

**Testimony of U.S. Agency for International Development
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**U.S. House of Representatives Committee on Foreign Affairs
Subcommittee on Africa, Global Health,
Global Human Rights, and International Organizations
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“Ethiopia After Meles: The Future of Democracy and Human Rights”

Good morning Chairman Smith, Ranking Member Bass, and members of the Subcommittee. Thank you for inviting me to speak with you today. It is always an honor to have the opportunity to discuss USAID’s work with you, and for me personally, it is a pleasure to appear before you again.

The death last year of Prime Minister Meles Zenawi marked the end of an era in Ethiopia. Fully half of the population has never known another leader or another style of governance, and his passing brought with it both hope and trepidation for the country’s future. Ten months later, the ruling Ethiopian People’s Revolutionary Democratic Front (EPRDF) remains firmly in control of all organs of government. This includes the Parliament, which selected a new Prime Minister, Hailemariam Desalegn, and Deputy Prime Minister, Demeke Mekonnen, during an extraordinary session on September 21, 2012, marking Ethiopia’s first peaceful political transition in modern history. It is significant that neither Hailemariam nor Demeke is a member of the TPLF (Tigray People’s Liberation Front), which led Ethiopia since the 1991 overthrow of the Mengistu communist regime, nor are they members of the Orthodox Church, unlike all of their predecessors.

In recent years, Ethiopia has experienced a period of relative stability and marked improvements in the well-being of its people. For example, the Government of Ethiopia’s Productive Safety Net Program (PSNP), which has provided food and cash in exchange for building community infrastructure, helped prevent 7.2 million people from slipping into crisis during the historic 2011-12 drought. The availability of education and health services has flourished, even in remote communities. Ethiopia is one of the United States’ key African partners in fighting terrorism, countering the effects of global climate change, promoting food security, and providing peacekeepers in some of the most difficult locations in Africa such as Darfur and Abyei. In fact, USAID’s programs in Ethiopia have seen remarkable results. At the same time, the Ethiopian government has systematically limited space for political parties, independent media, and civil society to operate, significantly constraining the ability of the people to influence government decisions and hold their government accountable.

USAID believes that open channels of communication with the Ethiopian government create opportunities to influence democracy, rights, and governance issues. Bilateral engagement on development issues and donor forums are some of the avenues through which the United States brings concerns to Ethiopian officials. By working with the Ethiopian Government to meet its stated commitments to improve governance and ensure that the population transparently and accountably receives improved services, the U.S. Government safeguards its development investments and encourages democratic opening.

USAID uses a “two-pronged approach” to address democracy, human rights and governance issues in Ethiopia. The first prong integrates democracy, human rights and governance approaches and outcomes into the significant investments USAID is making in other sectors (such as health, agriculture, and climate change) to support social and economic resilience in Ethiopian society and to encourage communities to participate in decision-making. The second prong promotes respect for human and civil rights, capitalizing on opportunities that arise. In this vein, USAID supports political dialogue, legal education, and court reforms through a variety of groups, including with civil society organizations that have exemptions to the Charities and Societies Proclamation (CSP), universities that are not covered by the CSP, and the Government directly. Although there are major impediments to working with civil society organizations in Ethiopia, it is in the interest of the United States to fund these civil society organizations that deliver services in a manner that is accountable to the citizenry and respectful of human rights.

USAID has taken advantage of Ethiopia’s commitment to poverty reduction to build a strategy that supports sustainable development through community-based decision-making and public involvement in every area of our work—from agriculture and economic growth to health and education. We encourage social accountability mechanisms such as scorecards and participatory budgeting to help citizens hold government accountable for service delivery and institute the practice of participation and dialogue.

The Ethiopian Government’s comprehensive development plans focus on agriculture-led economic growth as a long-lasting solution to Ethiopia’s chronic poverty and food insecurity. Ethiopia was one of the first African members of the New Alliance for Food Security and Nutrition, a commitment by G8 members, African countries, and the private sector to reduce poverty through inclusive agricultural growth. Under the New Alliance, the Government of Ethiopia and G8 members have endorsed a country-specific cooperation framework, through which the Government of Ethiopia has committed to specific policy actions that will improve the environment for private investment that will help Ethiopian farmers increase their productivity.

