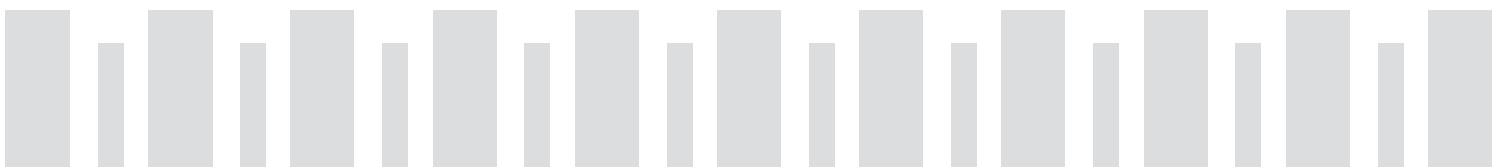


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ANNUAL REPORT
Ethiopia 2015





Our Identity

OUR VISION

To see a poverty-free Ethiopia where every person lives in dignity and prosperity

OUR MISSION

To work with people living in poverty, women, youth and children to eradicate poverty

OUR VALUES


- **Courage of conviction:** - We nurture a working environment that supports creativity, courage and principled actions without fear of failure in the pursuit of making the greatest possible impact on the causes of poverty;
 - **Equity and justice:-** In our relationships and dealings with people and institutions, we endeavour to ensure that all people irrespective of gender, ethnicity, location, political affiliation, health status, religion, social class etc. have fair and equal opportunity;
 - **Solidarity with people living in poverty:-** In the fight against poverty, we align ourselves with poor people, women, youth and children ;
 - **Mutual respect:-** We recognize and respect the innate value, potential and power of all people;
 - **Integrity:-** We uphold the highest degree of honesty, transparency and accountability in the discharge of our duties and responsibilities as well as relationships with others;
 - **Quality:-** We work with a sense of professionalism and maximize value for money;
 - **Humility:-** In our presentation and behaviour, we recognize the immensity of the task and we believe that we are part of a wider alliance against poverty;
 - **Independence:-** Our approaches, relationships and actions are free from any religious, ethnic or party political affiliation
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Acronyms

AAE	ActionAid Ethiopia
BEN-E	Basic Education Network-Ethiopia
BS	Big Step
CBO	Community Based Organization
CD	Country Director
CN	Concept Note
CRSA	Climate Resilience Sustainable Agriculture
CP	Country programme
CS	Child sponsorship
CSA	Charities & Societies Agencies
CSP	Country Strategy Plan
DA	Development Area
ETB	Ethiopian Birr
ETA	Ethiopian Teachers Associations
GBP	Great Britain Pound
HR/OD	Human Resource/Organizational Development
IGA	Income Generating Activities
NGOs	Non-Government Organizations
NS	Next Step
PRRP	Participatory Review & Reflection Process
PTAs	parent-Teachers Associations
SAC	Saving And Credit
SHGs	Self Help Groups
SMCs	Scholl Management Committee
SNNPRS	Southern Nation Nationalities & People Regional State
WASH	Water, Sanitation & Hygiene

The Country Director's Message

Dear colleagues, partners and readers,

I feel much honoured once again reflecting and sharing ActionAid Ethiopia's deeds, challenges and learnings during the year 2015.

Despite the many challenges, especially related to the of the El Nino effects ActionAid made huge positive impacts in lives of women, men and children in communities it worked with during the year.

El Nino that caused rain failure in many parts of the country caused food and water shortages during the year in nine of the 16 woredas where we operate. This severely affected food availability for people and livestock.

Supporting the people affected to cope with the food and water shortage was, therefore, one of the major engagements of ActionAid during the year. Our humanitarian work included resilience building activities like developing shallow and deep wells, cash grant for food and grain supply as well as seed for recovery.

Case stories of how AAE emergency responses sustained lives of human beings and cattle are included in this report.

On the other hand, AAE continued the development activities in its operational areas reaching thousands of people in remote villages and supporting local organizations to have a meaningful impact on our climate resilience sustainable agriculture, women development and quality education working with local governments in integrating a community-led, bottom-up approach to development.

Accordingly, positive changes continued to happen in lives of individuals as well as groups in the communities we work with.

Included in this report are stories of women capacitated to transform their family's lives from destitution. The empowerment of such women is evidenced by the fact that they were resilient to the drought while thousands have survived on emergency handouts.

ActionAids efforts towards ensuring accessibility and quality of education continued during the year under review. Accordingly, 33 new schools were constructed and many ACCESS schools upgraded into formal schools.

AAE's works in the area of public services have also benefited tens of thousands. This spared thousands of women from walking long distance in search water while they also improved health and livelihood of communities.

Effects of the past years of troubled global economy and the rising humanitarian crisis posed a challenge to our works affecting the fundraising markets and child sponsorship incomes.

Among our biggest learnings of the year were the need to work more with CBOs as a resilience building strategy so as to reduce people's vulnerability to drought and other emergency effects. The need to intervene in preschool education as a means to improve quality of education was also among ActionAid's learnings during the year.

