

COMMUNITY-LED ACCELERATED WASH (COWASH) PROJECT PHASE III (2016-2019)

COMPILED (Federal and Regions) COWASH PHASE III SEMI-ANNUAL PERFORMANCE REPORT (01/08/2016-31/12/2016)



Competent Authorities:

Ethiopia: Ministry of Finance and Economic Cooperation

Finland: Ministry for Foreign Affairs

Distribution: MoFEC, MoWIE, MoH, MoE, MFA, EoF, 5 regions

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LIST OF ABBREVIATIONS

Abbreviation	Interpretation
AfDB	African Development Bank
BoE	Bureau of Education
BoFED	Bureau of Finance and Economic Development
BoH	Bureau of Health
BoWA	Bureau of Women Affairs
BSc	Bachelor of Science
BSGR	Benishangul-Gumuz Region
CB	Capacity Building
CH	Channel
CMP	Community Managed Project
COWASH	Community Led Accelerated WASH in Ethiopia
CR	Climate Resilient
CSA	Central Statistic Agency
CSO	Civil Society Organization
CWA	Consolidated WASH Account
DFID	Department for International Development (UK)
EoF	Embassy of Finland
ETB	Ethiopian Birr
EUR	Euro
FinnWASH-BG	Rural Water Supply, Sanitation and Hygiene Programme in Benishangul-Gumuz Region
FTAT	Federal Technical Assistance Team
GIS	Geographic Information System
GLOWS	Guided Learning of Water and Sanitation
GoE	Government of Ethiopia
GoF	Government of Finland
GTP	Growth and Transformation Plan
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HRD	Human Resource Development
IEC	Information, Education and Communication
M&E	Monitoring and Evaluation
METB	Million Birr
MEUR	Million Euros
MFA	Ministry for Foreign Affairs (of Finland)
MFI	Microfinance Institution
MoE	Ministry of Education
MoFEC	Ministry of Finance and Economic Cooperation
MoH	Ministry of Health
MoWIE	Ministry of Water, Irrigation & Electricity
MSc	Master of Science
MSF	Multi-Stakeholder Forum
NBE	National Bank of Ethiopia
NGO	Non-Governmental Organization
NWCO	National WASH Coordination Office
NWI	National WASH Inventory
NWSC	National WASH Steering Committee
NWTT	National WASH Technical Team
ODF	Open Defecation Free
ODI	Overseas Development Institute

Abbreviation	Interpretation
O&M	Operation and Maintenance
O&MM	Operation and Maintenance Management
ORDA	Organization for Rehabilitation and Development in Amhara
OWNP	One WASH National Program
PhD	Doctor of Philosophy
PIM	Project Implementation Manual
POM	Program Operational Manual
RPS	Rural Piped Scheme
RSU	Regional Support Unit
RWCO	Regional WASH Coordination Office
RWSC	Regional WASH Steering Committee
RWSEP	Rural Water Supply and Environment Programme
SM	Sanitation Marketing
SNNPR	Southern Nations & Nationalities Peoples Region
TA	Technical Assistance
TOFED	Town Office of Finance and Economic Development
UNICEF	United Nations Children's Fund
ZOFED	Zone Office of Finance and Economic Development
WASH	Water Supply, Sanitation and Hygiene
WASHCO	Water Supply, Sanitation and Hygiene Committee
WB	The World Bank
WIF	WASH Implementation Framework
WOFED	Woreda Office of Finance and Economic Development
WP	Water Point
WRDF	Water Resource Development Fund
WSP	Water Safety Plan

