to increase trade in the region. There is a need therefore to conceive axle load control on a regional basis and to harmonise standards and improve data collection techniques.

Up to 2018 there were 11 weigh bridge stations. Some have suffered from equipment failure and new equipment is to be procured. ERA collects and analyses the data from these weigh stations. Two parameters are used for the purpose of the indicator measurement, being the traffic volume and the % overload. Baseline figures have been set.

JICA has been supporting the construction and automation of weighbridges in Ethiopia. Currently there are 14 (5 on the exits from Addis Ababa and 9 on the approach to borders). The new weighbridges are equipped with a computer software that automatically measures and records the axle load. It is worth noting, that with use of the new weighbridges the overload factor increased to 34.4%, posing serious questions on the methodology used before year 2018.

The proposed TTTFP regulations have not yet been domesticated and cannot yet be enforced. The constraint at present is that the stations are not fully functional, many vehicles manage to avoid weighing and the enforcement is not strong and sometimes there is power failure – moves are being made to procure back-up generators.

The type and operation of weigh stations vary widely among African states and the TTTFP engaged TA to prepare standard drawings for different types of weigh stations depending on traffic levels. TTTFP expects to work with JICA to address aspects of non-compliance and render all of the JICA procured weigh stations compliant. In addition, most border posts are operated on a traditional 2-stop basis; however, Moyale BP is being converted to a One Stop Border Post (OSBP), and the others are at the early stages; however, the intent is to make border controls more efficient. The TTTFP National Implementation Action Plan (NIAP) for Ethiopia includes:

- Ratification of VLMA and the Multilateral Cross Border Road Transport Agreement (MCBRTA)
- Promulgation of 5 Model Laws and Regulations, customised to include unique provisions relating to Ethiopia
- Adoption of the African Organisation for Standardisation (ARSO) standards that are referred to in the Regulations as compulsory standards.

There are several reasons for the failure in axle load control - this problem has been recognised by the GOE and measures to implement strict axle load control are also a feature of the BS to the Logistics Sector. The targets set failed to take into consideration the underlying problems of harmonisation of reporting, avoidance of weighing, probable false reporting, lack of regulation etc. and also perhaps the time required to reach these targets was underestimated.

5.1.5 Road safety has become a greater priority

The major role of SPSP IV related to NRSC and road safety was to:

1. Establish an appropriate web-based crash database management system;
2. Strengthen the technical capabilities of the transport management and safety officials;
3. Organizing and conducting trainings, workshops and other capacity building initiatives;
4. Providing trainings in the areas of highway patrol, road safety education, highway emergency medical service, road safety publicity and road safety engineering assessment.

Although the performance indicator no.8 (rate of fatalities per 10,000 vehicles) monitored under the SPSP IV shows a decreasing trend, the trend in fatalities and injuries in absolute terms is rising.

The fatality numbers have risen from 4,267 in 2016 to 5,118 in 2018. As described in 3.2.2 this put in evidence that the good achievements of the indicator no.8 are not representative of the progress on road safety in Ethiopia. The increase in motorization, the vehicle age, poor road conditions, large share of pedestrian mobility, low awareness of road safety and regulation by road users, low enforcement capacity are the main factors responsible for the increase of road victims.

A draft road safety policy and road safety strategy to 2030 has been prepared and the AU road safety charter and UN Road Safety Regulations have been ratified. Although some improvements have been made to road safety, which can be captured by the environmental and social impact studies for individual road projects, traffic volumes are increasing with the increase in the network size and there are a whole host of safety issues that need to be tackled. These include vehicle registration and condition, regulation of vehicle loads, signage and enforcement of rules of the road, accident reporting etc.

The focus of RSDP has been largely on the network expansion and there is a need for more focus on the by-products of network development, including safety, for which funding has been limited.

5.1.6 SPSP IV and RSDP focus was on network expansion and maintenance of URRAP roads has become a big issue

A primary focus of SPSP III and IV was the development of rural roads allied to the provision of Capacity Building to the regions. The rural road network has expanded enormously and the current pressing issue is to set up the means to maintain these roads. The RRAs are devising means whereby the private sector will contribute to the funds required for maintenance of these roads and the new institutional set-up will require the procurement of Consultants and Contractors to carry out these works.

Studies were carried out to determine the nation-wide impact of the new URRAP roads and by and large achievements have been extensive. The lower performance of the RSDP V is essentially due to the underperformance of URRAP, which is mainly due to the low technical capacity of the Woreda Authorities and technical difficulties in implementation (also related to unrests in 2017-18) and to reductions in funding from the federal Government. RRAs are understaffed, have very young staff and experience a high turnover. Roads constructed under RSDP I to III are showing signs of ageing and there is a need for a systematic and comprehensive maintenance program to ensure asset preservation mechanisms that keeps up with the network expansion.

The RF does not allocate funds to the URRAP roads; however, it is part of the 10-year planning that these funds will be provided in future. Currently the RRAs have an insufficient budget for all road maintenance needs. According to ERA, currently 50% of the fuel levy is allocated for road maintenance and 50% is allocated to MOT – the target is for 100% allocation to maintenance to be achieved; however, parliamentary approval is required for this to happen.

5.1.7 Complementarity of TTTFP Activities

The TTTFP specific objective is to achieve harmonised road transport policies, laws, regulations and standards for efficient cross border road transport and transit networks, transport and logistics services, systems and procedures in the Eastern and Southern Africa (EA-SA) region. These activities have a large influence on axle load control and road safety and these are 2 primary indicators that have been carried forward from the SPSP IV to the new BS to the Logistics sector. There are definite benefits to be gained for the sector by encouraging adherence to the TTTFP recommendations, which have the approval in principle from GOE, but nevertheless have many obstacles in implementation.

5.1.8 Development of Domestic Industry

The local Consultancy and Contracting industry have certainly benefitted from RSDP and SPSP IV in terms of monetary gain and numbers of contracts awarded; however, it has brought issues to the fore of capacity and quality of works and there are reported incidences of contract failures. The industry is relatively new and, such has been the experience elsewhere, there is a need for a host of activities to ensure quality delivery. GOE should create an enabling environment through ensuring transparent procurement procedures, provide access to finance and equipment, provide support to member associations and a whole host of training programmes should be developed so that staff can improve their skills. The TCP provided some training and prepared manuals; however, such needs are huge and continuous and represent some of the challenges for the future.

5.1.9 Development of Environmental Management

Similar to the above, we are aware that GOE has made great strides to ensure that EIAs are carried out for road projects; however, now there is a greater need to ensure that environmental and social safeguards, gender and safety awareness and other issues are properly incorporated and implemented in contracts. Climate change issues need to be considered along with the principal of 'build back better' and compensation issues will need greater attention. Proper delineation of the road rights of way should also be encouraged.

5.1.10 Continuous need for Technical Cooperation

SPSP IV developed adequate institutional capacity of the road sub-sector both at central as well as regional level with the implementation of the technical cooperation.

The TCP complemented the activities of the BS programme with its focus on capacity building to the RRAs. The real challenge of such a programme will be to ensure that the organizational structures are filled and the benefits in terms of training and adherence to and implementation of the best practices contained in the manuals can be continued.

The restructuring of ERA has required a major empowerment and capacity building effort, which the EU TCP programme was designed to assist. Throughout SPSP IV, ERA experienced a high turnover of officials, and capacity deficiencies were noted in road sector bodies, such as MOT, ORF, RRAs and Woreda Road Offices (WROs). Capacities at regional level vary from Region to Region but are, in general, rather low as demonstrated by the needs' assessment of the TCP programme. Challenges in the Woredas include low staff salaries and poor retention, and a high need for skills training. The TCP prepared very useful and appropriate manuals and carried out training. Regional roads authorities have improved capacity in data collection, project identification, engineering procurement, contract management and asset management. However, the ET acknowledged that the effectiveness of training was not very high due mainly to curtailed travel restrictions caused by security concerns and the outbreak of Covid-19).

5.1.11 Adaptation to Changing Circumstances and Importance of Logistics

There has been a move towards relative peace in the region; however, the situation is currently uncertain. There is an over-reliance on the port of Djibouti for import/export, where costs are high compared to East African or international standards, whereas Ethiopia has the possibility of using six seaports, all of them in other countries. The ports available to Ethiopia trade, in order of importance, in terms of cargo destined to and from Ethiopia, are:

1. Djibouti Port connected to Modjo by road (760km or 830km, depending on the route)
 2. Berbera Port, connected to Modjo by road (870km)
 3. Port Sudan, connected to Modjo by road (1,850km)
 4. Mombasa Port, connected to Modjo by road (1,900km)
 5. Assab Port, connected to Modjo by road (820km)
- Massawa Port, connected to Modjo by road (1,250km)

The new Addis Ababa – Djibouti Railway should result in improved transaction costs. Ethiopia imports about 4 times more cargo, by value, than it exports and approximately 95 % of this trade is imported or exported through Djibouti Port. A change in Government in Ethiopia has seen a move to embrace development at a fast pace. There was a newly declared peace in areas which should see more exports moving towards Eritrea and Massawa and Sudan and Port Sudan; however regional turmoil remains in the Tigray Region. It is also hoped that an improvement in stability in Northern Kenya and Somalia should bring more traffic to Kenya and Uganda.

The Government policy is to integrate on a regional basis and the key sector to enable this is transport. The GOE, recognising the extremely poor performances of its logistics sector and its impacts on export and global competitiveness, issued in 2018 a National Logistics Strategy (2018-2028). With the new regional dynamics, there is a need to improve regional corridors to ensure better connectivity. On the infrastructure side, despite the achievements of 23 years of RSDP, road assets preservation and maintenance as well as intermodal connections are a challenge. The trucking industry, Information and Communication Technology (ICT), and dry port infrastructures lag behind international standards. The most challenging non-physical barriers are red tape, lack of professional services, difficult access to finance and inefficient trade facilitation measures.

The implementation of SPSP IV highlighted issues in data validity and quality. The new BS programme for the logistics sector requires the updating of some monitoring systems such as the road quality survey through utilisation of equipment-based surveys (not only by visual inspection) and the upgrade of the axle load control system.

Both the 23-years review of the RSDP and the Federal Roads 10-Year Master Plan espouse the development of expressways financed by PPP and other means. In addition, considering the reforms announced by the Government for regional economic integration, major interventions have been planned and are being implemented by ERA to improve the road infrastructure on the regional corridors. Moreover, since 2018 the Government of Ethiopia has demonstrated an increased interest for harmonising its regulations to international standards. A new Logistics Strategy and Policy has been prepared and a new logistics institution has been formed.

The move by the EUD to BS for the Logistics Sector is appropriate and in keeping with current priorities.

5.2 Lessons Learnt

5.2.1 SPSP IV performance

SPSP IV achieved an overall disbursement of 96.4%, the highest percentage of disbursement compared to the 3 previous SPSPs - this is an indication of a high commitment of GOE and the related institutions in the implementation of the SBS's. Nevertheless, despite the instability in the Country since the starting of SPSP IV; the 100% disbursement of the fixed tranches illustrate satisfactory achievements on: i) progress in sector policy implementation; ii) a stability-oriented macro-economic framework; iii) satisfactory public finance management reform and iv) transparency and oversight of the budget.

