

Strengthening partnerships for effective development cooperation

GOVERNANCE & DEVELOPMENT



National context

Low Aid Dependency (FY14)

1.77% of GDP

33% of ADP

Grants 30% - Loans 70%

Key indicators	(FY14)
Economic growth	6,12 %
Expenditure/GDP	13.9%
Public Invest/GDP	5,7%
Remittances	USD 14 billion
FDI/GDP	1%

- **“Lower Middle Income Country”** since 2015
- Aspiration to be an **Upper Middle Income Country** by 2021

National context: investment in the 7FYP

Item: BDT in Billions	Total	Share (%)	Public	Share (%)	Private	(Share %)
Total Investment	31,902.8	100.0	7,252.3	100.0	24,650.5	100.0
Domestic Resources	28,851.0	90.4	6,384.6	88.0	22,466.4	91.1
External Resources	3,051.8	9.6	867.6	12.0	2,184.1	8.9

=> This requires **good governance, higher investment and higher productivity**

International context




Global Partnership
for Effective Development
Co-operation




FINANCING FOR DEVELOPMENT
13-16 JULY 2015 • ADDIS ABABA • ETHIOPIA
TIME FOR GLOBAL ACTION


Recent achievements strengthening governance

- National Integrity Strategy
 - Grievance Redress System
 - Whistle Blowers Protection Act
 - Human Rights Commission
 - Citizen Charter
 - Annual Performance Agreement
 - AIMS
 - PFM
 - Parliament strengthening
 - Digitization, e-governance, e-procurement and Access to Information
 - Improved Development Results Framework
 - Independent judiciary
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LMIC: Rethinking the role of ODA

- Using ODA increasingly as a **catalyst** to mobilise other types of development resources, for infrastructure development, private sector development, strengthening tax, improving supply capacity and productivity, etc.
 - In other areas: **strengthening government's capacity** to realize the global goals through institutional strengthening and human capacity development.
 - Promoting **regional cooperation**
 - Upcoming **Development Cooperation Policy** to reflect this
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Going forward: what government needs to do

- Strong accountability (NHRC, Information Commission, Office of the Comptroller and Auditor General etc.)
 - Stronger internal control on performance and value for money
 - Full implementation of NIS
 - Further PFM and public expenditure reform
 - Broadening Tax Base and private investment
 - Reducing approval time for DPP/TPP, strengthening project implementation capacity and project readiness
 - Using LCG as a platform for SDG and 7FYP implementation and monitoring, involving new actors and new sources of finance
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Going forward: what government would like to see from DPs

- More use of country systems
 - Programme based approaches, harmonization and joint programming
 - Implementing Busan principles: national ownership and alignment, focus on results, inclusiveness, transparency & accountability
 - Holistic approach to capacity development – bilateral and multilateral support to more solid institutions & implementation capacity
 - ‘catalytic ODA’: leveraging private and domestic resources, strengthening accountability institutions
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Going forward together

Joint Cooperation Strategy with action plan, as a solid reflection on the “how” of development, consolidating these commitments, reflecting our engagement to strong SDG and 7FYP monitoring, to good governance, to effective development partnerships and to catalytically used aid