PROJECT PROFILE

Project Title	Community-Led Accelerated WASH(COWASH), Phase III	
Sector	Social Development	
Sub-sector	Water, Sanitation and Hygiene	
Project Area	76 Districts of five Administrative Regions of Ethiopia (Amhara, Tigray, SNNPR, Oromia & BSGR)	
Duration	Phase III from August 2016 to July 2019	
Project Financing	Total (Grant)	EUR 39 Million + 1.4 Million roll over
		ETB 911.3 Million
	Government of Finland(GoF)	EUR 12.7 million + 1.4 Million roll over
		ETB 311 Million
	Government of Ethiopia(GoE)	EUR 22.3 Million
		ETB 513.3 Million
Beneficiary Community	EUR 4 Million	
	ETB 87 Million	
Competent Authorities	Ministry of Finance and Economic Cooperation(MoFEC)	
	Bureau of Finance and Economic Development (BoFED) of Amhara, Tigray, Oromia, Southern Region and Benishangul-Gumuz National Regional States	
	Ministry of Foreign Affairs of Finland (MFA)	
Lead implementing agencies and programme oversight	Ministry of Water, Irrigation and Electricity (MoWIE) Water Resources Development Bureaus of Amhara, Tigray, Oromia, Southern Nations & Nationalities Peoples and Benishangul-Gumuz National Regional States in association with regional WASH partners: Bureau of Health (BoH) and Bureau of Education (BoE) and Bureau of Women Affairs (BoWA)	
	National WASH Steering Committee, Regional WASH Steering Committee, Zone WASH Team, Woreda WASH Team	
Overall Objective	To achieve universal access to WASH in the rural areas of Ethiopia	
Project Purpose	To support the acceleration of Universal Access Plan-rural water, sanitation and hygiene targets attainment through the establishment of an enabling environment and the implementation of CMP interventions in selected rural areas of Ethiopia	
Exchange rate	1 EUR equals to 22 ETB	

1 PROJECT DESCRIPTION

The goal of COWASH Phase III is *"improved health, women's equal access to and control over WASH management and related entrepreneurship in the program Areas by 2019"*. This achievement is measured by the reduction in under 5 mortality rate in target woredas, and by reduction in under 5 diarrhea incidences in target woredas.

The project objective is *"to contribute to the achievement of the second Growth and Transformation Plan (GTP II) targets for WASH sectors in Ethiopia by 2019 by using Community Managed Project (CMP) approach."*

The project outcomes are the following:

1. Increased climate resilient community and institutional water supply access coverage (GTP II standards, including water quality) in the target Woredas in 5 project regions by 2019.
2. Increased community, institutional sanitation & hygiene access coverage (GTP II), in the target Woredas in 5 project regions by 2019.
3. Increased functionality and sustainability (O&M) of built WASH facilities through improved service delivery in the target Woredas in 5 project regions by 2019.
4. Women's empowerment and leadership achieved through WASH related activities in the 5 project regions by 2019.
5. Project Implementation effectively managed by Federal Technical Assistant Team.

The outputs of these outcomes and the corresponding activities are presented in **Annex 1**. COWASH Phase III framework bi-lateral agreement between Finland and Ethiopia has been signed between the MoFEC and MFA. COWASH Phase III is implemented in 5 regions of Amhara, Tigray, SNNP, Oromia and Benishangul-Gumuz regions. Separate regional bi-lateral agreements have been also signed between MFA and BoFED of each region. Separate technical assistance provision agreement has been signed by the MFA with Ramboll Finland consulting company. In each project region, Regional Water Bureaus employed Regional Support Unit (RSU) which facilitates the COWASH implementation in the regions. Each regional WASH sector bureau will assign COWASH focal person to lead COWASH implementation in the sector area. At woreda level, the Woreda Water Office is the main responsible office to implement COWASH and assigns CMP Supervisor to facilitate COWASH implementation and Finance, Health, Education and Women Affairs offices assign woreda level focal person for the project. The investment funds for physical implementation and most of the operational costs are allocated from the regional governments. Finland's contribution is mainly used for capacity building.

2 MAJOR ACHIEVEMENTS IN THE FIRST HALF OF 2009 EFY

COWASH Phase III started on August 1, 2016. This report covers the major accomplishments in the first half of the project's 1st year of implementation. The first quarter was only two months (July-Sep 2016). In the second quarter, the project focus at Federal level was to complete the inception period activities and to support the five regions to finalize their annual plans. The focus in the regions was mostly to prepare annual plans of the project as per the COWASH III document and planning templates and units costs drafted by the federal technical assistance team.