Even though the Ethiopian Roads Authority consolidated its previous experience and institutional strength in the implementation of the programme, the means of data collection showed some inefficiencies. Data collection activities were carried out with "old fashioned" techniques, manually, thus onerous and time consuming. The application of technological tools for some of the data collection would have facilitated some activities (i.e., RAI calculation) and provided more realistic indicators (i.e. to modernize weigh bridges in order to improve the efficiency and transparency of axle load control).

SPSP IV has been a good experience and good for Ethiopia and has set up a basis for inclusive growth and long-term sustainability of the results achieved. However, lessons have been learnt concerning sustainability, which is more addressed in the forthcoming programmes.

5.2.2 Data Collection and Measurement Systems

ERA provides an impressive amount of information; however, some key data are not presented in such a way as to allow an easy assessment of the Performance Assessment Framework (PAF) and Performance Indicators. During SPSP IV there was a delay in the procurement of data collection consultants and there was also a delay in finalizing and releasing the survey reports.

A lesson from GTP I and RSDP IV was that targets were very ambitious and only partly achieved as a result. It has been reported that GTP II and RSDP V continued this trend and set even more ambitious targets. This is admirable to some extent but has the negative side-effect to overstretch the authorities and focus more on new construction rather than maintenance, all of which can have a negative effect on quality of delivery. GTP II expounds the need for improved monitoring and evaluation systems; however, the addition, replacement and amendment of some indicators have been a challenge for ERA and there have been issues to collect data at regional level. Another challenge has been to collect data from sources (such as the ORF, the National Road Safety Council, the Ethiopian Construction Works Corporation and the Toll Roads Enterprise) as it has not been possible to develop a uniform and consistent monitoring system across the sector.

During SPSP IV, road condition surveys were carried out on a visual basis only – there is a recognized need for a more formal approach utilizing road condition survey equipment and a computerized Highway Management System.

5.2.3 Policy Dialogue

Policy dialogue is an important aspect of the BS operation. For a few years it was successfully put in place to accompany BS and contributed significantly to strengthening the implementation of the development strategies and plans and activities of GOE and Donors when activities and objectives converged.

Policy dialogue was mainly focused on TSWG and this was difficult at the initial stages of the program due to continuous organisational changes in the government structures. Lack of a road sector policy limited the scope for re-defining the functions and responsibilities of road sector agencies and regulatory bodies through definition of the policy, legal, regulatory, planning, management and operational functions.

The ToRs for TSWG are well structured and identify the main tasks to be undertaken to review specific programs or policy initiatives of the sector thus enhancing coordination of policy development initiatives. The ET acknowledged that key tasks such as programme and policy review and reform, implementation monitoring and evaluation were not carried out as anticipated. For instance, the TSWG and its' sub-committees did not meet regularly as designed and there was no annual conference of GOE and DPs in the road sector during the SPSP IV assistance.

The partial implementation of the ToR's requirements also slowed down the consolidation of TSWG, that lost steam over the years.

Specific policy dialogue was achieved outside of the forum of the TSWG and consisted of meetings and discussions concerning the achievement of BS indicators. These were held on an informal basis and were not part of the TSWG structure. Policy dialogue is important for all stakeholders, and the lesson learnt is that the mode of policy dialogue should be re-examined in order to ensure its success.

5.2.4 Axle Load Control and Road Safety

During SPSP IV, the target for overloaded trucks persistently failed, which is indicative of a serious problem also affecting road condition and sustainability of roads and bridges. There was a need to review the baseline indicator for axle load control during the course of the programme, which was also commented on by the European Court of auditors and a recent study under the Tripartite Transport and Trade Facilitation Program (TTTFP) questioned the robustness of the axle load baseline and monitoring system.

There are several reasons for the failure in axle load control. This problem has been recognised by the GOE and measures to implement strict axle load control are also a feature of the BS to the Logistics Sector. The targets set failed to take into consideration the underlying

problems of harmonisation of reporting, avoidance of weighing, probable false reporting, lack of regulation etc. and perhaps the time required to reach these targets was underestimated.

There is a stated wish for Ethiopia to have a peaceful co-existence with its neighbours and to increase trade in the region. Furthermore, there is a need therefore to conceive axle load control on a regional basis and to harmonise standards and improve data collection techniques.

In terms of Road Safety, it was reported that data collection from the organisations and verification was very difficult.

5.2.5 URRAP roads have high impact, however currently available budget does not match maintenance needs

Roads constructed under RSDP I to III are showing signs of ageing and there is a need for a systematic and comprehensive maintenance program to ensure asset preservation mechanisms that keeps up with the network expansion. Studies were carried out to determine the nation-wide impact of the new URRAP roads and by and large achievements have been extensive. The rural road network has expanded enormously, and the current pressing issue is to set up the means to maintain these roads. The RRAs are devising means whereby the private sector will contribute to the funds required for maintenance of these roads and the new institutional set-up will require the procurement of Consultants and Contractors to carry out these works.

5.2.6 Effectiveness of TCP and need for continuity

The restructuring of ERA and the RRAs has required a major empowerment and capacity building effort, which the EU TCP programme was designed to assist. Throughout SPSP IV, ERA experienced a high turnover of officials, and capacity deficiencies were noted in road sector bodies, such as MOT, ORF, RRAs and Woreda Road Offices (WROs). Capacities at regional level vary from Region to Region but are, in general, rather low as demonstrated by the needs' assessment of the TCP programme. Challenges in the Woredas include low staff salaries and poor retention, and a high need for skills training. The TCP prepared very useful and appropriate manuals and carried out training (curtailed due

to travel restrictions caused by security concerns and the outbreak of Covid-19). There is a need for training to be rolled out and implemented on a continuous basis.

5.2.7 Impact of Pandemic

The effect of the Covid-19 Pandemic on the transport and trade sector and project since 2020 and for the years ahead is significant. The lesson is that Covid -19 can be considered as an unforeseeable event, to some extent beyond the control of the Programme. However, Ethiopia and the region was and remains prone to potential outbreaks of infectious diseases and their impact on free mobility of people and freights. These future events could be mitigated to reduce the impact of a potential outbreak on the project implementation, both at contractual and operational level if they are foreseen and included in the project/programme analysis of risks as a mandatory threat.

5.2.8 Instability can be very damaging to development of the road sector

- Political risk was reported as high, with the reinstatement of the State of Emergency in early 2018, selection of a new Prime Minister and cabinet reshuffles in 2018. A deterioration in the security situation in some parts of the country led to distress to the economy, difficulties to operate in some zones and the redistribution of resources to other issues. The impact is evident in the limited amount of constructed rural roads. It was reported that the macroeconomic risk increased from moderate to substantial due to the external debt repayment situation and the foreign exchange shortage.
- It is not the function of the Evaluation Team to comment on issues relating to instability or insecurity. Suffice it to say that these issues have a very damaging effect on road network development and maintenance activities, which virtually stop during periods of instability. This is evidenced by the poor implementation of projects in some areas of the country and the inability to travel freely and to achieve pre-ordained targets.

5.2.9 Increase of Unit Costs

The increase of unit costs is one of the major concerns in the sector. This has been due to the rising price of inputs and renting cost of equipment. Shortcomings in designs and delays in implementation have also been contributing factors. There has been a notable increase in unit costs for periodic maintenance of both paved and gravel roads, primarily due to variations in quantities of activities and price changes. The primary reasons are considered to be:

- Inflation
- The need to import items such as bitumen, fuel and steel (cement can be sourced locally but the price depends on demand)
- Security concerns (depending on location)
- Most likely there are also issues concerning procurement and governance
- Perhaps Engineer's estimates have been low in cases
- The Contract price adjustment does not always accommodate the real increase in costs

For these and other reasons, Contractors feel that the risks can be quite high and therefore must consider these risks in their pricing.

5.2.10 New focus on Logistics and Transport Mega-Projects

Most of the freight in Ethiopia is transported through road and Ethiopia faces major challenges in improving transport linkages and reducing logistics costs. Logistics and supply chains are affected by a number of interrelated factors, requiring a multisector approach beyond the scope of transport alone. Transport mega-projects are in the pipeline for possible future Public Private Participation (PPP) projects, which will change the way that ERA will have to deal with the financing and the operations of the road network. These sector challenges are to be taken into account in the new "National transport

policy" which has been developed in harmonisation with the national multi-annual Planning (2020-2030).

5.3 Recommendations

5.3.1 Budget Support

This mode of support should continue in future, with the necessary adjustments to increase its impact. The overall design worked well. In the following sections, some specific recommendations are provided to its components such as the indicators, means of policy dialogue, TCP, based on the experiences and lessons learnt from the previous interventions.

5.3.1 The indicators

Excessive numbers and technical weaknesses of indicators have increased the Beneficiary's implementation and monitoring costs. It would be important for indicators to be carefully selected and defined, to ensure that they are specific in the way they are defined, not too numerous, and reasonably consistent over time.

In general, the Evaluation Team favours the selection of fewer and more specific and reliable targets. The targets should be SMART and RACER and the means of data collection supported by methodological guidelines to provide standards, avoiding thus the deployment of beneficiary's resources and unforeseen question-marks over disbursements.

The Evaluation Team is aware that 12 indicators have already been selected for the new BS programme to support the Logistics Sector, which is an increase on the 10 utilised for the SPSP IV. A critique of the selected indicators is provided in Section 3.7.2 (Table 3.10) of this report put in evidence that the indicators could be reduced.

The recommendation is that BS should continue (this is already being realised) and that the current TA team to the logistics sector should consider this critique of the current indicators and also consider the recommendations of this report in the development of relevant indicators in future.

To be implemented by	EUD	Priority	High	Importance	High
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5.3.2 Improved Focus of Data Collection Systems

Following the completion of RSDP, this is a good time to reflect and improve systems. ERA themselves recognise the need to overhaul the Monitoring and Evaluation (M&E) and reporting systems. Although there has been progress in using GIS methods for data collection, it is important that in future, similar SBS programmes, more equipment-based surveys and web-based and automated procedures for data collection should be considered as a prerequisite. GIS based tools are indispensable for a public organisation to plan and manage infrastructure. They can be used intensely for the inventory of all Ethiopian roads and managed directly by the RRAs. Data and information on the type and quality of roads and terrain, average daily or annual traffic data can be integrated with other relevant issues such as black spot and accident data. New low-cost technologies and tools should be considered for regular monitoring of road quality (such as drone surveying) and road roughness can be measured using the International Roughness Index (IRI) with smartphone applications. For example, the calculation and

monitoring of the Rural Accessibility Index (RAI) with a GIS system⁵, using software as QGIS or ArcGIS, once implemented, could be an efficient monitoring tool that can be easily updated.

Indicators should be re-examined and how data is collected and analysed for different users. There is also a need for indicator targets not to be over-optimistic but also combined with reality. There is appreciation that the Management Information System in ERA can provide a linkage to the Asset Management System – a real challenge is that there are many institutions (not just ERA) and all need to be involved.

The recommendation is that an integrated unit should be put in place to oversee the data collection from different sources, harmonise it, to satisfy the needs of the objectively verifiable indicators. This could be carried out through, as in the past, with the support of external experts that could be responsible for all surveys and data collection at source. In the long run, it would be more effective to create a dedicated unit within ERA (e.g. Planning and RMS units), for data collection. The second solution would be more efficient for liaising with the bodies necessary to carry out these work and the other ERA's departments and institutions.

