



ETHIOPIA STRATEGY SUPPORT PROGRAM

Bridging Knowledge and Policy

RESPONDING TO DEVELOPMENT CHALLENGES THROUGH ENHANCED KNOWLEDGE

The Ethiopia Strategy Support Program (ESSP) is a unique collaborative effort between the International Food Policy Research Institute and the Ethiopian Development Research Institute. The program, which is based in Addis Ababa, began its activities in late 2004 with the aim of undertaking timely and actionable research to fill knowledge gaps in the formulation and implementation of the country's economic strategy and policies, improving the knowledge base available for such analysis, and strengthening national capacity to undertake such work.

Ethiopia faces an evolving and highly complex set of development challenges. Its development strategy is centered on the core principle that agricultural growth is the engine driving the country's transformation from a largely agrarian, subsistence-based economy to a modern industrial state. Thus, increasing rural productivity and incomes is essential to eradicating poverty. However, this requires not only a science- and technology-based agricultural revolution, but also an effectively functioning marketing system to distribute both inputs and outputs, along with efforts to improve environmental sustainability. At the same time, the strategy must also address the problem of protecting the assets and improving the livelihoods of the large rural population that is chronically food insecure.

In the period since 2004, as Ethiopia emerged from crisis and began experiencing rapid economic growth, the Ethiopia Strategy Support Program has engaged with national policymakers and analysts in responding effectively to the country's evolving policy challenges and needs for analytical support. Now the program addresses the following challenges: balancing growth across sectors and income groups, providing basic economic and social services, fostering rural-urban growth linkages, enabling markets to better serve the poor, and promoting the commercialization of smallholder agriculture.

A UNIQUE AND EFFECTIVE PROGRAM DESIGN

To function effectively and responsively, ESSP is designed to operate in a uniquely dynamic and flexible way. It is country-driven and country-owned in that it was initiated at the request of the Ethiopian government and its priorities are set and updated annually by a high-level national advisory committee. ESSP is supported by a consortium of five donors who have pooled their funding to support policy analysis and evidence-based policy dialogue, with the understanding that national partners set the agenda. Further, the Program is closely linked to the policymaking arena as the chairman of the national advisory committee and director of the host institute, EDRI, is

also the chief economic advisor to the Prime Minister. ESSP is also structured in a way that enables it to collaborate with an extensive and unlimited range of partners, including academic institutions in the country, private-sector and civil-society actors, technical experts in line ministries, and donor agencies.

Finally, ESSP, though based in Ethiopia, is positioned as a global center of excellence, able to draw on broad expertise from IFPRI's Washington DC headquarters and beyond, thus fulfilling its objective of bringing all relevant knowledge to bear on Ethiopia's specific challenges while generating international public goods to enhance global learning.



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THE ETHIOPIA STRATEGY SUPPORT PROGRAM

ESSP, a collaborative undertaking between IFPRI and EDRI, builds on IFPRI's longstanding involvement of nearly 20 years in Ethiopia. It seeks to strengthen policy analysis and dialogue by helping to bridge the knowledge gaps that policymakers face in promoting agricultural and rural development.

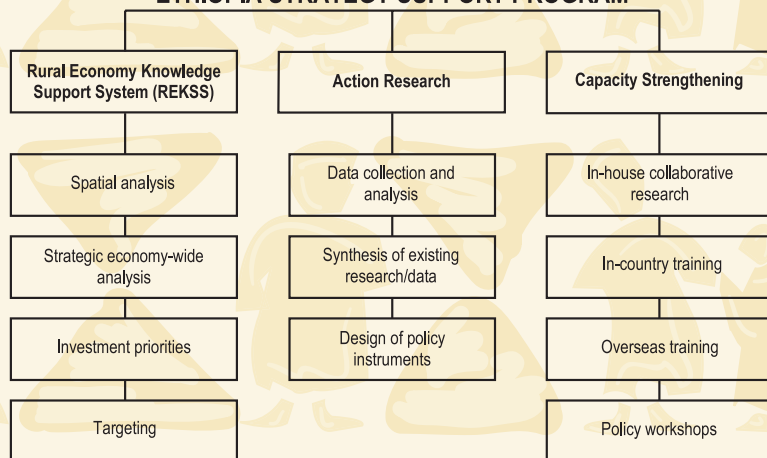
The Program's objectives are to

- generate policy research results as needed to fill key knowledge gaps,
- build a stronger and more integrated knowledge support system, and

- strengthen the technical capacity of Ethiopian policy research institutions.