At this point, I kindly encourage you to read the report and much more on the case stories to get the human face of the report.

Thank you



Jemal Ahmed

1. INTRODUCTION

ActionAid(AA) is an international non-governmental development organization that has been operating in Ethiopia since 1989. It is a member of the ActionAid International Federation. In Ethiopia, it is registered as Foreign Charity organization. It envisions a poverty free Ethiopia where every person lives in dignity and prosperity. ActionAid Ethiopia (AAE) works in partnership with communities, government and nongovernment organizations as well as other development actors to end poverty. ActionAid's development intervention mainly focuses on promoting sustainable agriculture and building resilience, ensuring access to quality education, building the capabilities of women and girls by integrating economic and social alternatives and capacitating community based organizations to increase peoples' access to economic and social services. AAE's development works involve people living in poverty and other stakeholders through participatory review and reflection processes. All programs contained in the above objectives are implemented in partnership with grassroots communities and their organizations, government sector offices at woreda, zone and regional levels and local non-governmental organizations.

This report outlines major performances during 2015. It describes key achievements of major development works undertaken at community, regional and national levels. It also covers the performances of major departments and functions that played key role to the achievements registered during the period under review.

Besides the Country Director's message, details of programme work achievements under each thematic area as well as various individual and group success stories of community members are incorporated in this report.

Moreover, reports of Fund raising and Sponsorship, Finance, HR/OD, Impact assessment and Shared Learning and internal Audit functions are presented

2. OUR PROGRAMME PRIORITIES 2013 – 2017

Women Development

Objective: Empowered & organized women and girls to protect themselves from social vices, and enjoy improved economic alternatives

Climate Resilience & Sustainable Agriculture (CRSA)

Objective: Improved livelihood and resilience of people living in poverty through engaging in sustainable agriculture and enhanced capability of managing risks

Public Service

Objective: People living in poverty are organized and empowered to influence the responsiveness of the public sector and secured quality basic services

Education

Objective: Organized and empowered people living in poverty to influence and secure quality public education

Major Achievements in 2015

As stipulated in the Country Strategy IV (2013-2017), AAE works in four thematic areas that are closely inter-linked. ActionAid focused on Women Development, Climate Resilience Sustainable Agriculture (CRSA), Education and Public Services during 2015. The organization carried these development works in Fourteen Development Areas (DAs) located in 17 Woredas in Oromyia, Benishanguel Gumuz, SNNPRS, Tigray and Amhara Regional States. Communities, local governments and other stakeholders at federal and regional levels worked closely with ActionAid as usual. Our engagements during the year were aligned with and contributed towards achieving the millennium development goals and national poverty eradication priorities while maintaining synergy with ActionAid Federation strategy.

ActionAid's key engagements and achievements during 2015 are highlighted under different topics below.

2.1 Women Development

Our Women Development activities are centred around promoting women leadership and economic empowerment. We also fight norms and practices hampering women's economic and social advancements. In 2015 we build capacities of Women organized in different socio-economic groups to enhance their self-reliance.

Women Social Empowerment

Women living in poverty were organized in different groups to challenge social norms negatively affecting their participation in and benefit from development and economic empowerment. Accordingly in 2015, ActionAid supported formation of 32 women groups, with a total of 1738 members. These women groups were provided with training and refresher training against factors affecting their health, education & wellbeing. These were also provided with seed capital and supported in constructing respective offices. Rural women groups' attended learning sessions on women's enhanced role in development at Woreda level. Thousands of women were supported to build their capacity through experience sharing and learning forums. Organized grassroots urban women attended various training to advance their economic and social wellbeing; and later formed 40 self-help groups comprising of 704 women. AAE promoted safe cities for women's and girls' benefit in and from development through a safe city radio program in the year.

Women Economic Empowerment

Needless to say, increased income leads to better education, better health and livelihood. This ultimately contributes for national development. Thus, in 2015, 5,316 women 1955 of them youth were engaged in various income generating activities. These included women in six of AAE's intervention areas who are organized in bee-keeping, restocking (shoats and fattening), petty trading, poultry and milk marketing. Restocking (shoats and fattening) groups absorbed a total of 4040 members incorporating the majority of women organized. Other 766 women are engaged in petty trading. These setups have enabled women to support their families covering schooling and medical care. AAE in collaboration with pertinent stakeholders enlightened these women on cooperative principles, basic business skill trainings besides availing financial resources that enable members to expand their business and to help more women engage in similar business in the coming years.

Thus, 9348 girls, 20,774 youth and 15847 adult women were mobilized in 2015 making the total number of women and girls mobilized through various awareness and sensitization events 45,969.