To be implemented by	ERA/EUD	Priority	High	Importance	High
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5.3.3 Improved Focus of Policy Dialogue

Future policy dialogue on the transport sector and its subsectors (aviation road, rail and maritime,) should fall mainly under the auspices of the TSWG, rather than create a new entity; however, there is scope for a much more effective utilisation of the TSWG. In this respect, the inclusion of representatives of private sector operators (e.g., in logistic sector) should be beneficial. Specific aspects (such as logistics) of the transport sector can be covered through the formation of sub-committees.

The ET believes the TSWG is an appropriate forum for policy dialogue and is very important to have MOT as chair (or at least co-chair), as the Transport Policy belongs to MOT. This would not usurp the function of the DAG, which can have a greater focus on harmonisation and cooperation between donors. It should be set to review progress towards the targets for the sector set out in the National Transport Policy, EU Sector Budget Support, TTTFP and other programmes sponsored by Donors.

Based on the limited information collected and the document analysis, we believe that the TSWG could have greater potential provided more and continuous commitment is in place. The ET is aware that the transport group can be very wide-ranging and cover many topics; however, they can be inter-related and it can be important for participants to be aware of other activities in the sector.

The ET is aware of the constraint that, even if the TSWG had met as planned, its remit was very wide-ranging and it may not have addressed specific policy issues relating to the EU BS programme. The ET believes, however, that it is preferable and more efficient to have a formal set-up such as the TSWG in which to discuss all issues concerning the transport sector, rather than setting up different and parallel structures, which would lead to ad-hoc discussions without the requisite authority provided by a formal setup – this has also worked well in other countries.

A greater focus on BS can be achieved by ensuring that the Terms of Reference also covers the specific needs of BS.

The following specific recommendations would help to achieve the goals for policy dialogue:

⁵ In 2016, the World Bank, published an updated methodology to help calculate the RAI with the use of geospatial datasets such as WorldPoP, an independent, free access database, built with satellite imagery, used to define human settlements, their distribution and density.

- A permanent point of contact could be beneficial for all. A full-time focal point in the MOT should be in place to oversee the implementation of all activities as detailed in the TOR. A permanent establishment (comprising at least a transport sector coordinator and furnished and equipped office) would be beneficial.
- The establishment of a Variable Tranche indicator should be considered to facilitate the setting up of this focal point entrusted with the task of fulfilling the TORs and to include the preparing of agendas, invitations, and hosting of periodic TSWG meetings, minutes of meetings and an annual wrap-up for an amount of say 0.5 – 1.0 M Euro on an annual basis. The ET maintains that having this very real incentive attached would encourage MOT to be more committed.
- There are differing views as to the proposed frequency of meetings – the Evaluation team favours quarterly meetings, based on solid and shared agendas, this could be in favour of more Stakeholder’s involvement and continuity. An annual wrap-up report should also be prepared.
- The TORs should be re-examined and adjusted to suit the needs of the participants. In particular, if a similar BS programme be agreed upon in future, then specific, periodic stakeholder meetings should be arranged with a particular focus on BS and all issues associated with data collection from the various stakeholders.
- Similarly, the TORs should be expanded to allow for specific meetings (e.g concerned with logistics) and the concerned agencies should also be invited to join and their inputs allowed for in the amended TORs.
- If 4) and 5) above are adopted, then this lends more weight to the 1) and 2) above in terms of having a full-time and funded presence for the TSWG.
- In order to progressively improve the evidence base for policy dialogue, the TORs should be amended to also include the definition and the monitoring of targets. Moreover, the process of monitoring would encourage the building up of the knowledge base and the review and adaptation of dialogue regarding the most effective components of government sector policies. The EUD could retain its position of co-chair on the basis that it is the only donor involved in budget support.

To be implemented by	MOT/MOF/EUD	Priority	High	Importance	High
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5.3.4 Focus on underlying needs of axle load control and adoption of TTTFP standards

Overloading control has enhanced significance for corridor development, competitiveness and the logistics sector. This is addressed in BS to the Logistics Sector. Indicator 4 of the entitled *‘Harmonisation of Vehicle Size and Weight Regulations to the Tripartite (COMESA-SADC-EAC) agreed standards’*, is a component of the TTTFP VLM and aims to achieve harmonisation of existing vehicle load control systems to regional standards. The legislation on Harmonization was drafted in 2019. Regulations have been issued by the Council of Ministers; however, the law harmonising Vehicle Size and Weight Regulations to the Tripartite agreed standards has not yet been adopted formally. Indicator 5 of the same BS Logistics Programme, entitled *‘Trucks overloaded’*, is concerned with the number of overloaded axles weighed by automated stations and targets have been set based on a targeted number of axles to be weighed.

The Evaluation Team recommends that these indicators are adhered to as they are extremely important for the development of the transport sector and to ensure future sustainability. A critique of the selected indicators is provided in (Table 3.10) of this report.

To avoid future misinterpretation of the indicators, a validated methodology on data collections and processing should be developed, namely a standardized method for stopping the vehicles. It is important that the sample of vehicles stopped at the weigh stations are representative of the entire annual traffic flow, avoiding thus bias results.

In this respect, it is worth noting that ERA’s intentions to hire a Consultant with a view to examine the gap between the JICA installations and TTTFP requirements and seek financial support for this activity, could be helpful.

To be implemented by	ERA	Priority	High	Importance	High
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5.3.5 Need for Continuous TCP

The TCP can be regarded as a starting point to capacitate the RRAs. Excellent manuals were prepared, and sufficient training was carried out. This programme component was never going to be the *panacea* to solve all capacity-related issues. Rather, it should be seen as a starting point. Capacity-building is a continuous need but it needs focused on sustainability. The current high turnover in ERA (about 8%) could be detrimental for the technical sustainability.

As reported from the stakeholders interviewed, the TCP, should to be more focused on transfer of technical knowledge and training than preparing manuals, that usually are not often consulted. There is a need to attract and retain staff and to train them in Road Asset Management and the use of GIS/GPS methods for data collection and processing.

Similarly, Contractors and Consultants need to be capacitated in contract management. The support provided therefore, was the ‘tip of the iceberg’, it demonstrated what is needed, and it is now incumbent on the Government to take this forward as a component of the 10-year Master Plan.

It is noted that there were some flaws in the TORs and administrative procedures for the TCP (ref section 3.4 of this report), which could be ironed out for future reference.

To be implemented by	MOT/ERA	Priority	Medium	Importance	Medium
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5.3.1 Road Safety and Adoption and Implementation of TTTFP Recommendations

Increased road safety is expected to be a very welcome by-product of the TTTFP programme to harmonise vehicle and driving standards. The TTTFP has received several TA requests from Ethiopia and for example have shared the Tripartite Validated system specifications for the National Transport Information System (NTIS), Vehicle Load Management Information System (VLMIS) and Tripartite Transport Registers and Information Platform System (TRIPS) as well as the Tripartite Validated design specifications for Driving Schools (DS), Driving Licence Testing Centres (DLTC), Vehicle Testing Stations (VTS) and Weigh Stations (WS). Many of these are expected to have an impact on road safety. In the Logistics BS Programme, Indicator 6 entitled ‘*Improved vehicle standards*’, concerns the adoption of a new directive on safety and emissions standards for roadworthiness of imported vehicles. Indicator 7, entitled ‘*Improving road traffic safety per 10,000 vehicles*’⁶, is concerned with meeting targets of reduced deaths due to traffic accidents. Indicator 8, entitled ‘*Accession to 1968 UN conventions on Road Traffic and on Road Signs and Signals*’, shall be considered met if a Directive validating the letter of accession to the 1968 UN conventions on Road Traffic and on Road Signs and Signals is adopted by the House of Peoples Representatives and 2 related harmonised transport laws are approved by the Council of Ministers.

The Evaluation Team recommends that these indicators, with the suggested amendments, are adhered to as they are extremely important for the improvement of road safety. A critique of the selected indicators is provided in Section 3.3.2 and 3.7.2 of this report.

Road safety is one of the major challenges in the sector. NRSC has sufficient and skilled staff but adequate budget and equipment is lacking. Data collection is still an issue thus the completion of a

⁶ The ET has put in evidence the limitation of this indicator in section 3.3.2. The absolute indicator of number of road accidents, (fatalities and injuries) per road category is more reliable.

web-based road accident inventory could facilitate the digital and geo referencing of data collection process.

Policy dialogue and intervention is required to improve the performance in the areas of increasing general public awareness, road safety education, DLTC, drivers' capacity, infrastructure and vehicle standards (not only for freight as per TTTFP) by the Ministry of Transport (MOT).

To be implemented by	MOT/NRSC	Priority	Medium	Importance	High
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5.3.2 New issues to be tackled concerning URRAP Roads

- The rapid expansion of the road network has brought to light a host of challenges in the road sector. These are not new challenges but are more relevant in terms of sustainability of the rapidly expanding network which is expected to continue growing at a rapid pace throughout the next 10 years. The performance indicators showed continued achievements with regard to growing accessibility of communities to all-weather roads, a network mostly in fair or good conditions. The commitment to road maintenance with substantially increased budget allocation and a continued effort in growing the sector capacity at regional and sub-regional is not assured.
- The challenges have been correctly identified in the 10-Year Federal Road Master Plan as follows:
 - Out-dated Functional Classification System
 - Comprehensive Data/Information System
 - Cost Data for Maintenance Planning
 - The Need for Improved Feasibility Study
 - Project Implementation
 - Project Identification and Equitability
 - Improved Asset Management
 - Road Fund Administration
 - Domestic Construction Industry
 - Capacity of ERA
 - Right-of-Way Clearance.

For every challenge there is a solution. ERA is aware of this and for the 10-year plan to succeed it will be crucial to implement measures to address these very real challenges in the sector. It would also be important to discuss these aspects in a dedicated forum such as the TSWG, as lessons can be drawn from experiences elsewhere and assistance can be sought from the DPs for training and asset management support which lie in their sphere of experience.

To be implemented by	MOT/ERA	Priority	Medium	Importance	High
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5.3.3 What to do concerning unit cost increases

Each Maintenance District calculates costs for maintenance force account. These show considerable differences with respect to different line items, making network-wide costs difficult to estimate. Standard methods should be defined, agreed and used. ERA can consider implementing a study to determine the means of reducing Contractor risks.

To be implemented by	ERA	Priority	Medium	Importance	High
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5.3.4 Need for Raising of Awareness at all Levels

A lesson learnt from the RSDP is that an information, education, and communication (IEC) strategy would be beneficial for a large program such as the RSDP. The same should apply for the support to the logistics sector. In Ethiopia, the fears of transporters need to be allayed as they will need to adapt to the requirements for harmonised loads and they will need support in this respect. Awareness raising is one of the keys to success and implementation of the Communication and Visibility Strategy (CVS) would be beneficial. It is also essential to illustrate the benefits of TTTFP implementation as there is scepticism of the need for change. By its very nature, the visibility of BS is limited but still improvements can be made. The implementation of the CVS for BS to Logistic Sector, is required in order to improve communication at many levels. This would also help the programme to get feedback for its activities. In Ethiopia it was stated that it would be beneficial if politicians were also aware of the benefits. As the working language is Amharic, there is a need to translate documents for greater understanding – this has been undertaken to some extent by the TTTFP program.

The recommendation is that MOT should implement a CVS for the 10-year master plan and that the EUD should implement the same for its BS to the Logistics Sector.