The G8 New Alliance in Ethiopia is making progress in all commitment areas. An integral seed policy commitment has been completed and other commitments in private sector investment and land certification are underway. Select multinational and local companies are making progress on their investment commitments. For example, USAID, the Government of Ethiopia, and DuPont/Pioneer recently started an enterprise that will boost maize productivity among smallholder farmers and increase food production for local communities by building on DuPont/Pioneer seed and production technologies.

Through Feed the Future—the United States’ initiative through which it carries out its New Alliance commitments—USAID supports Ethiopia’s priorities for agriculture-based economic growth by improving crop and livestock production, promoting private sector engagement, supporting research and development, and improving market activity. Staff of the new Agriculture Transformation Agency, the Government’s Central Statistics Agency, and the Ethiopian Agricultural Research Institute benefit from USAID training to assist them in becoming more effective and informed administrators who are accountable and more open to input from civil society. Our support also helps the Government survey its citizens on effectiveness of agriculture

development programs and policies. USAID works with hundreds of farmer cooperatives and business associations to improve transparency with improved internal auditing systems, the creation of bylaws for election and operations of governing boards, and increased female participation. We support dialogue between civil society and federal and local governments, assembling hundreds of stakeholder meetings involving government officials, cooperatives, agribusinesses, and farmers to discuss issues that inhibit the growth of the agriculture sector.

In response to the serious drought that affected Ethiopia in 2011-12, USAID expanded efforts to build resilience and reduce the impact of future droughts. Major investments are being made to assist the livestock sector to be more sustainable, to help former herders to transition to new livelihoods, and to tackle nutrition problems. This is part of a multi-donor effort, developed in cooperation with the Ethiopian government, which is investing over \$1 billion on resilience in Ethiopia. The recent creation of a State Minister for Livestock in the Ministry of Agriculture demonstrates their increased commitment to tackling these issues.

The PSNP and emergency food assistance are also critical to continuing Ethiopia's improvements in food security and to protecting vulnerable households from shocks. The PSNP—which USAID helped design and is now its most significant donor—was one of the first major efforts to introduce local safeguards that allow beneficiaries to air their grievances through district and sub-district appeals committees. It also promotes civic participation by including communities in district and sub-district food security groups that select beneficiaries for the program, develop community plans, and choose public work projects.

USAID's larger effort to improve the health of Ethiopians will also help build resilience to shocks. Despite major strides over the last decade, the Ethiopian people still face high rates of death and disease. About 350,000 children die each year, and more than 90 percent of child deaths are due to preventable or treatable causes such as pneumonia, diarrhea, malaria, malnutrition and HIV/AIDS. Ninety percent of births occur without the assistance of a skilled health professional, and as a result, 19,000 new mothers die each year.

At the African Leadership on Child Survival meeting hosted by the Government of Ethiopia earlier this year, the consensus reached by over 20 African countries present was both significant and historic. The participating countries declared that they are committed to developing and implementing country-led roadmaps that integrate ongoing efforts to accelerate progress to end preventable deaths among children by 2035, and reduce the mortality rate to below 20 per 1,000 live births in all African nations. With support from USAID, Ethiopia has been at the forefront in working toward the achievement of these goals.

USAID's integrated health care program focuses on improving maternal, neonatal, and child health; voluntary family planning and reproductive health; preventing, controlling, and treating infectious diseases including HIV/AIDS, tuberculosis, and malaria; increasing access to clean water and sanitation; and improving the nutritional status of women, infants and young children. USAID also supports the development of much needed human resources and health systems. USAID helped train and deploy over 32,000 health extension workers and 4,000 health officers, greatly increasing the reach of primary health services. USAID also supported the creation of decentralized financial systems at 76 government hospitals and 934 health centers, resulting in improved service quality and financial management.