2.2 Climate Resilient Sustainable Agriculture (CRSA)

Climate Resilient Sustainable Agriculture (CRSA) is one of the priority areas of ActionAid Ethiopia to enable communities to realize food security and self-sufficiency at the household and community level. Details of performance under major components in the theme are discussed below:

Food Security

ActionAid set a target to support 42,127 community members to improve their food security in 2015 by practicing CRSA. At the end of the year 13,419 people (7030 female and 6389 male) increased their food security through increased productivity of crops and livestock employing small scale irrigation, owning small ruminants and increased incomes. But the achievement is significantly lower compared to the target. The major reason for the lower achievement is the El Nino triggered drought which severely affected the country as a whole in 2015.

Sustainable Agriculture

ActionAid had a plan to support 20,755 farmers to practice CRSA in 2015 and it achieved even more. A total of 39,496 farmers (13416 female and 26080 male) practiced the different pillars of CRSA during the year. The pillars included soil and water conservation through the water shed management and degraded land rehabilitation, livelihood diversification through production of small ruminants and engaging in small businesses through loan accessed from saving and credit cooperatives and market access.

Furthermore, ActionAid planned to strengthen capacities of 4,937 farmers living in poverty through trainings under CRSA technicalities and trained 10,614 during the year. 5,277 of the beneficiaries were females. The training included leadership and financial management for leaders of cooperatives and unions, improved beekeeping practices and business skill training, honey and wax production and marketing, improved irrigated vegetable production techniques and cooperative management. Moreover, capacities of community-based institutions, agriculture based organizations including small scale irrigation, livestock production, and multipurpose cooperatives were strengthened. Additionally capacity of saving and credit unions and cooperatives strengthened with provision of revolving fund to enable them to provide loans for their members. Upgrading small scale irrigation schemes, transforming primary cooperative to secondary level cooperative /union, introduction of better performing sheep/ goat breed to selected farmers and provision of improved seed took the lion share of our works under this theme. Various undertakings, such as business skill and experience sharing visits, market assessment were also done to build farmers capacity and their institutions for creating market linkage for the farmers.

The achievement during the year significantly exceeded the target because of efficient utilization of available resources that enabled training more people in CRSA. The training empowered communities and capacitated their institutions to create market linkages, practice better resource managements, enhanced leadership capacities and initiate alternative means of income. Our livelihood activities are centred around Women's Self Help Groups, so that more than 40% of the targets are women.

To this effect in 2015 a total of 63,529 people including 25,723 females benefited from increased productivity of crops and livestock which contributed for the improved access to food and increased incomes at household level.

On the other hand, El Nino triggered drought affected the country as a whole in 2015. Thus, ActionAid provided different types of humanitarian assistance to people affected by the drought in different parts of the country. Accordingly, a total of 33,534 people (14,985) female benefited with emergency water supply, food aid and emergency seed support in five of AAE's operational areas.

“Water rationing rescued my family “



Adina Workineh, 41 lives in a small remote village in Awuchara Kebele of Janamora Woreda of North Gondar zone in the Amhara Regional State. She has three children. Adina had been highly affected by the 2015 drought. “I used to collect water from unprotected spring earlier. However, the rainfall during the previous rainy season was highly insufficient and the spring in our village dried up, July 2015. Hence, I started collecting water from a distant area in another woreda which is adjacent to our village. I walk seven hours to and from the water source.

The road is sloppy and highly ragged. The temperature is also hot. Moreover, there are wild animals and sometimes Gelada Baboons slide stone from the mountain ” she explained.

Adina went on to say, “Thanks to ActionAid-, I have been receiving 20 liters of water per day for one month now. This had been a big relief from all the problems I faced in search of water. ActionAid transport water from other areas and distribute it in our village. This saved us much time and energy. We use the water for drinking, cooking food and keeping our hygiene. Now the life of my family and that of other villagers is in good condition

“on the other hand, we are also paving a road and i am sure all the villagers will have access to all services including water rationing in their proximity” She concluded.

The emergency work is carried out in a way that ensures accountability and transparency. As a rigorous targeting was done in collaboration with the district task forces, kebele committees and community members, the water support reached people most affected by the drought. Women being the most vulnerable groups are the main target of our emergency works.

Women growing resilient against shocks

Aberu no more vulnerable

ActionAid’s project “Sustainable Livelihood for women and their families” succeeded in transforming 5,107 women from acute poverty to decent leaving in Ofla Woreda of the Tigray Regional State during the last three years. These women are less affected by the current drought which made many people in their area live on food aid.

To ensure the livelihood of the women having 17,000 family members, the project first supplied the first batch of targets, 1,700, with 6,800 shoats (sheep and goats). Every woman received four female sheep/goats. In 18 months each of these women transferred four offsprings to the next targeted 1,700 women and the trend continued. By the end of 2015, the total saving of the women organized under 13 cooperatives reached 536,815 USD. The project financed by the Pharo Foundation is executed in partnership with the Woreda Government, during April 2012 to March 2015.

The revolving loan enabled the women to engage in small scale businesses and to diversify their income sources. The amount of loan ranged from 57- 229 USD based on the business plan they developed and submitted to respective cooperatives. Animal management, business skill and entrepreneurship training as well as support to cooperatives in constructing and furnishing offices were also among the support from ActionAid.

