



USAID Water and Development Country Plan for Ethiopia

I. Executive Summary

USAID is playing a critical role in creating lasting systems that deliver sustainable water, sanitation, and hygiene (WASH) services to the 43 million and 72 million Ethiopians lacking access to clean water and improved sanitation, respectively, thus advancing the nation's water security.

USAID/Ethiopia's approach to WASH focuses on three core pillars—sustainability, sanitation, and local ownership. The pillars guide cost-effective, catalytic investments in the sector and enhance USAID/Ethiopia's broader objectives to reduce stunting in children under 5, promote private sector growth, and enhance the resilience of households and communities to withstand shocks, including recurrent drought. The Mission's flagship WASH activities—Growth through Nutrition, Lowland WASH, and Transform WASH—will command the bulk of investments through 2020, and are based strongly on the core pillars. Current and anticipated drought conditions may require reprioritization of some of these activities in the future. These investments are closely aligned with the Global Water Strategy (GWS) and USAID Agency Plan objectives on strengthening water sector governance and financing, increasing sustainable access to drinking water, sanitation, and hygiene, and improving the management of water resources, as well as advancing core principles on empowering women, enhancing resilience, linking development with humanitarian efforts, promoting local systems and solutions, serving the poor, partnering, and harnessing science, technology and innovation.

II. Introduction

Water and sanitation play a fundamental role in achieving social and economic outcomes that the Government of Ethiopia (GOE) and USAID are working collaboratively to achieve. This country plan is intended to serve as a high-level summary of how USAID will support the GOE to achieve its WASH service delivery objectives in line with the Mission's broader development goals.

III. Government of Ethiopia Water and Sanitation Objectives

As articulated in Ethiopia's second Growth and Transformation Plan (GTP II), WASH is fundamental to promoting livelihoods and to achieving broader economic and social development targets between 2015 and 2020. Select water sector targets are as follows:¹

- Increasing access to basic water services to 83 percent from a baseline of 58 percent in 2015 (defined as 25 liters/capita/day within a one-km radius of the system)
- Decreasing water point non-functionality to 7 percent from 11 percent in 2015
- Improving ground and surface water hydrology data to cover 95 percent of the country

These targets are supplemented by sanitation and hygiene goals first articulated in Ethiopia's

¹ Note that the coverage standard within GTP II (25 liters/capita/day within 1 km radius of the water point) is significantly more stringent than that of USAID (20 liters/capita/day within 1.5 km radius of the water point). Furthermore, there is greater emphasis on water than sanitation. Of the 12 WASH indicators included in GTP II, 10 indicators pertain to water.

Universal Action Plan for WASH (UAP) (2005–2015):

- Achieving universal access to improved sanitation (only 28 percent of the population had access to improved sanitation as of 2015, or 72 million Ethiopians lack access)
- Increasing the practice of handwashing at critical times, safe water handling, and water treatment at home to 77 percent
- Certifying that 80 percent of communities are open defecation free (as of 2015, 29 percent of the population, or 29 million Ethiopians, still practice open defecation)

IV. Government of Ethiopia Water and Sanitation Strategy

Underpinning the WASH goals articulated in GTP II and the UAP is the GOE’s One WASH National Program (OWNP) (2013–2020)—a government driven, sectorwide approach to address the WASH needs of rural, urban, and pastoralist communities, schools, and health posts in an integrated manner across sector ministries and institutions. The program is funded directly by the GOE, as well as through the Consolidated WASH Account—an on-budget, donor-supported pooled fund, as well as coordinated, off-budget donor support.

V. Key Challenges and Opportunities in the Sector

The tremendous enabling environment in Ethiopia sets the stage for incredible progress. However, considerable challenges remain that USAID also sees as opportunities for impact.

Consumer demand for improved sanitation: Community-led total sanitation and hygiene (CLTSH) is central to the GOE sanitation and hygiene promotion strategy. Despite dramatic progress in lowering the rate of open defecation in Ethiopia during the Millennium Development Goal period, CLTSH is proving inadequate to stimulate household investment in superior sanitation options and maintain open defecation gains.

Limited institutional capacity: Although the enabling environment for accelerating access to sustainable WASH services is strong in Ethiopia, there remain key capacity challenges both within the public and private sectors to achieve OWP objectives.

