

# **World Bank Compliments on Ethiopia's development Efforts**

**By Harego Bensa**

Ethiopia's impressive social indicators that reflect its overall development efforts are receiving praise in the international community. Global development agencies, donors as well as foreign media networks are raving about the remarkable achievements Ethiopia is making in the economic and social spheres. This all-round appreciation has become a source of additional encouragement to the country as it gears to scale up its development efforts.

The continuous grant and loans that Ethiopia is receiving from the World Bank underscores that Ethiopia is on the right development track. The financial agreement concluded between the Ethiopian government and the World Bank in May, 2009 is a case in point. The Bank has committed 540 million dollars from the International Development Association (IDA) funding for the Protection of Basic Services (PBS) Program Phase II Project for Ethiopia.

Since 2006, the PBS program has complemented the sources government allocated to improve decentralized delivery of basic services in five sectors. Namely in the areas of: education, healthcare, agriculture, water and sanitation, and rural roads development. The second phase is planned to last for three fiscal years 2009-2011. While, the Ethiopian government is expected to allocate roughly the equivalent of 700 million dollars a year, twelve development partners, including the IDA, is to provide an additional 400 million dollars or so a year. The other eleven development partners that provide supports to PBS II are: the African Development Bank, the governments of Austria, Ireland, Italy, Japan, the Netherlands, Spain, CIDA (Canada), DFID (UK), KFW (Germany), and the European Commission. Collectively, they are expected to provide about 737 million dollars.

The World Bank's decision to approve a 540 million-dollar support-package is borne out of confidence in Ethiopia's commitment and capacity to effectively utilize external aid and its government's commitment to register even greater results in the future. In a press release it issued on May 14, 2009, announcing its approval the financial package for the Protection of Basic Services Program Phase II Project, the World Bank's Board of Executive Director commended the Ethiopian government's commitment to expansion of the delivery of decentralized basic services.

The Directors further said, “this type of operation which can respond not only to immediate needs but also contribute to safeguarding Ethiopia’s medium-and long-term development potential is particularly relevant in the current situation of global economic crises.” The World Bank added “Over the past two decades, Ethiopia has made significant progress in improving social indicators and reducing poverty.” Such testimonials are Ethiopia’s efforts to ensure sustainable development.

Space might not permit to enumerate of all the indicators of progress this country has made in recent years. Suffices to mention the major ones as listed in World Bank’s report: “In 1991, only one in five primary school children were in school; one in five children died before reaching their fifth birth day and one in ten before their first birth day; and maternal mortality was a staggering 1,400 deaths per 100,000 live births. Today, prospects for the country that is home to 77 million people have improved significantly. Grade 5 Primary completion rates have risen to 69 percent - up 43 percent from two decades ago; net primary enrollment rates have quadrupled to 83 percent in 2008; and under- 5 child, infant and maternal mortality rates have fallen by almost forty percent by 2005. Access to safe drinking water has improved from 19 percent in 1991 to 52.5 percent by 2007.”

More importantly, the Bank goes beyond admiration. It envisions that “With the strong commitment of the Government of Ethiopia and with the help of this progress, attainment of several of the Millennium Development Goals is no longer a distant possibility for Ethiopia.” In the press release, the Bank quoted Trina Haque and Sunil Rajkumar, the Bank’s Task Team Leaders for the Project saying, “the expansion in basic services has been especially beneficial for the poor, most of whom live in rural areas.” These testimonies underscore the soundness of Ethiopia’s rural development policy and also lift its peoples’ morale to scale up the implementation of the strategy.

The overall impressive economic performance of the country in the last five successive years is undeniable. The fact that the economy has been growing by an average rate of more than 11 per cent --- the highest among non-oil economies in sub-Saharan Africa --- bears this out. And, despite the global economic downturn, a further 11.2 per cent growth is expected this year. Thanks to the viable policies and strategies, crop-yield per hectare is also increasing. One measure of success on this front is that farmers who were until recently were classified as food- insecure are now investing in the economy and creating job opportunities for their fellow citizens.

Complementing the progress made in agricultural, the government’s social-change efforts are yielding encouraging results. For example,

school coverage has expanded by fivefold compared to 18 years ago. What is important here is that 85 per cent of the newly constructed schools are distributed in rural areas where there were none before. As a result, the country's school-enrollment rate has this year reached 91.3 per cent as compared to 19 per cent in 1991. The female primary school enrollment has reached 83 per cent.

Recognizing the link between improvement of healthcare indicators and economic development, the government has designed a comprehensive health-related development program. As a result, encouraging results have been made in the area, particularly in rural communities that never had access to such services, rising, as it has, the national healthcare service coverage of the country to 92 per cent.

In sum, one thing is certain. In all spheres, the country is far better off today than it was 18 years ago. The achievements made so far testify to the fact that Ethiopia is close to a take off as major international organizations like the World Bank fully concur. If the present of economic development continues, Ethiopia will not only meet many of the Millennium Development Goals but would so realize its own goals of catching up with the world's medium-level income countries.