Over three years back, most of the women worked as daily laborers and domestic helpers for better off farmers in the area. Some were also involved in commercial sex work. Their annual income was average of 208 USD compared to USD 483 currently. Less than half of the targeted women practiced inconsistent type of saving before the project. Currently, all the 5,107 cooperative members save a minimum of 1.3 USD monthly. The women's saving serves as the largest loan resource in the area. Animal fattening, retailing goods, running small café and restaurants and shops are among the businesses they run. In general, about 68% project target women built more than two income sources as compared to 28% before the intervention.

Ofla District is one of the areas affected by the 2015 global El Nino effect. However, thanks to the support of the project, women in 13 project target areas are able to cope up the drought effect without external support. Their diversified income source helped the women to withstand the natural shocks.

Furthermore, the project enhanced women's' participation in public socio-economic events. Over 52 women supported by project are now involved as leaders in the kebele/village land use administration office, social courts, kebele women associations and local net-works.

Women lead their cooperatives. This enhanced their confidence and assertiveness. *"We took no share during divorce in the past, now women claim equal share of resource and we as a group also fight to ensure equal share."*

To ensure sustainability, the 13 saving and credit cooperatives supported by the project formed **Ofla saving and credit Union**, at the district center. The Union provides leadership and business skill trainings, audit service and loan provision. In general, it gives bank services for the district and surrounding community.

Aberu Tumay 41 lives in Hugumburda area, where AAE intervenes through the support of the Pharo Foundation. She is married with two children.

Before advent of the Pharo Foundation project, she was a house wife, fully dependent on her husband's little income.

In the 2013, Aberu joined Ado Women Saving and Credit Cooperative. Through this project she was provided with trainings in cooperative principles, basic business skill, entrepreneurship and animal management along with fellow women members. Following the training she was provided with four female sheep as initial resources. At that time she started saving 1.5 USD monthly. Her participation in the cooperative was growing and now she is elected as chairperson of the same cooperative.

Explaining changes in her family Aberu said, *The support of AAE through the Pharo Foundation project dramatically changed my living situation. All the skill trainings, the four female sheep and rounds of loan I took helped me to engage in various small businesses. Now, I have a total of 14 sheep and my saving has increased to 11 USD per month. I now own a small bar where I sell tea, soft drink and traditional alcoholic drinks. I have also introduced billiard game from which I earn 1.5 -2.0 USD daily.*

Thanks God and thanks to ActionAid and Pharo Foundation for their support, now I am managing my business very well. My social and economic status is improved. I have confidence and determination now.

Aberu is now elected as a member of Kebele council where she decides on issues affecting lives of women living in poverty.



Tsehaynesh, her kids and shoats

Tsehaynesh Kalayu is 45 year old. She lives in Hashange Kebele of Ofla District. She is a widow with four children. Her husband left her as he could not cope with the deep poverty the household suffered. Before the project started, she worked as daily laborer and sold local drink. However, her income did not cover the family's basic expenses including food, medication, cloth and schooling.

Her membership in the cooperative gave her the opportunity to interact with fellow women. Gradually, her awareness and knowledge on

women's potential for leadership and income generation options improved. In addition, the support of four female sheep and first revolving loan of 57.00 USD helped her expand her business of local drink while managing her sheep rearing activity.

Currently her four sheep are multiplied to 18 and five of them will give birth to new shots. Tsehaynesh took rounds of loan from the cooperative and engaged widely in local drink selling. She also bought an ox and started farming. Tsehaynesh's income is now growing and she has a saving of over 280 USD in her cooperative's account. She is now planning to upgrade her small hut into bigger house.

Now she can afford her families daily expenditure and her recognition with in the community is also growing. She is currently an executive member of her cooperative's leadership. She supports women members and her cooperative.

2.3 Education

Education as the basis of knowledge, skills, attitudes and values is a key tool to ensure sustainable Development. This has been why ActionAid focuses on education as one of its prior development interventions.

ActionAid's performance in this area during 2015 spanned from school construction to education quality assurance in the areas it intervened. As a result, in the year 2015, formal school support including constructing & furnishing classrooms, supporting girls' education through tutorial class, school clubs & construction of separate toilets for girls and boys, etc. were among the major activities it engaged on the area of education. In most parts of Ethiopia, educating girl children was not a prior concern of many households. Girls rarely joined secondary schools and colleges a decade before. Another factor that limited girls' enrolment to schools was the distance between villages and the practice of early marriage in most parts of AAE working district communities. Hence, in this reporting year, Kamashe, Azernet, and Yem DAs had planned to enhance girls' education through tutorial session arrangement in existing high schools with trainings and media electronics materials, and conducting community sensitization events. AAE through its 3 development areas benefitted 3,057 girls in organized tutorial classes and girls motivating events which helped these girls improve their academic performances. For instance, AAE together with Kamashi, Agalometi and Yaso districts Education Offices supported provision of tutorial classes for 743 girls in six primary schools for students from grade 5-8. AAE also supported the training of school community representatives and teachers in school management and leadership to improve transparency and accountability in schools.