To be implemented by	MOT/EUD	Priority	High	Importance	High
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5.3.5 Recommendations of Other Studies

Management of Rights of Way (ROW) and slope protection requires greater attention for the long-term performance of the roads' corridor. ROW is established as a separate Directorate under the Project Development and considerations must be given to land use along the subject road section. It is important to effectively manage resettlement, land acquisition, and grievances redress on road projects to minimize disruption in construction works and conflicts between parties. Price adjustment is a contractual issue, the provision of which, needs to be provided in civil works contracts. Time control is therefore key to limiting cost increases. Poor designs caused variation orders in 70 % of contracts. The development of the road network has brought to the fore other issues that may not have been crucial in the past but have taken on a new importance along with the development potential brought by an expanded network. We are aware that various studies implemented by ERA have made very useful recommendations to do with land-use planning along road rights of way, definition of urban and rural areas, compensation and grievance address mechanisms. There is also a need to improve and standardize design features, contract clauses and for greater time management and cost control of projects.

To be implemented by	ERA	Priority	Medium	Importance	Medium
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5.3.6 New Focus on Logistics and the Support to the Horn of Africa Initiative

It is hoped that major interventions can be funded from many innovative sources such as Public Private Partnership (PPP) on toll roads as envisaged in the 10-Year Federal Master Plan. The approval of regulations represents the early stages of reform – the next cycle will focus on performance indicators rather than process indicators and may be limited to around 8 indicators.

Projects have also been identified under the 'Horn of Africa' (HOA) initiative. Under the 11th EDF, support is anticipated to '*Promoting regional economic integration in the Horn of Africa through the development of the Djibouti Corridor*'. The five HoA countries have agreed to launch a Horn of Africa Initiative (HoAI) on Regional Integration and Economic Development, to take advantage of the recent positive political and diplomatic developments in the Horn of Africa region. They have requested three

key development partners (DPs) - the European Union, the African Development Bank, and the World Bank - to provide technical support and facilitate the discussions between these countries. The anticipated activities include:

- Productivity and intermodal connectivity of the Port of Djibouti shall be strengthened
- One Stop Border Post at Galafi is managed efficiently with an upgraded interconnectivity infrastructure
- Non-Tariff Barriers (NTBs) and Technical Barriers to Trade (TBTs) eliminated along the Djibouti Corridor
- Dry Port developed in Ethiopia
- Regional regulatory framework for trade in goods and services better domesticated
- Standards in key traded goods harmonised and implemented and time to test reduced
- Increased Logistics Services Competitiveness in Djibouti and Ethiopia
- Export competitiveness capacity created in sectors with strong comparative advantage
- Increased capacity of targeted women traders to participate in trade

These activities will complement the activities in the logistics sector. The Evaluation Team finds that the move towards the BS for the Logistics Sector is appropriate. There are many common areas with the road sector and there is an opportunity to bring forward the experience gained from SPSP IV to the Logistics Sector.

To be implemented by	EUD	Priority	Medium	Importance	Medium
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6 ANNEXES

ANNEX I TERMS OF REFERENCE

BACKGROUND

1.1 Relevant country / region / sector background

Ethiopia is a landlocked country and the second-most populated nation in the African continent, occupying a total area of 1,104,300 km. The Ethiopian society is also one of the least urbanized in the world with some 80% of the country's estimated 117 million inhabitants¹ living in rural areas and depending on farming and livestock. Ethiopia has been one of the fastest growing countries in Africa, continuing being one of the fastest non-oil-dependent economies. The country has been implementing the national development policy framework, the Growth and Transformation Plan², aiming at reaching lower middle-income status by 2025.

With the importance of the road transport in supporting social and economic growth and its role as a catalyst to meet poverty reduction targets, the Government has been implementing the Road Sector Development Program (RSDP) since 1997 in five phases (RSDP I to V) with emphasis on expansion of the road network and improvement of its quality and accessibility.

The RSDP V, which the EU Sector Policy Support Program (SPSP) IV supported, covered the period 2015- 2020, building on the results achieved through earlier phases of the RSDP. It forms a strategic pillar of the GTP II and in terms of physical and financial plans it is the largest program ever undertaken in the sector.

The implementation of 5 consecutive phases of RSDP until 2020 has accomplished remarkable progresses and the program has substantially contributed to the rehabilitation and expansion of the network, improving accessibility and affordability. Despite the positive results, the RSDP has undergone significant obstacles due to internal and external factors (lack of capacity, turn-over of technical staff, high cost of raw materials/inputs, political unrest in some areas of the country and recurrent droughts), which have affected the implementation of the program to some extent. Nevertheless, the Government's leadership and effective ownership of development policies and related implementation is high, and especially in the road sector, the Ethiopian Road Authority (ERA) has shown a high commitment and consistent technical capacity throughout the RSDP's implementation. This in turn has helped the Ministry of Transport (MoT) in terms of coordination of activities and leadership of the Transport Sector Working Group (TSWG), the main forum for policy dialogue in the transport sector. After decades of support to the road sector, the EU has now shifted its focus to supporting the logistics sector and started a new budget support program in Regional Connectivity and Competitiveness (RCC) (Ref. FED/2020/042-432)³.

The current evaluation will include a diagnostic of the SPSP IV program as regards the data collection, analysis and reporting systems and performance in the policy dialogue. The lessons to be drawn from the evaluation will also make recommendations on how to improve budget support in design, implementation and monitoring of the new program (in the logistics sector) under the next EU programming cycle (the Neighbourhood, Development and International Cooperation Instrument (NDICI⁴) of the 2021-2027 Multiannual Financial Framework (MFF⁵)).

¹ <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=ET>

² The GTP was implemented in two phases, GTP I (2010-2015) and GTP II (2015-2020)

³ The RCC budget support programme aims at contributing to the improvement of Ethiopia's regional trade corridors, efficiency and effectiveness of the logistics sector and environmental and social performances of the corridors. The programme will be used as a springboard for transition to and a new support for the logistics sector.

⁴ https://ec.europa.eu/international-partnerships/documents/eu-budget-future-neighbourhood-development-and-international-cooperation-instrument_en

⁵ https://ec.europa.eu/info/strategy/eu-budget/long-term-eu-budget/mff-2021-2027-and-ngeu-negotiations_en

1.2 The Budget Support programme[s] to be evaluated⁶

Title of the Budget Support programme to be evaluated	Fourth Road Sector Policy Support Program in Ethiopia (SPSP IV)
Budget[s] of the Budget Support programme to be evaluated	EUR 140,000,000.00
CRIS number of the Budget Support programme to be evaluated	FED/2015/037-753
Dates of the Budget Support programme to be evaluated	Start: 29/06/2015 End: 15/03/2021

The European Union has been the only development partner in supporting the Ethiopian road sector with a Sector Budget Support modality since 2006. The Sector Budget Support has been granted through four Sector Policy Support Programs (SPSPs) with a budget of 160 MEuro (SPSP I), 200 MEuro (SPSP II), 49 MEuro (SPSP III) and 140 MEuro (SPSP IV).

The **overall objective** of the project to be evaluated (SPSP IV-2016-2020) is contribute to sustainable and inclusive growth, eradicate poverty and improve sector governance through the implementation of the Fifth Road Sector Development Program (RSDP V).

The **specific objective** of the project is:

- to support the Government of Ethiopia (GOE) in fighting poverty through the development of an effective road network to improve access to basic services and markets;
- to support the implementation of the RSDP V with a specific focus on rural access;
- to contribute to the modernization process of roads management authorities;
- to improve road safety, maintenance of assets, quality and impact of works.

The action focused on policy dialogue, performance assessment and related financial transfer. In addition to the budget support element (structured in four tranches: 26 MEuro fixed tranche (2016), 26 MEuro fixed and 20 MEuro variable tranches (2017 & 2018) and 20 MEuro variable tranche (2019), it included a Technical Cooperation Program (TCP) of 2 MEuro (2018-2020).

The disbursement criteria is based on fulfilment of general conditions for all tranches and specific conditions apply for specific tranches under four main areas. The general conditions include satisfactory progress in the implementation of the RSDP, implementation of a credible stability-oriented macro- economic policy, public finance management (PFM) reform strategy, and progress with public availability of timely, comprehensive and sound budgetary information. The specific conditions for release of individual tranches is based on joint assessment of the achievement of ten performance indicators for the four main areas of rural accessibility, maintenance, road sector management and crosscutting issues. More details of the program are attached to Annex II.

1.3 Stakeholders of the Budget Support programme

Key stakeholders and direct beneficiaries who have been actively involved in the program implementation include:

⁶ The term 'Action' is used throughout the report as a synonym of 'project and programme'.

- Federal Ministry of Transport – MOT is the direct coordinating and overseeing body for the whole sector in charge of the implementation of the national strategy in the sector;
- ERA is the driving force of RSDP and the key beneficiary of the SPSP program;
- Ministry of Finance is EU's counterpart on behalf of the Government (NAO);
- Regional Road Authorities (RRAs) - Regional counterparts of ERA in charge of regional road network;
- Road Fund Office - the office has the responsibility, along with the federal and regional authorities of generating and making use of funds for road network maintenance;
- The National Road Safety Council (NRSC) in charge of coordination of the national road safety management;
- other development partners contributing to road sector such as the World Bank, African Development Bank, etc.
- road users – who benefit from the improvement of quality, density and safety of roads;
- roadside communities who benefited from the improvement of the various conditions of roads resulting in the improvement of quality of their lives;
- the Ethiopian community at large who benefited from the overall national growth witnessed as a result of the success of the RSDP.

1.4 Other available information

No previous evaluations or studies have been done.

2 DESCRIPTION OF THE EVALUATION ASSIGNMENT

Type of evaluation	final
Coverage	data collection, analysis and reporting systems and policy dialogue mechanisms
Geographic scope	Ethiopia
Period to be evaluated	the entire period of the Budget Support programme to date

2.1 Objectives of the evaluation

Systematic and timely evaluation of its programmes and activities is an established priority⁷ of the European Commission⁸. The focus of evaluations is on the assessment of achievements, the **quality** and the **results**⁹ of Budget Support programmes in the context of an evolving cooperation policy with an increasing emphasis on **result-oriented approaches and the contribution towards the implementation of the Sustainable Development Goals**.¹⁰

⁷ COM(2013) 686 final "Strengthening the foundations of Smart Regulation – improving evaluation" - http://ec.europa.eu/smart-regulation/docs/com_2013_686_en.pdf; EU Financial regulation (art 27); Regulation (EC) No 1905/2006; Regulation (EC) No 1889/2006; Regulation (EC) No 1638/2006; Regulation (EC) No 1717/2006; Council Regulation (EC) No 215/2008

⁸ SEC (2007)213 "Responding to Strategic Needs: Reinforcing the use of evaluation", http://ec.europa.eu/smart-regulation/evaluation/docs/eval_comm_sec_2007_213_en.pdf ; SWD (2015)111 "Better Regulation Guidelines", http://ec.europa.eu/smart-regulation/guidelines/docs/swd_br_guidelines_en.pdf ; COM(2017) 651 final 'Completing the Better Regulation Agenda: Better solutions for better results', https://ec.europa.eu/info/sites/info/files/completing-the-better-regulation-agenda-better-solutions-for-better-results_en.pdf

⁹ Reference is made to the entire results chain, covering outputs, outcomes and s. Cfr. Regulation (EU) No 236/2014 "Laying down common rules and procedures for the implementation of the Union's instruments for financing external action" - https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/financial_assistance/ipa/2014/236-2014_cir.pdf.