At the federal level, most of the activities planned for the period were accomplished. Besides, the project kick-off meeting and launch workshop were successfully conducted in the reporting period. Especially, the Project Launch workshop helped the final project formulation in the new intervention areas.

At Region level, the focus was still on the completion of rolled over activities from the Phase II and planning for the year 2016/2017 according to the instructions and assistance provided from the federal technical assistance team.. In the 2nd quarter of the reporting period, all regions except SNNPR concluded their regional steering committee meeting on COWASH. In these meetings, the annual reports of 2015/2016 fiscal year and annual plans for 2016/2017 fiscal year were approved by the respective regional steering committees. The major accomplishments in capacity building, construction of facilities and financial utilization are presented here under.

2.1 PHYSICAL CAPACITY BUILDING

More than 23 types of items (computers, printers, motorbikes, molds, artisan hand tools, etc) are planned to be procured by the beneficiary sectors of the project in the budget year. However, the procurement of these items could not be executed in the reporting period as the planning of the regions has been pushed to end of the 2nd quarter.

2.2 HUMAN CAPACITY BUILDING

Quite a large number of human capacity building activities are planned to be conducted in this first year of COWASH III. Government of Finland (GoF) contribution amounting to Birr 76.87 million is allocated to undertake these activities. Only few of these (were planned for the first six months of the budget year mainly due to delay in the approval of annual plans.

Table 1: Number of People Planned to be Trained in the first Six Months of 2009 EFY

Region	Planned to be Trained			People Trained in the Reporting Period					
	2 nd Quarter	6 Months	Annual	2 nd Quarter			6 Months		
				Male	Female	Total	Male	Female	Total
Amhara	12,726	12,726	23,456	3,620	2,045	5,665	3,620	2,045	5,665
Tigray	2,578	2,823	2,823	0	0	0	0	0	0
SNNPR	0	0	7,215	186	216	402	186	216	402
Oromia	150	150	744	0	0	0	0	0	0
BSG	2,093	2,093	3,004	228	26	254	228	26	254
Federal*	0	0	270	0	0	0	0	0	0
Total	17,547	17,792	37,512	4,034	2,287	6,321	4,034	2,287	6,321

Note: * The number of people planned and trained by COWASH FTAT in the regions are counted with the regional level trainings and not in the federal level trainings.

Among the total number of people planned to be trained in the fiscal year, some 47.4% were planned to be trained in the reporting period. In the last six months, a total of 6,321 people (35.5% of the planned) have been trained at different levels: federal, regional, zonal and woreda levels. More than 36.2% of the people trained are female. The trainees' data could not be disaggregated by disability as the training of trainers (ToT) on inclusion planned to be given to stakeholders has not been conducted so far.

2.3 WATER SUPPLY SCHEME CONSTRUCTION

This fiscal year, a total of 1,840 water supply schemes (1,587 community, 138 school and 115 health facility) are planned to be constructed in the five project regions thereby contributing to the attainment of GTP II/WASH targets of the woredas. Of these, 38 water supply schemes (31 community, 3 school and 4 health facility) were planned to be constructed in the first six half of the 2009 EFY budget year. These schemes are 13 Shallow Wells in Benishangul Gumuz region and 25 Community On Spot Springs in SNNPR rolled over from COWASH Phase II in some woredas.

Woreda experts have been conducting promotions in the rural kebeles of the project woredas until the annual plans are approved by regional steering committees. As a result, a total of 2,415 (applications have been submitted by 2,264 communities, 103 schools and 348 health facilities in the five regions. Of these applications, 1,817 (75%) were appraised at the field level and 67% of these were approved by WWTs in the reporting period.

There have not been much constructions conducted in the reporting period due rainy season in many parts of the project woredas and delay in the approval of the annual plans and hence delay in the transfer of funds to the project woredas. Only 25 Community On Spot Springs, which were rolled from COWASH Phase II, have been completed in SNNPR. The springs developed with the support of COWASH are benefitting 4,449 rural people with GTP II service level.