Drought: The 2015/2016 El Niño-induced drought left an additional four million people in need of WASH services and brought a number of issues to the fore. Groundwater tables fell leaving some recently constructed wells nonfunctional, highlighting that investments to date have not been climate resilient. There was also limited engagement between the humanitarian WASH responders and WASH development partners—sidelining many opportunities to flex large-scale development resources.² Failed 2016/2017 rains in the southern and eastern parts of the country have exacerbated the situation, with an estimated 9.2 million³ in need of WASH assistance.

² USAID/Ethiopia experimented with combining humanitarian and development assistance resources into a single mechanism for nimble response that simultaneously attempted to take a longer term view than humanitarian resources typically allow (e.g., looking at cash- or voucher-based responses that work through existing private enterprises). Learning is still emerging from USAID’s pilot.

³ Humanitarian Requirements Document (HRD) for 2017.

Limited data for decision-making: Existing technology-enabled systems to monitor aspects of WASH down to the community level are in use in all OOWNP sector ministries, however, processes are fragmented with relatively little experience to date of integrated reporting.

Limited private sector engagement: Private contractors are envisaged to play a key role implementing OOWNP activities to expand both water supply and rural/peri-urban sanitation. However, import constraints due to limited foreign exchange and modest revenue prospects—due to limited willingness to pay for what is perceived as a basic right—have prevented private companies from proliferating.

Policy constraints limit sustainability: In rural areas, tariff rates for water are set at levels that allow for equitable consumption but cover only repair costs (rather than the full lifecycle costs of the system). Revenue generated from the tariff is typically insufficient to cover major mechanical or systems failure.

VI. USAID Country Plan

In response to these challenges and opportunities, USAID has developed a water and sanitation portfolio that is designed to leverage water investments to achieve broader Mission development goals, including promoting nutrition, private sector engagement, and resilience.

- **Nutrition:** WASH is an important component in USAID/Ethiopia’s effort to help reduce under-5 stunting by 20 percent. WASH affects nutritional status in at least three ways: 1) through diarrheal disease, which causes children to eat less and reduces absorption of nutrients from their food; 2) through intestinal parasitic infections, which cause both malabsorption and loss of nutrients; and 3) through inflammation of the small intestine as a result of pathogen ingestion, which limits the proper absorption of calories and nutrients.
- **Private sector:** In GTP II, policy priorities have shifted toward a greater emphasis on expanding private sector roles to deliver services effectively and efficiently. USAID will look to expand private sector participation in the economy through this sector.
- **Resilience:** USAID is committed to increasing the ability of Ethiopians to withstand the effects of environmental and socio-economic shocks. The Mission’s intent is to identify ways to layer, sequence, and integrate humanitarian assistance and development programs around the goal of building this resilience. Activities to promote resilience include the development of community resources and household livelihoods. Cutting across most of those activities is a reliance on water resources and/or the availability of water services to support the health and growth of communities. Thus sustainable water supply is fundamental to USAID’s efforts to enhance resilience across the pastoral and food-insecure regions of Ethiopia.

Specifically within the water portfolio, USAID emphasizes three core pillars as fundamental to the Mission’s flagship WASH activities:

- **Sustainability:** Systems strengthening and capacity development are the foundations of sustainability. To ensure that WASH investments are maintained beyond the life of USAID

direct financial support, USAID focuses on: 1) stimulating the private sector to ensure continued investments in products and services, and 2) including Ethiopian counterparts in the development and implementation of interventions—accounting for on-the-ground constraints, costs of scale-up, and human resource requirements.

- **Sanitation:** Sanitation is strongly emphasized within the portfolio given gaps in meeting Ethiopia’s sanitation MDG.
- **Local ownership:** USAID measures its success in part in the ability of Ethiopia’s public and private WASH sector to deliver high-quality, responsive services. USAID sector-specific capacity building efforts target improved formal, regular training and education of those staff occupying key sector implementation positions.

Together, these pillars provide a consolidated, cohesive framework for USAID WASH investments and directive monies. The Mission’s three flagship WASH activities, profiled below, are based on this framework. The budget table below includes currently planned funding, based on recent budgeting guidance. All three activities were designed for a larger scope and could be expanded should funding become available.