¹⁰ The New European Consensus on Development 'Our World, Our Dignity, Our Future', Official Journal 30th of June 2017. <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:C:2017:210:TOC>

From this perspective, evaluations should look for evidence of why, whether or how these results are linked to the EU intervention and seek to identify the factors driving or hindering progress.

The main objectives of this evaluation are to provide the relevant services of the European Union, the interested stakeholders and other audience with:

- in the context of the coverage areas mentioned above, an overall independent assessment of the past performance of the Fourth Road Sector Policy Support Program in Ethiopia (SPSP IV), paying particular attention to its results measured against its expected objectives; and the reasons underpinning such results;
- key lessons learned, conclusions and related recommendations in order to improve current and future Budget Support programmes.

In particular, this evaluation aims at assessing:

1. the performance of the data collection, analysis and reporting systems in the Fourth Road Sector Policy Support Program in Ethiopia (SPSP IV)'s achievement of its expected results, notably through contributing to the implementation of the partner government's sector strategy, the Road Sector Development Program (RSDP) by providing opportunities for the improvement of national policy processes and policy implementation.
2. The evaluation should also specifically analyse how the policy dialogue mechanism performed and contributed to the budget support programme objectives
3. The evaluation will also assess how the budget support modality can be improved when moving to the logistics sector in which more key stakeholders are involved, and where there is a more multi-faceted strategy and the role for the private sector is key.

The evaluation will take stock of what has been achieved within the above aspects with the main purpose to allow for lessons learnt and recommendations to inform on:

- the conditions under which budget support has an effect (or not) and the possible intensity and nature (positive or negative) of such effect in Ethiopia;
- the design and implementation of future budget support operations in other similar sectors such as the Logistics sector
- improvements to be set up by the European Union (or other budget support provider[s]) to maximize the impact of budget support in Ethiopia within the context of data management systems and policy dialogue mechanisms in place so far in multifaceted sectors;
- constraints (in the context of the aspects to be evaluated) in government policies, institutional structures and administrative arrangements in Ethiopia which might impede the effectiveness of Budget Support on spending actions and targeted public policies and reforms

This evaluation is taking place at this particular moment because the implementation of the SPSP IV budget support program has been completed and the decision-making processes in the new programming cycle are to be informed by the evaluation.

The main users of this evaluation will be the EU Delegation to Ethiopia, The Ministry of Finance, and The Ethiopian Roads Authority and other stakeholders.

2.2 Requested services

2.2.1 Specific aspects to be evaluated

The evaluation team is requested to conduct the evaluation with an emphasis on the following specific aspects:

- data collection, analysis and reporting systems in the SPSP IV budget support program
- Policy dialogue mechanisms and performance assessment on how to improve budget support in design, implementation and monitoring of the new program (in the logistics sector) under the new EU programming cycle

The evaluation will aim at reviewing the overall data management system in the monitoring of performance indicators, and organisational performance in policy dialogue and identifying lessons to

be learnt and thereby recommending improvements in budget support for the areas of interventions to be identified to fully move the EU support focus to the logistics sector under the next programming cycle.

2.2.2 Evaluation criteria

The evaluation will assess the programme using five standard DAC evaluation criteria, namely: relevance, coherence, effectiveness, efficiency and sustainability. Impact is not covered by this evaluation.

In addition, the evaluation will assess one EU specific evaluation criterion, which is:

- the EU added value (the extent to which the Action brings additional benefits to what would have resulted from Member States' interventions only);

The definition of the 6 DAC + 1 EU evaluation criteria is contained for reference in the Annex VII.

2.2.3 Issues to be addressed

The issues to be addressed as formulated below are indicative. Based on the latter and following initial consultations and document analysis, the evaluation team will discuss them with the Evaluation Manager¹¹ and propose in their Inception Report a complete and finalised set of Evaluation Questions with indication of specific Judgement Criteria and Indicators, as well as the relevant data collection sources and tools.

Once agreed through the approval of the Inception Report, the Evaluation Questions will become contractually binding.

- I. The data collection, analysis and reporting systems involve several institutions and long chains of verification, certification and final reporting. These include sources of raw data, responsible entities and personnel, method of collection and aggregation, quality assurance and timeliness (frequency/periodicity), level of use of modern technology and existence or absence of standards, etc. Do you think the existing data management system in place is cost and time effective? What are the main bottlenecks? In which main areas does it need additional support in the future for improvement?
- II. The data monitoring system involves identification of gaps, inconsistencies and also verification measures such as sample checks, site visits, etc. Is the current verification systems and capacity of entities responsible for data management adequate to ascertain a reasonable degree of accuracy and reliability of data provided?
- III. The data reporting for the program is compiled annually from various sources in different formats (regular and ad-hoc reporting), level of clarity and depth of interpretation to enable confirmation by the EU services. What lessons could be learnt to improve data reporting for similar budget support programmes?

¹¹ The Evaluation Manager is the staff of the Contracting Authority managing the evaluation contract. In most cases this person will be the Operational manager of the Action under evaluation.

- IV. The policy dialogue in the programme implementation involves bi-lateral or group engagements with stakeholders (government bodies and Development Partners) and take different forms/approaches (regular appraisal meetings, ad-hoc exchanges and reviews, etc.) with varying frequencies and detail. What improvements could be made to attain effective policy dialogue in the implementation of future support programmes?
- V. With the performance identified on the past (SPSP IV) and the current transitional budget support programme (within the context of performance in data management and policy dialogue as core aspects of the programme implementation), what improvements could be made to achieve better performance of future budget support programmes?

2.3 Evaluation methodology

It is expected that this evaluation is based on the standard methodology for the evaluation of budget support¹².

This methodological approach, has been thought for the undertaking of Budget Support **Strategic** evaluations. Budget Support **Strategic** evaluations are usually joint evaluations with other development partners and cover all the budget support operations that have been (or are being) implemented in a country during a relatively long period of time (usually around 10 years).

This evaluation not being a Strategic one, it is not expected to provide information on the contribution of the Budget Support programme the Fourth Road Sector Policy Support Program to development outcomes or impacts. This means that the evaluators will carry out Step 1 of the analysis and part of Step 2. Regarding Step 2, the evaluators are asked to provide information on the changes at outcome level (and at impact level, if possible) achieved by the partner country's policies supported by the Fourth Road Sector Policy Support Program but not to undertake the thorough (including quantitative) analysis that would be needed to find out how much different variables contribute to the achievement of these outcomes. Indeed, the OECD-DAC methodology foresees as one of the analyses of Step 2 'the identification of the factors that have contributed to determine the key changes (or absence of changes) at impact and outcome level ". In this evaluation, the identification of such factors contributing to changes is not to be undertaken.

It is expected that the evaluators collect data related to the evolution during the 2016-2019 of the outcome and impact indicators supported by the Fourth Road Sector Policy Support Program in the context of the areas to be covered. It is also expected that the evaluators present the evolution of the design and monitoring framework indicators between 2016-2019 in a consolidated table. In addition, the evaluation should provide information on how the Risk Management Framework has been used and a judgement on whether it served its purpose. Moreover, it is expected that the evaluators describe the evolution of the policy dialogue processes including donors' coordination arrangements.

2.4 Phases of the evaluation and required outputs

The evaluation process will be carried out in three phases:

- Inception
- Field
- Synthesis

¹² See OECD/DAC (2012), *Evaluating Budget Support. Methodological Approach*, Paris. http://www.oecd.org/dac/evaluation/dcdndep/Methodological%20approach%20BS%20evaluations%20Sept%202012%20_with%20cover%20Thi.pdf

The outputs/products of each phase are to be submitted at the end of the corresponding phases as specified in the synoptic table in section 2.3.1.

2.4.1 Synoptic table

The following table presents an overview of the key activities to be conducted within each phase and lists the outputs/products to be produced by the team as well as the key meetings with the Contracting Authority and the Reference Group. The main content of each output/product is described in Chapter.

Phases of the evaluation	Key activities	Outputs and meetings
Inception Phase	<ul style="list-style-type: none"> • Initial document/data collection • Background analysis • Inception interviews • Stakeholder analysis • Reconstruction (or as necessary, construction) of the Intervention Logic, and / or description of the Theory of Change (based upon available documentation and interviews) • Methodological design of the evaluation (Evaluation Questions with judgement criteria, indicators and methods of data collection and analysis) and evaluation matrix • In-depth document analysis (focused on the Evaluation Questions) • Interviews • Identification of information gaps and of hypotheses to be tested in the field phase • Methodological design of the Field Phase 	<ul style="list-style-type: none"> • Kick-off meeting with the Contracting Authority and the Reference Group face-to-face if COVID-19 rules permit at the EU Delegation. • Inception report • Slide presentation of the Inception Report
Field Phase	<ul style="list-style-type: none"> • Gathering of primary evidence with the use of interviews and surveys • Data collection and analysis 	<ul style="list-style-type: none"> • <i>Initial meetings at country level with Ethiopian Roads Authority (ERA) representatives.</i> • <i>Debriefing with the Reference Group face-to-face if rules of COVID-19 will allow.</i>
Synthesis phase	<ul style="list-style-type: none"> • Final analysis of findings (with focus on the Evaluation Questions) • Formulation of the overall assessment, conclusions and recommendations • Reporting 	<ul style="list-style-type: none"> • Draft Final Report • Executive Summary according to the standard template published in the EVAL module • Final Report • Slide presentation • <i>Meeting with Reference Group if rules for COVID-19 will allow.</i>

2.4.2 Inception Phase

This phase aims at structuring the evaluation and clarifying the key issues to be addressed.

The phase will start with initial background study, to be conducted by the evaluators from home. It will then continue with a kick-off session in Addis Ababa between the relevant EU services, ERA and NAO representatives and the evaluators. Half-day presence of evaluators is required. The meeting aims at arriving at a clear and shared understanding of the scope of the evaluation, its limitations and feasibility. It also serves to clarify expectations regarding evaluation outputs, the methodology to be used and, where necessary, to pass on additional or latest relevant information.

In the Inception phase, the relevant documents will be reviewed (see annex II).

Further to a first desk review of the political, institutional and/or technical/cooperation framework of EU support to Ethiopia, the evaluation team, in consultation with the Evaluation Manager, will reconstruct or as necessary construct, the Intervention Logic of the Budget Support programme to be evaluated.

Furthermore, based on the Intervention Logic, the evaluators will develop a narrative explanation of the logic of the Budget Support programme that describes how change is expected to happen within the Budget Support programme, all along its results chain, i.e. Theory of Change. This explanation includes an assessment of the evidence underpinning this logic (especially between outputs and outcomes, and between outcomes and impact), and articulates the assumptions that must hold for the Budget Support programme to work, as well as identification of the factors most likely to inhibit the change from happening.

Based on the Intervention Logic and the Theory of Change the evaluators will finalise i) the Evaluation Questions with the definition of judgement criteria and indicators, the selection of data collection tools and sources, ii) the evaluation methodology, and iii) the planning of the following phases.