Table 2: Number of Water Supply Schemes Planned and Constructed in the First 6 Months of 2009 EFY

Region	Ownership	Planned to be Constructed			Constructed		No. of People Having Access to Community WPs Constructed As Per GTP II Standard
		Q 2	Q1+Q2	Annual	Q2	Q1+Q2	
Amhara	Community	0	0	827	0	0	
	School	0	0	85	0	0	
	Health Facility	0	0	77	0	0	
	Subtotal	0	0	989	0	0	
Tigray	Community	0	0	155	0	0	
	School	0	0	13	0	0	
	Health Facility	0	0	7	0	0	
	Subtotal	0	0	175	0	0	
SNNPR	Community	25	25	257	25	25	4,449
	School	0	0	17	0	0	
	Health Facility	0	0	11	0	0	
	Subtotal	25	25	285	25	25	
Oromia	Community	0	0	325	0	0	
	School	0	0	12	0	0	
	Health Facility	0	0	11	0	0	
	Subtotal	0	0	348	0	0	
BSG	Community	6	6	23	0	0	
	School	3	3	11	0	0	
	Health Facility	4	4	9	0	0	
	Subtotal	13	13	43	0	0	

Region	Ownership	Planned to be Constructed			Constructed		No. of People Having Access to Community WPs Constructed As Per GTP II Standard
		Q 2	Q1+Q2	Annual	Q2	Q1+Q2	
Total	Community	31	31	1587	25	25	
	School	3	3	138	0	0	
	Health Facility	4	4	115	0	0	
	Total	38	38	1840	25	25	4,449

2.4 REHABILITATION OF OLD WATER SUPPLY SCHEMES

Like its predecessors, COWASH III supports major rehabilitation of water supply schemes in the project woredas. For this purpose, the project has prepared selection criteria and distributed to regions. For it to be supported by the project, rehabilitation of a community water supply scheme should contribute to the water supply access coverage of the woreda. In 2009 EFY, 242 water supply schemes (95 in Amhara, 0 in Tigray, 4 in Oromia, 27 in SNNPR and 116 in BSG) are planned to be rehabilitated in the five regions (157 community and 85 institutions). Among these, 126 were planned to be rehabilitated and made operational in the reporting period. Accordingly, 243 water supply scheme rehabilitation applications (158 from communities, 68 schools and 17 health facilities) have been submitted to WWTs in the first six months of 2009 EFY. However, performance reports of the regions reveal that there has not been any rehabilitation conducted in the first 6 months of the fiscal year due to delay in fund transfers as a result of delayed plan approvals.

2.5 INSTITUTIONAL LATRINE CONSTRUCTION

One of the major focuses of COWASH III is improving the sanitation and hygiene situation of institutions- schools and health facilities. Besides the capacity building activities, project woredas planned to construct 88 improved latrines (41 schools and 47 health facilities) in 2009 EFY; of this, 73% were planned to be constructed in the reporting period.

Table 3: Number of Institutional Latrines Planned to be constructed in 2009 EFY

Region	Institution	Planned to be Constructed			Constructed		Beneficiary Population				
		Q2	Q1+Q2	Annual	Q2	Q1+Q2	Male		Female		Total
							With Disability	With No Disability	With Disability	With No Disability	
Amhara	School			20							
	Health Facility			26							
	Subtotal			46							
Tigray	School			9							
	Health Facility	-	-	9	-	-	-	-	-	-	-
	Subtotal	-	-	18	-	-	-	-	-	-	-
SNNPR	School			16							
	Health Facility	-	-	1	-	-	-	-	-	-	-
	Subtotal	-	-	17	-	-	-	-	-	-	-
Oromia	School			8							