USAID/Ethiopia also funds several targeted and meaningful activities to jumpstart discrete needs within the WASH sector, in addition to the activities below. Collaboration and sharing among all the activities (and with U.S.-funded activities managed through centrally funded mechanisms) are being strongly encouraged and are seeing valuable results. Since women and girls in Ethiopia bear a disproportionate burden when it comes to water supply and sanitation issues, USAID ensures that activities draw on the unique knowledge and skills of women in order to address their needs at all stages of planning and implementation.

- Growth through Nutrition (09/2016–08/2021, Cooperative Agreement): Growth through Nutrition is an integrated nutrition and WASH award implemented by a consortium led by Save the Children that works largely within the USG Feed the Future zone of influence to curb childhood stunting. The activity supports capacity development to implement the National Nutrition Program and OWNPs; promote clean water access and CLTSH approaches; and support anti-stunting activities to improve the nutritional status of women and young children.
Geography: Amhara, Oromia, Tigray, Southern Nations, Nationalities and Peoples (SNNPR)
- USAID Lowland WASH (12/2015–11/2019, Contract): Lowland WASH aims to accelerate the rehabilitation of clean and sustainable, multiple-use water supply systems, improved sanitation access, as well as enhanced hygiene behaviors in the pastoral, lowland areas of Ethiopia, which are the focus of many humanitarian interventions. The activity includes a community component on natural resource management to ensure that the land (particularly the areas surrounding the water points) is not further degraded. The activity also focuses on improved WASH governance and data management, including helping to roll out the WASH MIS and National WASH Inventory II, and creating the systems to use and update the data for decision-making.
Geography: Afar, SNNPR, Somali
- TRANSFORM WASH (12/2016–11/2021, Cooperative Agreement): Transform WASH is a concentrated investment in sanitation marketing. The activity works to enhance supply and

demand for low-cost, high-quality sanitation products and services, augment learning to bring WASH innovations to scale, and support WASH management capacity at the subnational level, supporting sanitation entrepreneurs and businesses through market-stimulating policies, strategies, and incentives. *Geography: All*

With the recurring drought situation in Ethiopia, both the USAID Lowland WASH and Growth through Nutrition activities are being mobilized as appropriate to support the Mission drought response. For example, Lowland WASH has prioritized water point rehabilitations in drought priority areas and is including acute watery diarrhea messaging in their target communities.

Expected results: Overall, USAID activities are expected to provide over 200,000 Ethiopians with sustainable access to improved water supply, and help over one million Ethiopians gain access to improved sanitation by 2020. The results reported reflect targets at the time of this document's production, however, targets may be updated on an annual basis.

The Ethiopia Country Plan is costed based on prior year resources still available for programming, the FY 2017 estimated allocation of \$15.3 million, and the FY 2018 President's Budget Request of \$6.3 million.

Additional USG Activities Advancing the GWS and USAID Ethiopia Country Plan:

- U.S. Geological Survey, U.S. Department of Interior (USGS): USAID and USGS are implementing water exploration, hydrogeological studies, and capacity-building activities in the eastern lowlands. USGS is characterizing and assessing groundwater resources through innovative use of remote sensing and hydrogeological mapping, and is also providing local capacity building and knowledge transfer. These activities will help the GOE sustainably manage and develop its groundwater resources and combat and mitigate the devastating effects of drought.
- U.S. Forest Service (USFS): USAID and USFS are working to promote rangeland management, planning, and monitoring to enhance rangeland productivity and health. Improvements in rangeland management support community resilience in pastoral areas. USFS is creating a series of land cover/land use maps showing historic changes in land cover in pastoral areas from 1983–2013 and developing management and monitoring plans at relevant government offices.
- Centers for Disease Control and Prevention (CDC): U.S. Embassy Addis Ababa is coordinating the CDC and USAID's Office of Foreign Disaster Assistance to leverage resources to meet ongoing humanitarian needs, including responding to an acute watery diarrhea outbreak. Activities include disease surveillance and chlorinating drinking water.
- U.S. Department of State (DOS): DOS is training water and sanitation officials on wastewater/sewage management systems (in collaboration with the U.S. Water Partnership) as well as training Ethiopian officials to use Geographic Information Systems to map existing water resources and projected needs.