These programs are implemented alongside complementary efforts to improve the governance of the health sector and citizen participation in decisions about their local health systems. USAID helped the Government of Ethiopia adopt legislation promoting workplace and community-level health insurance, the first of its kind in the country. We are strengthening social accountability by supporting civic participation in facility governance boards, which allow communities to take ownership of the facilities and demand better quality of services and more transparency in budget allocation. An improved health management information system that provides more accurate and timely information will improve evidence-based decision making, planning, budgeting, and transparency. At the same time, USAID grants strengthen the technical and organizational capacity of local nongovernmental organizations to more effectively deliver health services while also strengthening local civil society.

Similarly, USAID has worked closely with the Government of Ethiopia to improve its education system, with impressive results. Over the past 15 years, the Government of Ethiopia has achieved unprecedented growth in universal primary enrollment, which now averages around 95 percent. This effort included a massive initiative to build new schools and alternative basic education centers, decentralize the administration of sector, and conduct national campaigns on the importance of education. Today, Ethiopia has nearly achieved the second Millennium Development Goal, to achieve universal primary education.

However, three USAID national learning assessments revealed that the quality of that education remains well below standards. Rapid growth in enrollment, large classes, and a lack of teaching materials hampered efforts to improve educational quality. The number of years a child spends in school and the quality of that schooling have a direct impact on a country's future growth and stability, so education, especially high-quality education, will be a major factor in reaching Ethiopia's goal of achieving real and long-lasting development. Without an educated citizenry, Ethiopia cannot expect employees or entrepreneurs to perform at maximum capacity, or its public servants to deliver high-quality services.

Therefore, USAID is complementing efforts to get and keep millions of Ethiopian students in school with programs that build the capacity of teachers and institutions with the active involvement of communities. One USAID program to improve primary school management is also building accountable and participatory school leadership while emphasizing strong and continuous monitoring of student and school progress. Another program helps to build civic participation among Ethiopia's primary school children in collaboration with the Ministry of Education, Regional Education Bureau, and the Ethiopian Scout Association. Through this effort, USAID helps youth understand social, economic, and political systems and have pride in their heritage. It also enables them to develop a keen respect for the basic human rights and prepares them to become leaders in their society. Dunia, the 14-year-old "Finance Minister" of one of the student councils benefiting from the support, said that "we collect money in a model banking system, where each pupil records their deposits in a banking book and at the same time providing services within the school to generate income. The saved money could be used to cover school expenses and assist the needy."

To close the education gap between boys and girls, USAID identifies gender-related obstacles and implements remedies to remove and overcome them. Better education, especially for girls, has been proven to result in better health and nutrition, higher infant birth weight, age-appropriate entry into school, lower risk of contracting HIV/AIDS, and lower infant mortality, due in part to delayed marriage and child bearing.

To fuel its development efforts in health, education, and economic growth, Ethiopia plans to increase its installed power production capacity from its current 2,000 MW to 10,000 MW by 2015—a goal that will require a \$7 billion investment. To reduce the amount of government financing necessary to bridge this gap, the United States is working with Ethiopia to open up the power sector to private power providers. In early June, USAID signed a memorandum of understanding with the Ministry of Water and Energy that will serve as the foundation for a multi-year program to strengthen the ability and capacity of the Government to negotiate and close deals with private power developers.

Sustainable development requires good governance and accountability. By continuing to work together with the Government of Ethiopia on our shared agendas to advance economic growth and development, we are fostering opportunities for dialogue about public participation and transparency while having real, positive effects that will accumulate over time into significant change—change which will provide an enabling environment for democratic governance. Ongoing dialogue with the Ethiopian Government creates opportunities to advocate reforms that will hold government accountable, and gradually expand political rights and civil liberties. By integrating democracy and governance work into the significant investments USAID is making in other sectors, we are gaining important opportunities to support social and economic resilience in Ethiopian society.

Thank you, Mr. Chairman, Ranking Member Bass, and members of the Subcommittee for inviting me here today and for your continued support of USAID's work.