In this regard, in 2015, a total of 33 new schools and three expansion blocks were constructed while eight ACCESS and pre-schools upgraded into formal schools to improve the accessibility of education to girls and boys as well as to enhance the quality of education in the areas.

“I am back to my previous school”

Lamrot Akililu, 14 years old, is 8th grader at Yoka primary school in Yoka kebele of Decha Woreda, Southern Ethiopia. Lamrot said “I began my elementary education at Yoka primary school and attended from 1st to 5th grade. However, we attended in dilapidated rooms with poor sanitation. There was no separate toilet for female students and there were too many of us congested in a class room. Hence, I left Yoka primary school and joined Yilio primary school which was far from my home. I attended grade six and seven at Yilio primary school which had better class rooms and sanitation facility. I walked 20 minutes more to my new school. Now, thanks to ActionAid a new primary school with a very nice sanitation facility is constructed at Yoka village only a year after I changed school and I walk only 20 minutes from my home to the new school which is constructed very close to my vicinity. The new school has four classrooms, separate latrines for girls and boys. Besides, the school awards outstanding female students. Furthermore, the school has a mini-media, and has established girls clubs. Hence, students are attracted to Yoka primary school and thus about 58 students including myself joined again this school from Yilio Primary school.



Before



After

Better school furniture and equipment contribute to the quality of education in the school and enhanced girls participation. These also resulted in increased number of students who completed primary schools and joined secondary levels. Thus, a total of 15, 310 students 6,056 of them girls completed primary education (grade 8) and joined secondary schools.

Capacity building of School Management Committee and Parent Teachers' Associations

Various awareness raising sessions and capacity building programmes were organized for community representatives delegated from School Management Committees (SMCs), Parents-Teachers Associations (PTAs), student clubs, and from government education offices. The training was meant to capacitate participants to lead the process of creating suitable teaching and learning environment in schools and their surroundings. During 2015, ActionAid also supported initiating and equipping school mini media's as well as boys and girls clubs. Training and events were also organized to raise students awareness and ensure their participation in the teaching-learning process and other school related issues. In this regard, a total of 13,836 students including 6,567 girls were organized

in girls and boys clubs, and their awareness raised to enhance quality education. Moreover, a total of 648 teachers and 1,953 parents were capacitated through training to enhance and promote quality education in the operational areas.

Strengthening partnership, Building Alliances and Coalitions

AAE continued to work with Basic Education Network (BEN-E), and actively participated and supported them in areas of Inclusive and Free Collective Vision for Quality Education beyond 2015. Moreover, AAE also supported the Ethiopian Teachers' Association (ETA) to organize a national conference on improving the quality of education. Over 400 participants from higher education institutions, education sector offices, representatives of teachers and non-government organizations participated in the conference. Besides, AAE provided technical and financial support to ETA at the 2015 World Teachers Day to observe the day under the theme, "Empowering Teachers for Improving Quality Education". Thus 1,350 people from different walks of life including NGOs, public authorities, policy makers, parents, teachers, school children and other stakeholders attended the events.

2.4 Public Service

Studies and reports indicate that the country made huge improvement in recent years in terms of making basic public services accessible to more people. Despite considerable improvements in the government's responsiveness to peoples' needs ,however, there is still huge gap in accessibility of basic service facilities, especially clean water supply in rural areas.

Water Schemes Construction

In recognition to the unmet needs of people and the pressing problem of water, ActionAid supported communities and relevant government bodies in availing safe drinking water and basic sanitation services to rural communities during the period under review. AAE believes that provision of quality basic services helps in boosting productivity and expediting socio-economic efforts to end poverty. Thus, in 2015 we constructed 14 water schemes (springs and shallow wells), and maintained three water schemes which benefitted 6,777people, 3,283 of them females. As a result of this, women were spared from walking long distance to fetch water. This gave them extra time to engage in other productive activities. This also helped in improving girls education performances and decreased number of school dropouts markedly.



Before

Clean water close by

Balote Balango, 40 is a widow with four daughters. She lives in Kerawo kebele in Genabosa woreda of the SNNPR. She is very much excited about the WaSH project in her area. She said, "the water project is a precious gift from God. I never dreamt of fetching water from such a kiosk and water point so close by. It solved the very challenging problem of safe water that troubled us for many years.



After

Earlier we used to queue up for more than three hours fetching water. But now thanks to ActionAid we have the Kerawo and surrounding water project. Besides, AAE organized and strengthened women to lead the water project. Balote added "A bright future has come to us. From now on I no longer experience miserable life due to lack of water. I have now enough time and energy to engage in other social and economic matters as the newly constructed water kiosk is in front of my house. Again I say thanks to ActionAid for its generosity and contribution to improve the quality of life of people living in poverty like me."