The methodological approach will be represented in an Evaluation Design Matrix¹³, which will be included in the Inception Report. **The methodology of the evaluation should be gender sensitive, contemplate the use of sex- and age-disaggregated data and demonstrate how Budget Support programmes have contributed to progress on gender equality.**

The limitations faced or to be faced during the evaluation exercise will be discussed and mitigation measures described in the Inception Report. Finally, the work plan for the overall evaluation process will be presented and agreed in this phase; this work plan shall be in line with that proposed in the present ToR. Any modifications shall be justified and agreed with the Evaluation Manager.

On the basis of the information collected, the evaluation team should prepare an **Inception Report**; its content is described in Chapter **Error! Reference source not found.**

2.4.3 Field Phase

The Field Phase starts after approval of the Inception Report by the Evaluation Manager.

If any significant deviation from the agreed work plan or schedule is perceived as creating a risk for the quality of the evaluation or not respecting the end of the validity of the specific contract, these elements are to be immediately discussed with the Evaluation Manager and, regarding the validity of the contract, corrective measures undertaken. In the first days of the field phase, the evaluation team shall hold a briefing meeting with the Regional Road Authorities.

¹³ The Evaluation Matrix is a tool to structure the evaluation analysis (by defining judgement criteria and indicators for each evaluation question). It helps also to consider the most appropriate and feasible data collection method for each of the questions

During the field phase, the evaluation team shall ensure adequate contact and consultation with, and involvement of the different stakeholders; with the relevant government authorities and agencies. Throughout the mission the evaluation team will use the most reliable and appropriate sources of information, respect the rights of individuals to provide information in confidence, and be sensitive to the beliefs and customs of local social and cultural environments.

At the end of the field phase, the evaluation team will summarise its work, analyse the reliability and coverage of data collection, and present preliminary findings in a meeting with the project management, the EU Delegation, the Reference Group.

2.4.4 Synthesis Phase

This phase is devoted to the preparation by the contractor of **two distinct documents**: the **Executive Summary** and the **Final Report**, whose structures are described in the Annex III; it entails the analysis of the data collected during the desk and field phases to answer the Evaluation Questions and preparation of the overall assessment, conclusions and recommendations of the evaluation.

The evaluation team will present, in a single Report with Annexes, their findings, conclusions and recommendations in accordance with the structure in Annex III; a separate Executive Summary will be produced as well, following the compulsory format given in the EVAL module (see Annex III).

The evaluation team will make sure that:

- Their assessments are objective and balanced, statements are accurate and evidence-based, and recommendations realistic and clearly targeted.
- When drafting the report, they will acknowledge clearly where changes in the desired direction are known to be already taking place.
- The wording, inclusive of the abbreviations used, takes into account the audience as identified in art. 2.1 above.

The evaluation team will deliver and then present in Addis Ababa the **Draft Final Report** to the Reference Group to discuss the draft findings, conclusions and recommendations. One day of presence is required of

– as minimum - the evaluators.

The Evaluation Manager consolidates the comments expressed by the Reference Group members and sends them to the evaluation team for the report revision, together with a first version of the Quality Assessment Grid (QAG) assessing the quality of the Draft Final Report. The content of the QAG will be discussed with the evaluation team to verify if further improvements are required, and the evaluation team will be invited to comment on the conclusions formulated in the QAG (through the EVAL Module).

The evaluation team will then finalise the **Final Report** and the **Executive Summary** by addressing the relevant comments. While potential quality issues, factual errors or methodological problems should be corrected, comments linked to diverging judgements may be either accepted or rejected. In the latter instance, the evaluation team must explain the reasons in writing. After approval of the final report, the QAG will be updated and sent to the evaluators via EVAL Module.

2.5 Specific Contract Organisation and Methodology (Technical offer)

The invited Framework Contractors will submit their specific Contract Organisation and Methodology by using the standard SIEA template B-VII-d-i and its annexes 1 and 2 (B-VII-d-ii).

The evaluation methodology proposed to undertake the assignment will be described in the Chapter 3 (Strategy and timetable of work) of the template B-VII-d-I and is to be consistent with what described in the chapter 2.3 of these Terms of Reference. Contractors will describe how their proposed methodology will address the cross-cutting issues mentioned in these Terms of Reference and notably gender equality and the empowerment of women.

This will include (if applicable) the communication Budget Support programme messages, materials and management structures.

2.6 Management and Steering of the evaluation

2.6.1 At the EU and Partner's Country level

The evaluation is managed by the Evaluation Manager; the progress of the evaluation will be followed closely with the assistance of a Reference Group (RG) consisting of members of EU Services Infrastructure & Economy Team and NAO's and ERA's representatives.

It is the responsibility of the Evaluation Manager:

- To ensure that the evaluation is supported by and accompanied by the Ethiopian government and that key stakeholders are involved in the budget support evaluation;
- To launch and manage the evaluation contract;
- To verify that the evaluation team proposed covers all fields of expertise required by the ToR;
- To ensure the communication with the RG and with the most relevant stakeholders to approve all the deliverables.

The main functions of the RG are:

- To define and validate the Evaluation Questions.
- To facilitate contacts between the evaluation team and the EU services and external stakeholders.
- To ensure that the evaluation team has access to and has consulted all relevant information sources and documents related to the Budget Support programme.
- To discuss and comment on notes and reports delivered by the evaluation team. Comments by individual group members are compiled into a single document by the Evaluation Manager and subsequently transmitted to the evaluation team.
- To assist in feedback on the findings, conclusions, lessons and recommendations from the evaluation.
- To support the development of a proper follow-up Budget Support programme plan after completion of the evaluation.

2.6.2 At the Contractor level

Further to the Requirements set in the art. 6 of the Global Terms of Reference and in the Global Organisation and Methodology, respectively annexes II and III of the Framework contract SIEA 2018, the contractor is responsible for the quality of: the process; the evaluation design; the inputs and the outputs of the evaluation. In particular, it will:

- Support the Team Leader in its role, mainly from a team management perspective. In this regard, the contractor should make sure that, for each evaluation phase, specific tasks and outputs for each team member are clearly defined and understood.
- Provide backstopping and quality control of the evaluation team's work throughout the assignment.
- Ensure that the evaluators are adequately resourced to perform all required tasks within the timeframe of the contract.

2.7 Language of the Specific contract

The language of the specific contract is to be English.

3 LOGISTICS AND TIMING

Please refer to Part B of the Terms of Reference.

3.1 Planning, including the period for notification for placement of the staff¹⁴

As part of the technical offer, the framework contractor must fill in the timetable in the Annex IV. The 'Indicative dates' are not to be formulated as fixed dates but rather as days (or weeks, or months) from the beginning of the assignment (to be referenced as '0').

Sufficient forward planning is to be taken into account in order to ensure the active participation and consultation with government representatives, national / local or other stakeholders.

4 REQUIREMENTS

Please refer to Part B of the Terms of Reference.

5 REPORTS

For the list of reports, please refer to Part B of the Terms of Reference.

5.1 Use of the EVAL module by the evaluators

It is strongly recommended that the **submission of deliverables** by the selected contractor **will be performed through their uploading in the EVAL Module**, an evaluation process management tool and repository of the European Commission. The selected contractor will receive access to online and offline guidance in order to operate with the module during the related Specific contract validity.

5.2 Comments on the outputs/products

For each report, the Evaluation Manager will send to the Contractor consolidated comments received from the Reference Group or the approval of the report within 10 calendar days. The revised reports addressing the comments shall be submitted within 10 calendar days from the date of receipt of the comments. The evaluation team should provide a separate document explaining how and where comments have been integrated or the reason for not integrating certain comments, if this is the case.

5.3 Assessment of the quality of the Final Report and of the Executive Summary

The quality of the draft versions of the Final Report and of the Executive Summary will be assessed by the Evaluation Manager using the online Quality Assessment Grid (QAG) in the EVAL Module (text provided in Annex V). The Contractor is given – through the EVAL module - the possibility to comment on the assessments formulated by the Evaluation Manager. The QAG will then be reviewed following the submission of the final version of the Final Report and of the Executive Summary.

The compilation of the QAG will support/inform the compilation by the Evaluation Manager of the FWC SIEA's Specific Contract Performance Evaluation.

5.4 Language

All reports shall be submitted in English.

¹⁴ As per art 16.4 a) of the General Conditions of the Framework Contract SIEA

5.5 Number of report copies

Apart from their submission via the EVAL Module, the approved version of the Final Report will be also provided in 4 paper copies and in electronic version in PDF and WORD formats at no extra cost.

5.6 Formatting of reports

All reports will be produced using Font Arial or Times New Roman minimum letter size 11 and 12 respectively, single spacing, double sided. They will be sent in Word and PDF formats.

6 MONITORING AND EVALUATION

6.1 Content of reporting

The outputs must match quality standards. The text of the reports should be illustrated, as appropriate, with maps, graphs and tables; a map of the area(s) of Intervention is required (to be attached as Annex).

6.2 Comments on the outputs

For each report, the Evaluation Manager will send to the Contractor consolidated comments received from the Reference Group or the approval of the report within 10 calendar days. The revised reports addressing the comments shall be submitted within 10 calendar days from the date of receipt of the comments. The evaluation team should provide a separate document explaining how and where comments have been integrated or the reason for not integrating certain comments, if this is the case.

6.3 Assessment of the quality of the Final Report and of the Executive Summary

The quality of the draft versions of the Final Report and of the Executive Summary will be assessed by the Evaluation Manager using the online Quality Assessment Grid (QAG) in the EVAL Module (text provided in Annex V). The Contractor is given – through the EVAL module - the possibility to comment on the assessments formulated by the Evaluation Manager. The QAG will then be reviewed following the submission of the final version of the Final Report and of the Executive Summary.

The compilation of the QAG will support/inform the compilation by the Evaluation Manager of the FWC SIEA's Specific Contract Performance Evaluation.