The ESSP team is composed of nearly 30 highly qualified international and national researchers, based in Addis Ababa and Washington DC, who work with a broad set of collaborators in relevant partner institutions. The Program's primary administrative base is the IFPRI Addis Ababa office (on the campus of the International Livestock Research Institute), with an active research and outreach base at EDRI.

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Institutional capacity has been strengthened through a wide range of collaborative activities: establishing a spatial analysis unit at EDRI; building the most extensive Social Accounting Matrix to date; focusing on primary data collection, including a major national household commercialization survey and the first national survey of cooperatives; producing the first atlas of the Ethiopian rural economy; undertaking specialized training and learning events; and supporting policymaker visits abroad. ESSP has contributed actively to policy communications and dialogue with more than 22 policy seminars and workshops, 3 major national conferences, 19 media features, and some 20 outreach activities in external events, just in the first two years of the program.

Through ESSP's work a major new initiative has emerged: the ECEX Project. The project's goal is to establish Ethiopia's first commodity exchange. ESSP is providing technical and analytical support for the exchange's design and implementation.

PROGRAM STRUCTURE

The Program has three pillars:

- a *rural economy knowledge support system* (REKSS) to integrate knowledge and conduct analyses of the rural economy, as well as to track the impact of rural investments and activities;
- *actionable applied research* to improve or fill gaps in rural development knowledge; and
- policy analysis that *strengthens capacity* through in-house collaboration, targeted training, outreach, and related activities.

PROGRAM HIGHLIGHTS AND ACHIEVEMENTS

Following its inception in 2004, the Program embarked on a highly ambitious, broad-reaching, and exciting research and capacity-strengthening agenda. A program team, combining first-rate Ethiopian and international researchers, has generated a steady flow of analytical results presented in reports, journal articles, workshops, and policy briefs. Issues covered include

- Strategic Options for Growth and Poverty Reduction
- Agricultural Performance and Growth Linkages
- Impacts of Public Spending on Rural Welfare and Growth
- Policy Options for and Tradeoffs of Price Risk Management
- Commercialization of Smallholder Agriculture
- Impact and Performance of Cooperatives
- Design of the Ethiopia Commodity Exchange
- Spatial Analysis of Development Domains
- Innovation Systems and Livelihoods
- Impact of Productive Safety Nets

COMMUNICATIONS AND PARTNERSHIP

ESSP achievements have depended on coordination and communication with key partners and stakeholders, including policymakers, donors, researchers, and private-sector and civil-society leaders. In addition to numerous organized events, ESSP outreach has involved media campaigns as well as innovations such as a national photo contest on rural livelihoods and a newsletter drawing on the voices of nontraditional stakeholders.

The Program has developed formal links with key institutions such as the Central Statistical Agency, the Ministry of Agriculture and Rural Development, the Ministry of Finance and Economic Development, the Ethiopian Institute of Agricultural Research, the Ethiopian Economics Association, regional agricultural universities and research institutes, and numerous private trade associations.

NATIONAL ADVISORY COMMITTEE

- Chief Economic Advisor to the Prime Minister and Executive Director, EDRI
- State Minister for Agriculture
- State Minister of Finance and Economic Development
- Director General of the Ethiopian Institute of Agricultural Research
- Director General of the Central Statistical Agency
- Dean of the Faculty of Business and Economics, Addis Ababa University
- President of the Ethiopian Chamber of Commerce

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