Institutional Capacity Building

ActionAid's trend of building women led institutions around water schemes is an innovative alternate of addressing women's immediate and strategic needs. This gives women the skill and power to manage natural resources and more so water supply schemes. AAE has been supporting in formation of women-only organizations, developing women's leadership capacities and ensuring legal registration of the organizations since its advent to Ethiopia. During 2015, we organized different training and workshops for members of women -only organizations in our operational areas. Thus, a total of 306 water management members were trained on project management and leadership. As a result, the capacity of water users associations committees & board members was enhanced and their leadership capacity improved.

Community Capacity Building

ActionAid carries community capacity building activities to mobilize, sensitize, organize and capacitate people living in poverty to actively participate in economic and social development and ultimately change their livelihoods. The main focus is creating better access, enhancing quality gender responsive public services. Women are particularly supported and organized to exercise their leadership capacities, manage and lead operations of service institutions, such as water schemes. The long term objective of such deliberations is to build their agency so as to promote their needs and aspirations. Thus, in 2015, a total of 933 females and 957 male community members were organized in 29 Reflection-Action circles discussed various development and social issues and drew implemented action points to challenge structural causes of poverty and the situations within their localities.

During the year, ActionAid helped formation of 42 community radio listeners groups in its operation areas. The essence of this programme is to promote the exchange of views, stimulating discussions on key development issues and to enhance of local knowledge. The radio programme is being implemented in collaboration with Decha and Genabosa mass media enterprises. Thus, in the budget year, a total of 1,901 including 937 women benefited from this initiative.

3. ACCOUNTABILITY AND LEARNING

AAE has ensured participation of community members and other partners with whom it works using different platforms and accountability mechanisms. Participatory Review and Reflection Process (PRRP) and use of Transparency Board are among the accountability mechanisms through which AAE ensures participation and inclusion of partners. Participatory Review and Reflection Process (PRRP) is conducted twice a year at Development Areas (DAs) level and once at national level. Pertinent stakeholders, mainly community members with whom we work, participate in the process. Joint planning and joint monitoring & evaluation are other ways through which accountability and participation are ensured. These platforms are opportunities for people to raise their concerns. In this process, priorities of people living in poverty are identified and included in the program planning.

In 2015 PRRP session participants in Decha and Azernet Berbere development areas raised the issues related to promoting children's' saving as an alternative approach and children preschools, as well as linking with primary schools, respectively. These were taken forward during the planning session. By now three children saving groups are formed in three kebeles which are considered as model and pilots for the region. Also over six children preschools are established and furnished in collaboration with the local government, AAE and respective communities. Thus, community members are now aware of the planning process and thus consciously take part on programme implementation, monitoring and evaluations ensuring more effectiveness. This practice has also helped AAE to share responsibilities among all partners.

National Project Accountability Team (NPAT) is another mechanism where funding affiliate, partners and different departments sit together to track progress, quality and compliance that help ensure prevalence of accountability.

Midterm performance review

To generate learning's and ensure its accountability to the people with whom it works in different parts of the country, to the government of Ethiopia as well as to its partners, stakeholders and supporters, ActionAid carried 2012-2017 strategy midterm performance review process. The Participatory Review and Reflection Process (PRRP) was held at two levels including community and federal level.

The representatives' of communities, woreda and Regional level government bodies from AAE's intervention areas and representatives of sector offices at Federal level, partners and staff of the organization critically looked into the strategy years performance. In addition to reviewing AAE's strengths and short falls during the period, the Participants also gave recommendations for incorporation in the upcoming plan of issues they considered AAE's engagement would be beneficial.

Among the participants was world Marathon Hero Athlete Haile GebreSelassie, ActionAid's good-will Ambassador who expressed appreciation to AAE's engagement with peoples in remote inaccessible villages in different parts of the country, especially, women and children.

Testimonies of positive changes in individual, family and community lives dominated the session which also draw important issues of consideration in future engagements of the organization.