7 PRACTICAL INFORMATION

Please address any request for clarification and other communication to the following address:

[REDACTED]

ANNEX IV EVALUATION MATRIX

#	Evaluation Questions	Proposed Judgment Criteria	Source of information / indicators
1.1	Which inputs have been provided and to what extent do they correspond to the envisaged SPSP IV inputs?	<ul style="list-style-type: none"> Funds, as committed by EU, are disbursed and transferred as planned. EU has put in place appropriate capacities and have agreed with GOE adequate mechanisms to ensure a coordinated policy dialogue process consistent with the key country sector priorities. EU has put in place appropriate means and mechanisms to ensure progressive harmonisation of budget support operations. Technical assistance and capacity building initiatives have been planned in a coordinated manner and mechanisms for coordinated management among DPs 	FA and addenda NIP The Growth and Transformation Plan of Ethiopia (GTP I and II) Technical Cooperation Program (TCP) - Tripartite Transport and Trade Facilitation Programme (TTTFP)
1.2	To what extent are the budget support operations put in place consistent with the country's strategic and policy framework and with the overall DPs development strategies?	<ul style="list-style-type: none"> The objectives and approach SPSP are consistent with - and relevant to - the country's strategic and policy framework economic and social policies. The objectives and approach SPSP IV are relevant to - and have adjusted to respond to changes in the overall DPs development strategies. 	Financing Agreement (FA) and addenda RSDP Transport Sector Working Group (TWSG) GOE
1.3	How well was the design adapted to the specific political, economic and institutional context?	<ul style="list-style-type: none"> indicators were chosen appropriately and assessment of its quality, achievement contributed to the efficient implementation of the strategy. Favourable entry conditions for budget support operations were in place at the time of design of SPSP IV operations, in particular political commitment and positive dynamics in PFM. The design of SPSP IV as a whole responds to the strengths and weaknesses of the government with regard to establishing sound PFM sector policies. The relevance between the SPSP IV inputs to the objectives of the National sector strategy (RSDP) The design of SPSP IV operations is flexible and can be adapted in response to changes that may occur as suggested by embedded feed-back and learning mechanisms. SPSP IV design includes specific features tailored on the priorities of the main SPSP IV providers (e.g., focus of policy dialogue and specific conditionalities. 	FA MoT/ERA RSDP Public Finance Management (PFM) FA and addenda FA RSDP
2.1	To what extent has budget support contributed to the establishment of a framework of policy dialogue, focused on key government strategies and priorities on the sector?	<ul style="list-style-type: none"> SPSP IV's achievement contributed to the implementation of the partner government's sector strategy. The Road Sector Development Program (RSDP) provided opportunities for the improvement of national policy processes and policy implementation. The Performance Assessment Framework (PAF), supported by adequate monitoring systems, is the basis for mutual accountability and partnership. 	Method for of the data collection, Data analysis Road Management system Reporting systems RRAs meetings

#	Evaluation Questions	Proposed Judgment Criteria	Source of information / indicators
		<ul style="list-style-type: none"> There is an increased degree of involvement of relevant ministries both at central and sector level, and of decentralised institutions. 	
2.2	EQ 2.2 To what extent has budget support contributed to the provision of non-financial inputs, such as technical assistance and capacity building which are strategic and focused on government priorities?	<ul style="list-style-type: none"> SPSP IV non-financial inputs have been efficiently delivered. Technical Assistance (TA) and capacity building initiatives are increasingly coordinated and focused on key government strategic priorities. 	TCP/TTTFP
3.1	To what extent did budget management and overall PFM improve and how far has budget support contributed to those improvements? How far can these improvements be attributed to Budget Support?	<ul style="list-style-type: none"> The quality of PFM system and outcomes has improved. Relevant PFM reforms have been/ are being successfully implemented to improve PFM systems and outcomes. SPSP IV process has contributed to the improvements identified, and these improvements could not have occurred through other modalities alone 	International Monetary Fund (IMF) assessments PFM PEFA assessments. NAO EUD assessments
3.2	To what extent have there been changes in sector policies and in public expenditure allocations and with what consequences for the composition of spending outputs, and how far has SPSP IV contributed to those improvements?	<ul style="list-style-type: none"> The composition of public spending for transport sector and related sub sectors has evolved to better reflect Government's policies. Priorities. Government ownership and initiative in the definition of new /revised policies and strategies has increased. The quality of policy processes in key areas of Transport Sector has improved (i.e., framework, policies). The quality of consultations, the related information and the transparency of policy processes have improved. The composition of public spending in transport Sector has evolved to better reflect Government's priorities, SPSP IV has contributed to the improvements identified, and these improvements could not have occurred through other modalities alone. Monitoring and evaluation systems to measure output and outcome indicators have improved 	NAO MoT/ERA
4.1	EQ 4.1 How have the key outcome and impact indicators evolved in the road sub sector? What factors have been the main determinants of the changes identified?	<ul style="list-style-type: none"> Outcome data for transport sector show improvements in aggregate enrolments over the evaluation period. The evolution of changes recorded may be linked to specific determining factors, including factors related to Government policies/ spending patterns, and more specifically to policy & spending changes induced by Budget Support. 	RSDP ERA Budget allocation
5.1	To what extent have the operations been effective, and have they generated sustainable impacts? Extend to which SPSP IV have contributed to the results identified and their sustainability,	<ul style="list-style-type: none"> SPSP IV operations have been efficient in generating the Direct Outputs, which were envisaged (Summary of EQs 2.1, 2.2). As a consequence of these direct outputs and the response of Government, the SPSP IV operations have been effective in generating the Induced Outputs envisaged (EQs 3.1, 3.2). 	

#	Evaluation Questions	Proposed Judgment Criteria	Source of information / indicators
	considering positive processes and negative side-effects	<ul style="list-style-type: none"> Through these Induced Outputs the SPSP IV operations have been successful in generating Impacts, related to economic growth, poverty reduction, and improved service delivery. Results from the effective policy dialogue in the implementation. The outputs, outcomes and Impacts generated by the SPSP IV operations are sustainable, under reasonable assumptions. EU Visibility and added value are consistent 	

ANNEX V LOGICAL FRAMEWORK TABLE

	Intervention Logic	Objectively verifiable Indicators	Sources of verification	Assumption
Overall objective	To contribute to sustainable and inclusive growth, eradicate poverty and improve sector governance through the implementation of the fifth Road Sector Development Program (RSDP V)	a) Increased productivity in agriculture b) Increased economic activities. c) Basic services with all-season access d) Increased transport services affordability e) Increased capacity to implement RSDP	GoE's and ERA's reports on the achievement of the RSDP and the GTP respectively and indicators relevant for attainment of the Millennium Development Goals Independent reports prepared by external experts, donors, lenders	
Project Purpose	Improved accessibility, mobility and connectivity of the rural areas, regions and the country; Enhanced GoE capacity to implement sectorial policies; Contribution to ERA and RRAs modernization process; Improvement of road safety, maintenance of assets, quality and impact of works.	a) Share of rural population with all-season access to basic services. b) Share of rural population with access to transport services. c) Affordability of transport as % of income of urban and rural poor d) Increase in the use of intermediate means of transport. e) Reduction in transport cost for landlocked countries f) Proportion of time to cross border compared to OECD/Industrialised countries average	GoE's and ERA's reports on the achievement of the RSDP and the PASDEP respectively and indicators relevant for attainment of the Millennium Development Goals Independent reports prepared by external experts, donors, lenders	a) The sustainable development and economic reform programme continue. The macro-economic situation improves. b) PFM system reform continues. c) Political stability continues. d) Regional stability continues

Draft Final Report: Final Evaluation - Fourth Road Sector Policy Support Program (SPSP IV)

<p>Results</p>	<p>Establishment of an efficient road network at federal, regional and rural level, properly maintained, with sustained private sector participation.</p> <p>Rural access is improved.</p> <p>ERA and RRAs' capacity to manage road projects is enhanced;</p>	<ul style="list-style-type: none"> a) Satisfactory implementation of the RSDP b) Area further than 2 km from all-weather roads (%) c) Kebeles with access to all-weather roads (%) d) Kebeles served by regular passenger transport services (%) e) Gravel and paved roads in good and fair conditions (%) f) Overall allocation to road maintenance (Million Birr) g) Absorption capacity of road maintenance allocation (%) h) Trucks overloaded (%) i) Fatalities per 10,000 vehicles (n) j) Contracts awarded to domestic contractors (%) k) Contracts with good and fair implementation of EMP (%) l) Satisfactory results linked to the Technical Cooperation Program 	<p>RSDP monitoring reports prepared by ERA and independent consultants.</p> <p>Independent reports prepared by external experts, donors, lenders</p>	<ul style="list-style-type: none"> a) Road regulations updated implemented. b) Procurement identifies qualified contractors and designers. c) Higher levels of maintenance spending d) Capacity Development of institutions is successful
<p>Activities</p>	<ul style="list-style-type: none"> a) Implementation of RSDP and GoE's budget b) Technical Cooperation c) Evaluation Audit 	<p>Means</p> <ul style="list-style-type: none"> a) Sector Reform Contract (3 fixed plus 3 variable tranches) b) Service and supplies Contracts (EDF procedures) c) Service Contracts (EDF procedures) 	<p>Cost</p> <p>€138 million (Budget Support)</p> <p>€2 million (Technical Cooperation)</p>	<ul style="list-style-type: none"> a) Government (federal and regional) commitment to RSDP continues. b) Planning and management of the programme and any contracts maintains high standards

ANNEX VI PROJECT LOCATION MAP- ROAD MAP OF ETHIOPIA



ANNEX VIII LIST OF DOCUMENTS CONSULTED

No	Description
EU and GOE Documents	
1	Financing Agreement and Addenda
2	National Indicative Programme for Ethiopia 2014 - 2020
3	Action Document for Ethiopia's Regional Connectivity and Competitiveness, Sector Reform Performance Contract
4	Supplementary Document to the Action Document for Ethiopia's Regional Connectivity and Competitiveness SRPC Assessment of the Road Policy and Logistics Strategy of Ethiopia
5	Public Finance Management Assessment Report for the Road Sector Development Performance and European Union Budget Support, Ethiopia, February 2021
6	Reporting on performance in connectivity and Competitiveness as a support for Ethiopia policy dialogue with the EU and disbursement of EU budget support - Part 1. Sector policy and performance, September 2020
7	A Homegrown Economic Reform Agenda: A Pathway to Prosperity, Powerpoint, Sep 2019
8	Ethiopia: The 5 and 10 Years Federal Road Master Plan, ERA Final Report, Volume I Main Report and Volume II Annexes, August 2020
9	Road Sector Development Programme, Phase V October 2015, Addis Ababa
10	Road Sector Development Program - 21 Years Performance Assessment, 2019, ERA
11	Road Sector Development Program - 23 Years Performance Assessment, 2021, ERA
12	Technical Assistance Study of Ethiopian Roads Authority and Road Sector Modernization and Institutional Transformation, Final Consolidated Road Sector Planning Report, Dec 2018, Nathan
13	Status Update on the Performance of DLIs/DLRs, Triggers and Conditions, COPCD (MoF), Virtual JRIS, 18-20 May 2021, Addis Ababa
14	Progress on PFM Reforms, Ministry of Finance, Feb 2021
Tranche Release Reports	
1	Disbursement note and Annexes for release of the First Fixed Tranche including: <ul style="list-style-type: none"> - ERA's auditor's report, July 2015 and management letter - Annex 1: Public Policy Eligibility November 2016 - Annex 2: Assessment of Macroeconomic Eligibility, November 2016 - Annex 3: Assessment of Public Finance Management Eligibility, November 2016 - Annex 4: Assessment of Budget Transparency Eligibility, November 2016