Region	Institution	Planned to be Constructed			Constructed		Beneficiary Population				
		Q2	Q1+Q2	Annual	Q2	Q1+Q2	Male		Female		Total
							With Disability	With No Disability	With Disability	With No Disability	
	Health Facility	-	-	27	-	-	-	-	-	-	-
	Subtotal	-	-	35	-	-	-	-	-	-	-
BSG	School	1	8	8	3	3	-	690	-	680	1,370
	Health Facility	3	10	10	6	6	-	1	-	16	17
	Subtotal	4	18	18	9	9	-	691	-	696	1,387
Total	School	1	8	61	3	3	-	690	-	680	1,370
	Health Facility	3	10	73	6	6	-	1	-	16	17
	Total	4	18	134	9	9	-	2,073	-	2,088	4,161

In the reporting period, only 36 institutional latrine applications (16 from schools and 20 from health facilities) have been submitted to WWTs approval. More than 44% of the applications have been approved by WWTs. In the first six months, latrine constructions have been completed only in BSG region. A total of 9 latrines (3 schools and 6 health facilities), which benefits 1,370 students & teachers (50.4% female) and 17 health facility staff (6% female), were completed in BSG region.

2.6 FEDERAL LEVEL ACHIEVEMENTS

Major challenges during the 1st quarter implementation were the civil unrest and violent demonstrations in Amhara and Oromia regions. Movement to the woredas was restricted and forbidden and therefore the data collection of achievements of the last year of Phase II delayed the reporting. In 2nd quarter, the unrest was minimized as the country declared the State of Emergency (SOE). As a result of the SOE, the government personnel at Federal and Region level was deeply evaluated and that led to the change of most cabinet members at both levels. Due to these changes new cabinet members needed time to familiarize themselves to their new duties and therefore most steering committee meetings were postponed to the end of the second quarter.

At federal level, the final results framework and Project Performance Monitoring Plan (PMP) of Phase III was completed, but its completion took much more time than planned due to the complexity of the project and lack of data for some indicators. Another challenging task was to prepare the baseline data collection and the project succeeded to start the baseline data collection in the end of second quarter. Due to these tedious works and the "new" development of private business establishment and disability mainstreaming, many planned local and international short term consultancies were postponed to third quarter. Social, environmental and climate risk planning and its capacity building progressed as planned.

The development of COWASH Planning and Monitoring Database (PMDB) could not fully start in the second quarter mainly due to the delayed regional plans and this activity was also pushed to the third quarter including the M&E and PMDB training of regional staff. The 2015/2016 COWASH Water Points and Institutional Latrines data from the regions was only partly received in the second quarter and most of the data was not satisfactory and needed to be revised. Therefore, the updating of the COWASH WASH facility maps could not be completed in the reporting period.

In the first quarter of COWASH III, annual planning templates with coded list of activities were prepared and shared to project regions. Additionally, outline of regional quarterly reporting with monitoring formats were prepared and sent to regions for semi-annual reporting. Accordingly, regions prepared the 2009 EFY COWASH III annual plan and approved by the Regional Steering Committees (RWSC) on COWASH.

The project is finalizing development of Planning and Monitoring Database (PMDB) by a short term consultant. Upon completion, the activities and indicators level plans of the project will be put encoded in the database and project's quarterly and annual performance reports will be generated from it in a short time. Moreover, the project data at all levels will be managed at the regional and federal level by the project staff.

The federal technical assistant team has also assisted regions in preparing GoF fund transfer requests as per a format prepared for the purpose. Consequently, three regions (Amhara, Oromia and Tigray) received the GoF funds requested for the third quarter. This has enabled these regions to start implementation of their plans early in the third quarter of the fiscal year.

The federal level technical assistant team has produced criteria for selecting woredas for Sanitation Marketing (SM) and Operation and Maintenance (O&M) service MSE development. Preparations have been made to assess the situation of the selected woredas and agree with different stakeholders in the regions.

Detailed regional 6-months reports from all 5 regions can be found from the CMP web site: <http://www.cmpethiopia.org/page/273>.

Detailed federal plan-achievements in Q1+Q2 was already submitted in January 2017 and can be found in http://www.cmpethiopia.org/media/2009_efy_q2_report_federal.