Haile Addressing the PRRP Participants



The PRRP in Progress

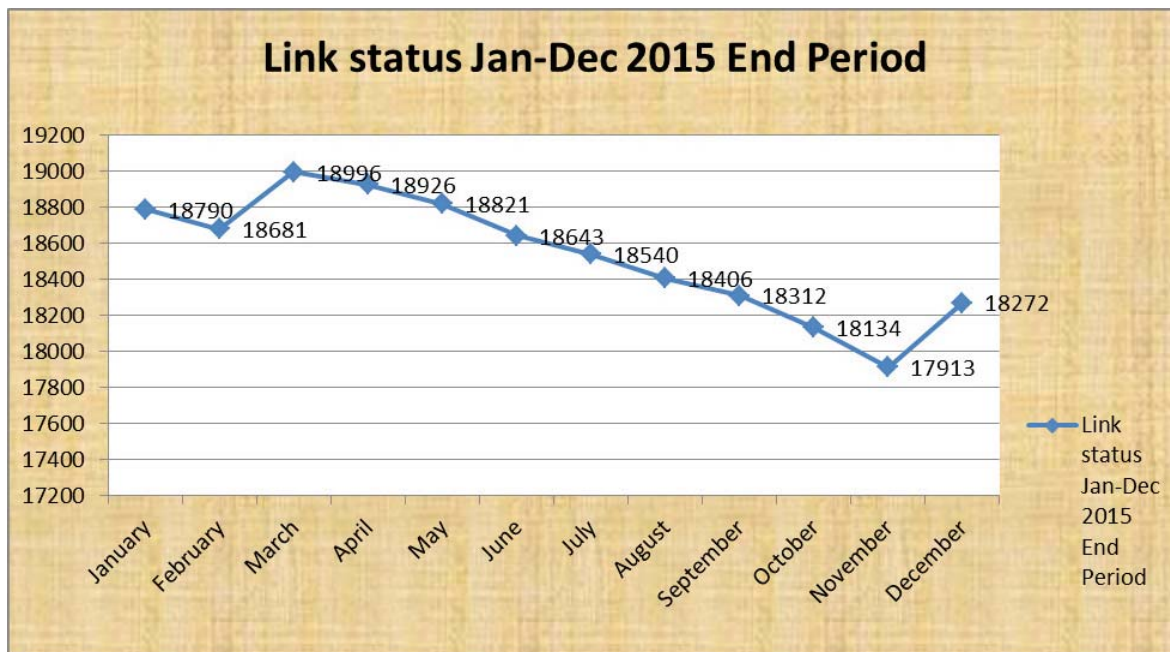
4. CHILD SPONSORSHIP, FUNDRAISING AND MARKETING

Child Sponsorship is one of our major sources of income. It provides funding for our various programmes in areas we work. In 2015 70% of the organization's income came from this source. To maintain income growth, AAE strategized supporter retention by strengthening accountability to supporters and community it works with.

Link Status & Income Level of Sponsorship Funding in 2015

The overall status of supporters links, both Child linked and Non-child linked, at the beginning of the 2015 was 18,790. The link decreased to 18,272 at the end of the year. Unlike in the past years, the impact on the overall link status has not been counterbalanced by allocation of sufficient number of new profiles from Funding Affiliates. Thus income from this source declined from month to month due to the ripple effect of the past years of troubled global economy and the rising humanitarian needs that strained individual household incomes. Amidst this fact sponsorship continued to be ActionAid's primary source of income contributing 70% of the organization's income in 2015.

Overall status of supporters in 2015



Despite all the challenges, our Child Sponsorship unit worked hard to ensure timely and quality supporter communication to supporters as per the requirement of the sponsorship policy. Accordingly, 19,000 supporters accessed pertaining reports during 2015. Timely delivery of quality photo updates was one of the priorities of the Sponsorship Unit. During 2015, 5,231 supporters received Photo updates from the children they sponsor in Ethiopia.

Sponsors Visit

In 2015 a supporter called Athena Mour from Greece accompanied by her friend visited Saba Boru DA and the child she sponsors. She also visited five other children who are being sponsored by her friends. The supporter was excited meeting her child.

Also the child and his family were very happy meeting the sponsor supporting the development work in their community. The supporter also visited programme activities of AAE like Access Center, Pre-school, income generating activities of people living with HIV.



Athena with the child she sponsors and his mother

Fundraising Context

According to AAE's CSP IV: 2012-2017, the country program funding target for the year 2015 from Partnership Income was GBP 1,044,000. Of the GBP 539,000 was from Institutional funding stream source and GBP 505,000 from High Value funding source. The department plan was to raise GBP 1,275,000 from unconfirmed income. This plan was higher than the original plan GBP 1,044,000, as included in the Country Strategy Four (CSP IV). The year 2015 was a year whereby relatively better contract management practice exercised, as compared to the previous years. As a result 21 projects were smoothly managed and 14 of these projects successfully completed. Though the numbers of funded projects were under expectation, the department has designed and submitted numbers of concept notes and proposals for potential funders.

The accorded successes were attributed to the close collaboration and synergy work on fundraising and marketing activities in an integrated manner with all organization-wide Departments/Thematic Functions/DAs/Partners and Affiliates that enhanced our efficiency towards meeting the organization's fundraising objectives.

Fundraising & Marketing Activities: A total of 18 proposals and concept notes have been prepared of which 12 concept notes worth a total amount of GBP 3,892,532; equivalent to Birr 121,583,414 & six (6) Proposals worth a total amount of GBP 602,174; equivalent to Birr 17,539,698 during the year 2015. However, due to various global and national factors, the department secured less. We have signed a contract of only five projects with a gross value of GBP 892,705.

Donor funded project

No	Name of the project	Budget	Donor Name
1	Kemba Mero school water supply Project	GBP 20,000	MonMouth Aid
2	BRACED Seru & Kombolcha FS Project	GBP 721,000	DFID -UK
3	NORAD Education & Domestic Resource Mobilization Research Project	GBP 43,000	NORAD
4	Azernet Vicky Water Project – Management, Expansion & Capacity Building	Euro 100,000	SMS Campaign-Italy
5	Ofla women and their families livelihood Project	USD 52,000	Pharo Foundation

5. HUMAN RESOURCES & ORGANIZATIONAL DEVELOPMENT

Organizational capacity development, staff recruitment and resourcing, staff motivation and retention mechanisms, midterm HROD strategy review, team building, leadership development and performance management constitute key components of the performance under HR/OD during the year.