	<ul style="list-style-type: none"> - Annex 5 – NAO Request - Annex 6 – RSDP – 18 years performance assessment <p>Annex 7 – Note to the file – incompleteness of NAO request</p>
2	<p>Disbursement note and Annexes for release of the Second Fixed Tranche and First Variable Tranche including:</p> <ul style="list-style-type: none"> - Annex 1 – RSDP 19 years performance report - Annex 2 - Growth and Transformation Plan II (GTP II) (2015/16-2019/20), Volume II: Policy Matrix, National Planning Commission July, 2016 - Annex 3 - RSDP Performance and SDGs/MDGs Transport Indicators 2015/16 (E.F.Y 2008) Final Report March, 2017 - Annex 4 – A report on Performance Indicators for the Variable Tranche Disbursement, WT Consult, August 2017 - Annex 5 – URRAP Group 1 Mid-term Impact Evaluation Report- (2015/16 or E.F.Y 2008) in Comparison with Baseline (2014/15 or E.F.Y 2007), WT Consult, Jan 2017 - Annex 6 – URRAP Group 2 2nd Year Draft Baseline Report, Wabekbon, Oct 2016 - Annex 7 - Sector Policy Eligibility Assessment Consultation with the Government of Ethiopia and field missions - Annex 8 - Note on the progress towards the ratification and implementation of the "Tripartite Vehicle Load Management Initiative", Oct 2017 - Annex 9 – ERA Report on indicators (additional information) <p>Annex 10 - Consultancy Service for Transport and Poverty Observatory, Sheladia, July 2017</p>
3	<p>Disbursement note and Annexes for release of the Third Fixed Tranche and Second Variable Tranche including:</p> <ul style="list-style-type: none"> - Annex 1 – Assessment of Public Policy Eligibility, Oct 2018 - Annex 2 - PUBLIC FINANCE MANAGEMENT AND TRANSPARENCY ASSESSMENT REPORT, April 2018 - Annex 3 - ETHIOPIA ECONOMIC AND TRADE REPORT 2018, April 2018 - Annex 4 - Analysis of the variable tranche indicators - Annex 5 – Country Risk Profile, April 2018 - Annex 6 – Government disbursement request and report - Annex 7 - Note on the progress towards the ratification and implementation of the "Tripartite Vehicle Load Management Initiative", Oct 2017 - Annex 8 - RSDP 20 years performance report; MDG/SDG Transport Indicators report, WT Feb 2018; Group 1 Impact Evaluation Report, WT, Oct 2017; Group 2 Impact Evaluation Report, Wabekbon, Nov 2017; A REPORT ON PERFORMANCE INDICATORS DETERMINING VARIABLE TRANCHE DISBURSEMENT AND POLICY ASSESSMENT FRAMEWORK INDICATORS, Teferra Mengesha, Sep 2018 <p>Annex 9 – Independent Auditor’s Report of ERA, April 2018</p>
4	<p>Disbursement note and Annexes for release of the Third Variable Tranche including:</p> <ul style="list-style-type: none"> - Annex 1 – Government request and report




	<ul style="list-style-type: none"> - Annex 2 - PUBLIC FINANCE MANAGEMENT AND TRANSPARENCY Assessment Report, Feb 2019 - Annex 3 – Country risk profile, Mar 2019 - Annex 4 - ASSESSMENT OF PUBLIC POLICY ELIGIBILITY, Nov 2019 - Annex 5 - Analysis of the variable tranche indicators - Annex 6 - Note on the progress towards the ratification and implementation of the "Tripartite Vehicle Load Management Initiative", Aug 2019 <p>Annex 7 - RSDP 21 years performance report; MDG/SDG Transport Indicators report, WT Apr 2019; A Report on Performance Indicators Determining Variable Tranche Disbursement and Policy Assessment Framework Indicators, WT, Oct 2019; ERA Report on performance indicators</p>
5	Final Report – Road Sector Budget Support [Ethiopia] – For internal use only
Technical Cooperation Programme	
1	Terms of Reference, TCP
2	Technical Cooperation to Support the Road Sector Development Programme for Ethiopia – Inception Report, February 2019, NTU
3	Technical Cooperation Program – Institutional Capacity Building to RRAs, NTU, Oct 2020
4	Technical Cooperation to Support the Road Sector Development Programme for Ethiopia – 6-month progress report no 1 – October 2018 – March 2019 and April – September 2019, NTU
5	Technical Cooperation to Support the Road Sector Development Programme for Ethiopia Progress Report, No. 2 (April 2019 – September 2019), October 2019, NTU
6	Technical Cooperation to Support the Road Sector Development Programme for Ethiopia – Final Project Completion report, NTU, October 2020
7	<p>Technical Cooperation to Support the Road Sector Development Programme for Ethiopia – Final reports:</p> <p>Volume 1: Human Resource Manual & Guidelines</p> <p>Volume 2: Planning and Procurement Manual & Guidelines</p> <p>Volume 3: Standard Bid Documents</p> <p>Volume 4: Contract Administration Manual & Guidelines</p> <p>Volume 5: Service Contract Administration Manual</p> <p>Volume 6: Claims and Dispute Resolution Manual & Guidelines</p> <p>Volume 7: Environmental and Social Manual & Guidelines</p> <p>Volume 8: Programme Performance Review Manual & Guidelines</p> <p>Volume 9: Tool Kit (Design), NTU, 2020</p>

8	Technical Cooperation to Support the Road Sector Development Programme, Institutional Capacity Assessment (ICA) Report, NTU, May 2019
9	Technical Cooperation to Support the Road Sector Development Programme, Institutional Organizational Setup and Structure of RRAs Report, NTU, May 2020
Other Consultancy Reports	
1	Technical Assistance (TA) for the Eastern and Southern Africa (EA-SA) Transport and Trade Facilitation Programme (TTTFP) – 4 th 6-Monthly Progress Report, 1 March 2019 – 31 August 2019, Fischer/Nathan, September 2019
2	Report of the Tripartite Sectoral Ministerial Committee on Infrastructure (TSMCI), October 2019, Lusaka
3	TTTFP -ROM Monitoring Report, February 2019
4	Consultancy Services – for the Updating of the Road Sector Development Program (RSDP) Performance and Sustainable Development Goals (SDGs)/Millennium Development Goals (MDGs) Transport Indicators – Final Report 2017/18 WT Consult PLC
5	Consultancy Services – for the Updating of the Road Sector Development Program (RSDP) Performance and Millennium Development Goals (MDGs)/Sustainable Development Goals (SDGs) Transport Indicators, WT Consult PLC, April 2020
6	Evaluation of Road Sector Budget Support (SPSPIII) and Preparation of a Technical Cooperation under the SPSP IV, Final Report, August 2018, TIEG
7	Technical Assistance to Ethiopia's Transport and Logistics Sectors, Inception Report, May 2021, DT Global

ANNEX IX RECORD OF MEETINGS WITH RG

- Meeting 1** Kick off meeting 23rd April
- Meeting 2** Presentation of Inception Report 26th May
- Meeting 3** Presentation of Preliminary Findings 7th July



		
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ANNEX XI QUESTIONNAIRE/GUIDELINES TO INTERVIEWS

QUESTIONNAIRE/ GUIDELINES TO INTERVIEWS

Interviewee name	
Institution	
Position / role	
Interview date	
Interviewee	

INTRODUCTION:

- Could you briefly introduce yourself and your position / Unit / length of time in position and current area of responsibilities?
- Could you describe your involvement / role played as part of (SPSP IV) and, more generally, your relationship with the specific activities of the programme?

SCOPE AND FOCUS OF THE FINAL EVALUATION)

The European Union has signed a contract with Linpico for the Final Evaluation of the EU road budget support program, ‘Sector Policy Support Program (SPSP) IV’, which ended in 2019.

The purpose of the Final Evaluation is to:

- -assess the performance of the data collection, analysis and reporting systems in the Fourth Road Sector Policy Support Program in Ethiopia (SPSP) IV’s achievement of the expected results,
- Assess the contribution to the implementation of the partner government's sector strategy, the Road Sector Development Program (RSDP) , by providing opportunities for the improvement of national policy processes and policy implementation.
- -analyse how the policy dialogue mechanism performed and how it contributed to the budget support programme objectives
- -asses how the budget support modality can be improved when moving to the logistics sector in which more key stakeholders are involved, and where there is a more multi-faceted strategy and the role for the private sector is key.

GENERAL QUESTIONS

- Do you think that the overall and specific objectives of the SPSP IV adequately responded and continue to respond to priorities in your region / country / policy area?
- Is SPSP IV’s purpose close to the interests of your region / country / policy area?

- What were the main priorities for the facilitation of road transport in your country/region?
- What key changes have taken place in your region / country / policy area, and in which ways has the SPSP IV adapted to address these evolving challenges?

RELEVANCE

- Was your institution involved in the definition/revision of SPSP IV Indicators for tranches releases?
- Do you believe the indicators used are appropriate and reliable?

COHERENCE, CONSISTENCY, COMPLEMENTARITY AND SYNERGIES

We would now like to talk about the coherence of SPSP IV in your region / country / policy area. In terms of overall coherence of the programme.

- Are there any overlaps or synergies with past or ongoing interventions from other Donors, including European Union Member States, that you can think of?
- To what extent does the SPSP IV complement or stimulate synergies with other programmes/projects?
- Have coherence and consistency been assured between “regional” and national strategies?
- Were TSWG, donor technical PFM group and Development Assistance Group supportive for the police dialogue and DPs coordination?

EFFECTIVENESS OF THE PROGRAMME?

- In your opinion, what are the main strengths and weaknesses of the overall support provided through the SPSP IV?
- Are the expected results still considered as realistic and valid? If needed, to what extent should they be reviewed?
- Which is the state of implementation in your country/region?
- Are there any delays in the implementation and approval process/disbursements?
- Are there any technical or political constraints?
- Was the institutional capacity support to MOT/ERA/RRAs effective in building a strong and sustainable organization able to deliver in its mandate and policy objectives?

- In your opinion
 - has SPSP IV contributed to establishment of an efficient road network at federal, regional and rural level?
 - Is rural access is improved?
 - Are ERA and RRAs' capacity to manage road projects is enhanced.
 - Do you think the data management system in place is cost and time effective?
 - There were bottlenecks? In which main areas?

- In your opinion
 - has SPSP IV contributed to establishment of an efficient policy dialogue?
 - If yes, which are the mayor achievements?
 - If not, the underline reasons.

- How the policy dialogue mechanism performed?
- Has it contributed to the budget support programme objectives?

EFFICIENCY

- In your opinion are there some factors that have hampered the full achievement of the expected results or delayed the project implementation?
- Which of these do you believe are more critical for your country/region?
- With regards the Policy dialogue, was it organised efficiently? (e.g., organisation of stakeholders, frequency of meetings)

For ERA/MOT/Consultants

- May you kindly detail the procedures used for data collection, data validation, processing, reporting?
- Is the current verification systems and capacity of entities responsible for data management adequate?
- Is there a degree of accuracy and reliability of data provided?

In your opinion, which lessons could be learnt to improve data collection and reporting?

IMPACT

- Are there results in this early stage? Are they bringing tangible benefits to Ethiopian citizens and specifically to Ethiopia?
 - If yes, may you detail them?
 - If not, why not?

SPSP IV has a component for training and capacity building, “SPSP IV – Technical Cooperation to Support the Road Sector Development Program (TCP) “

- Have you or your institution received some of these services?
- If yes, may you detail them and provide a brief judgment?
- Are these sufficient to achieve the expected results? (e.g., the new model of organizational setup and structure of all RRAs)
- Do you believe these should be extended/improved?

EU ADDED VALUE

- Where do you think the added value of the SPSP IV lies?
- What would be the most likely consequences of stopping or withdrawing SPSP IV - financed actions in your region / country / policy area?

SUSTAINABILITY

- Is the road network properly maintained?
- Which is the role with private sector participation in road maintenance?
- Is your institution in a position to reduce its dependency on donors’ financial support in the sector?
- Is the institution likely to be capable of continuing the flow of benefits after the project ends?
- Is there adequate and trained staff, sufficient budget and equipment for the forthcoming years

For DPs and Institutions

- Which interventions and financial contributions will be needed in the future to guarantee sustainability of the SPSP IV's results?

CLOSING REMARKS

- Do you have any additional suggestions or comments that you consider could be useful in the framework of the current Mid-term evaluation of the SPSP IV?
- Is there anything else that you think we should be aware of that hasn't been covered?

Thank you for your time!

ANNEX XII POWERPOINT PRESENTATION