3 BUDGET ALLOCATION AND UTILIZATION

3.1 REGIONS

The region level budgets agreed in the Phase III regional agreements were reviewed and confirmed. In addition to the "agreed" budgets, the leftovers of Government of Finland (GoF) funds from Phase II were assessed. As a result, the actual money available for Phase III was more than specified in the regional agreements. The following table 4 clarifies the total available budgets of COWASH Phase III. Accordingly, the total available GoF contribution for Phase III is Birr 308,043,228. This is equivalent to 14 million EUR using the agreed exchange rate of 1 EUR = BIRR 22.

Table 4: COWASH Phase III financial recourses

Region	Total GoF rolled over from Phase II	GoF Phase III agreed	Total GoF Phase III	GoE as agreed	Community Contribution	Total Phase III	Budget share
	Birr	Birr	Birr	Birr	Birr	Birr	
Amhara	9,890,133	99,220,000	109,110,133	248,000,000	42,160,000	399,270,133	44%
Tigray	4,230,648	35,112,286	39,342,934	85,500,000	14,535,000	139,377,934	15%
Oromia	3,546,092	34,245,420	37,791,512	74,400,000	12,648,000	124,839,512	14%
SNNP	3,136,500	26,513,630	29,650,130	49,600,000	8,432,000	87,682,130	10%
BSG	10,670,239	33,157,036	43,827,275	55,800,000	9,486,000	109,113,275	12%
SUB TOTAL	31,473,611	228,248,372	259,721,983	513,300,000	87,261,000	860,282,983	94%
Federal TA		51,257,800	51,257,800	-		51,257,800	6%
GRAND TOTAL		279,506,172	310,979,783	513,300,000	87,261,000	911,540,783	
Budget share			34%	56%	10%		

The regional budget is divided into four categories, viz., investment, physical capacity building, human capacity building and operational. The regional performance reports show that a total of Birr 289.8 million (Birr 110.4 million from GoF & Birr 179.4 million from GoE) is allocated for 2009 EFY. Of this, 32.2 % (Birr 57.5 million from GoF & Birr 35.7 million from GoE) was allocated for the first six months of the fiscal year. Consequently, about 11.2% of the funds allocated for the six months has been utilized in the reporting period. In terms of fund sources, only 18.0% of the GoF and 8.6% of GoE six months funds allocated have been utilized in the period under reporting. The main reason for the low fund utilization was the delay in the approval of the annual plans and hence in the delay of the fund transfer to beneficiary offices.

Due to this reason, many of the activities planned to be executed in the first six months were postponed to the third and fourth quarters of the fiscal year. This will undoubtedly create burden especially on the third quarter implementation of project regions.

Table 5: Summary of COWASH III Fund Allocation and Utilization in the First Six Months of 2009 EFY

Category	1	2	3	4 = (3)/(2)*100	5	6	7 = (6)/(5)*100	8	9	10	11 = (10)/(9)*100	12	13	14 = (13)/(12)*100
	GoF							GoE						
	Annual	Cumulative			This Quarter			Annual	Cumulative			This Quarter		
		Plan	Utilized	% Utilized	Plan	Utilized	% Utilized		Plan	Utilized	% Utilized	Plan	Utilized	% Utilized
Investment	4,303,227	2,195,311	-	0.0	2,195,311	-	0.0	161,956,838	25,375,034	3,003,419	11.8	18,831,814	2,412,914	12.8
Physical Capacity Building	12,529,312	11,058,211	1,096,335	9.9	9,750,260	1,096,335	11.2	141,808	113,000	-	-	113,000	-	-
Human Capacity Building	76,871,734	35,853,481	4,294,419	12.0	34,935,953	3,452,846	9.9	208,192	605,547	-	-	68,192	-	-
Operational Cost	16,577,142	8,267,097	4,957,508	60.0	5,053,589	3,501,475	69.3	17,080,905	9,591,334	72,564	0.8	9,341,224	1,778	0.0
BoFED Treasury & Contingency	117,910	117,910	-	0.0	117,910	-	0.0	-	-	-	#DIV/0!	-	-	#DIV/0!
Total	110,399,325	57,492,010	10,348,262	18.0	52,053,023	8,050,657	15.5	179,387,743	35,684,915	3,075,983	8.6	28,354,230	2,414,692	8.5

Category	15 = (1)+(8)*100	16 = (2) + (9)	17 = (3) + (10)	18 = (18)/(17)*1	19 = (5)+(12)*100	20 = (6)+(13)*100	21 = (20)/(19)*10
	GOF + GOE						
	Plan (Annual)	Cumulative			This Quarter		
		Plan	Utilized	% Utilized	Plan	Utilized	% Utilized
Investment	166,260,065.00	27,570,345	-	-	21,027,125	2,412,914	0.1
Physical Capacity Building	12,671,120.00	11,171,211	1,096,335.10	9.8	9,863,260	1,096,335.10	0.1
Human Capacity Building	77,079,926.00	36,459,028	4,294,418.84	11.8	35,004,145	3,452,846.33	0.1
Operational Cost	33,658,047.00	17,858,431	5,030,071.62	28.2	14,394,813	3,503,253.48	0.2
BoFED Treasury & Contingency	117,910.00	117,910	-	-	117,910	-	0.0
Total	289,787,068	93,176,925	10,420,826	11.2	80,407,253	10,465,349	0.1

3.2 FEDERAL

Federal level budget is divided into fee and reimbursable categories. The reimbursable budget is divided into three parts: 1) Technical assistance running costs (costs needed to run the technical assistance team), 2) Sector support costs and 3) Impact Assessment costs.

The fee budget for the first 5 months was EUR 239,561. The utilization during the same period was EUR 168,030 (70 %) due to the postponement of short term consultancies into the third quarter. The project also planned to save some local short term consultancy costs by proposing joint O&M training with the CWA project. The CWA project could not agree this yet and COWASH decided to wait for the CWA decision in sharing the O&M training costs.

The reimbursable budget for the same 5-months period was EUR 200,892 and the use was EUR 199,812 (99 %). The Technical assistance running cost budget was over-utilized due to the extreme travelling internationally and nationally. The international travel budget exceeded due to low budgeting and national travelling exceeded due to extreme support to the regions. Sector support budget was underutilized due to cancelling participation in Stockholm World Water Week participation and Impact assessment budget use exceeded due to under-planning for the second quarter.

The details of Federal budget plans and usage is presented in Table 6 below and total federal budget follow up is illustrated in Fig. 1 below.

Table 6: Federal budget usage in Q1 and Q2 of 2009 EFY

Definitions	Plan	Actual	Usage	Plan	Use	Usage
	2016/2017	Up to Q1+Q2	Year 1	Q1+Q2	Q1+Q2	Q1+Q2
	EUR	EUR	%	EUR	EUR	%
Fees	442,642	168,030	38%	239,561	168,030	70%
International Long term Consultants	188,281	81,673	43%	84,156	81,673	97%
International short term consultants	21,975	1,200	5%	54,153	1,200	2%
National long term consultant	182,468	85,157	47%	86,372	85,157	99%
National short term consultants	49,919	-	0%	14,880	-	0%
Reimbursable costs	530,388	199,812	38%	200,892	199,812	99%
Technical assistance running costs	254,793	135,090	53%	130,293	135,090	104%
Home office coordination	11,000	5,000	45%	5,000	5,000	100%
JPO salary costs	63,842	26,197	41%	29,042	26,197	90%
International duty travels	12,300	18,757	152%	9,800	18,757	191%
Duty travels in Ethiopia	42,749	19,507	46%	15,749	19,507	124%
Home leave travels (internationals)	2,000	-	0%	-	-	
Relocation	9,715	9,715	100%	9,715	9,715	100%
Housing	35,162	13,129	37%	17,562	13,129	75%
Office	41,008	20,551	50%	19,708	20,551	104%
School (international)	36,244	22,124	61%	23,544	22,124	94%
Miscellaneous	773	110	14%	173	110	63%
Sector support	215,595	47,800	22%	60,599	47,800	79%
Impact Assessment	60,000	16,922	28%	10,000	16,922	169%
TOTAL	973,030	367,841	38%	440,453	367,841	84%

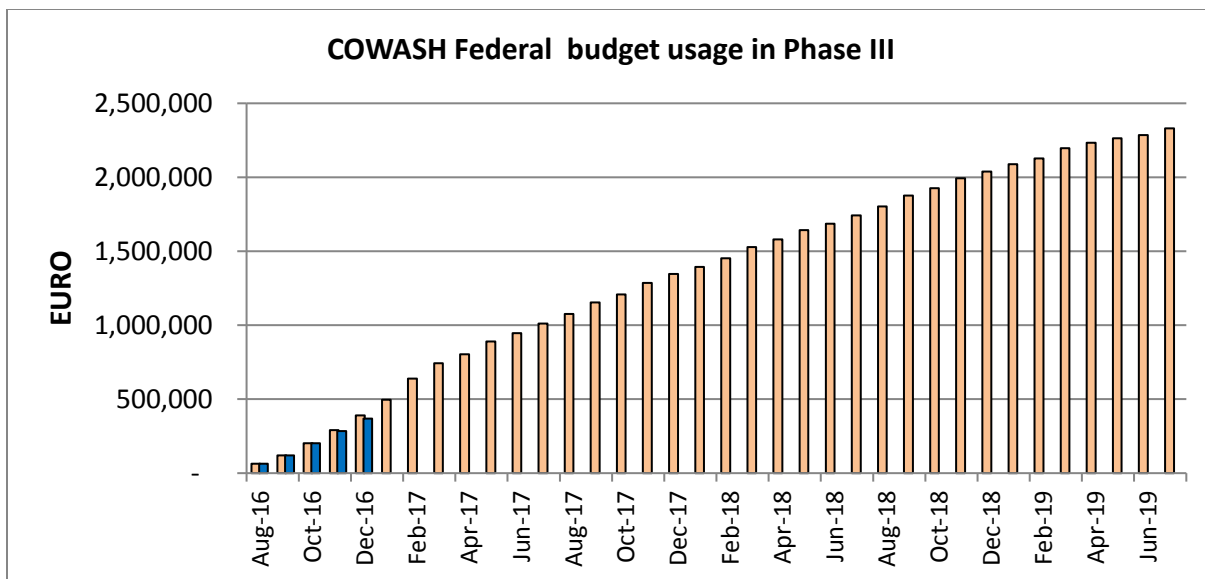


Fig 1: Total Federal budget use in Q1 and Q2 of 2009 EFY

4 ASSUMPTIONS AND RISKS

COWASH Phase III risks have been validated for the up-coming future. Refer to http://www.cmpethiopia.org/media/2009_efy_q2_report_federal.

Anyhow, the country experienced during the reporting period political instability. Communication and movement was restricted. Violent demonstrations were experienced in Amhara and Oromia and in one woreda (Dembia) water office was burned. Embassy of Finland conducted CTA meetings and preparedness plan for COWASH was drafted.

5 SUSTAINABILITY

Social, environmental and climate risk screening and management guideline was prepared and regions were trained for its implementation. The implementation of this guideline is believed to help to sustain the CMP water schemes and make them climate resilient. Analysis on how to ensure adequate CMP approach implementation in high technology rural piped scheme construction was finalized in the second quarter. This will be discussed in detail with the regions in the third quarter.

The sanitation component final design delayed due to other competing duties. It is planned to be finalized in the third quarter with MoH and regional health bureaus.

The design of Women-led Micro and Small Enterprises (MSEs) for sanitation marketing and water supply was going on in the reporting period. Similarly, the design on how to mainstream disability and special needs into COWASH implementation was also ongoing in the reporting period. Both component designs will be finalized in the coming quarter.

6 MAJOR CHALLENGES ENCOUNTERED

In both project regions, the major challenge faced during the reporting period was the delay in the approval of the annual plans mainly due to turnover officials in the regions. In SNNPR, the delay in the transfer of committed funds from woredas and zones to BoFED has delayed the preparation of the annual plan and hence its approval.