Value driven and competence-based recruitment and induction strategies were sustained. Accordingly, 29 (four women) new employees were recruited and thoroughly inducted. In the process of the recruitment, despite the small number recruited, efforts were made to encourage female applicants so as to attract more women to the organization and improve the gender imbalance. Moreover, women leadership development training and Transformative Feminist Leadership trainings have been provided to women staff in the organization.

In order to encourage internal development, staff motivation and commitment and ensuring retention.

Staff Training



AAE held a 15- day staff training on institutionalization and contextualization of ActionAid's approach to development in April 2015. About 40 LRP and partner organizations' staffs were in the attendance.

The training dwelt in - depth on presentations, exercises and discussions on **the approach including** reflection action, Monitoring and evaluation and communications as vehicles for the implementation in programme works.

The training was meant to help staff see how to look into partnership, linkage, accountability and alternatives in the Ethiopian context.

AAE Women Forum Members Training

ActionAid Ethiopia women staff attended training on leadership and career development twice in 2015.

The sessions, were mainly practical. Exercises loaded with learnings took the participants through process of self-assessment. In the attempt to answer the questions, "who am I? who am I not ? and why to know myself ?" Participants had the opportunity to look into their respective personalities, capabilities and gaps.

Sessions on life and career management helped the participants see life as women employees having huge responsibilities in respective families and the community in addition to what they do in the work place. The sessions gave women the time and insight to choose and put first thing first, to give things that matter most the priority rather than giving prominence to things that are urgent all our life.



HR statistics

Overall staff size remained relatively stable this year with only slight increase from 101 head count in December 2014 to 118 in December 2015 (25.4 % female). During the year, 29 (10 contract) new staff (4 female) were recruited successfully through a rigorous external recruitment process. Moreover, 20 staff (20 % female) left the organization as a result of resignation and two staff members passed away. The turnover rate this year is 17 % which is lower compared to 29 % in 2014. Through internal recruitment process, three staff (33.3 % female) were promoted to higher positions.

Nature	Staff statistics (December 2015)		
	Male	Female	Total
Permanent	61	21	82
Contract	28	8	36
Internship	0	0	0
Total	89	29	118
Recruitment	25	4	29
Promotion	2	1	3
Transfer	5	2	7
Secondment	1	0	1
Resignation	16	4	20
Death	2	0	2
Reasons for resignation			
Family & location	1	0	1
Others	15	4	19

6. FINANCIAL MANAGEMENT

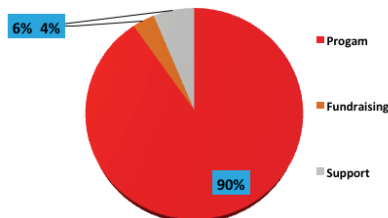
The summary of our Financial Performance for year 2015 and its performance against plan, forecast and prior year trend analysis are presented below.

Income Analysis

Income

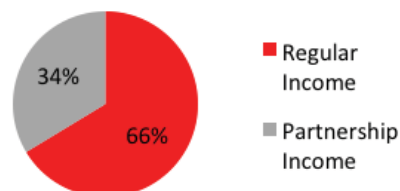
The overall income has been in the declining trend due to supporter withdrawal in regular income because of Greece economic and political crisis's and phase out of donor fund projects.

In 2015 the country program realised a total Income of £3,629, 000 which was less than the forecast of £3,963, 000 by (8%) but higher than plan (£3,237, 000) by 12% and less than comparative year actual income (£5,104, 000) by 29 %. The total income is a mix of regular/ sponsorship and partnership incomes as indicated below:



Regular Giving Income

Regular Giving Income comprises Child Sponsorship (CS) income, Next step (NS), Big Step (BS), Ameco (Friends of Ethiopian), Il Prossima Passo and CP General Fund. Total realized regular giving income in 2015 was £2,408,000 against plan of £2,284,000. This showed decline by 12% (2,726,000) compared to that of 2014.



Partnership Income

The total income mix ratio of regular giving to partnership income is 66%:34%. As AAE's strategy the Country Programme compensate regular income decline by maximizing its partnership income.

Total Income Mix Ratio in 2015

The country program raised a total of £1,221,000 partnership income that revealed 28% increase against plan £953,000 but 49% decline compared to that of the previous year actual which was £2,378,000.

Expenditure

In 2015, ActionAid spent £4,565,000 against a plan of £3,793,000 and forecast of £4,906,000. The achievement was 120% and 93% when compared to plan and forecast, respectively. The spending was 8% higher than that of the previous year (£4,238,000). The Country Program spent £3,173,000 (70%) for grant and community inputs; £1,008,000 (21%) for staff costs; £214,000 (5%) for office cost and £164,000 (4%) for travel & transport. In view of statutory cost analysis, the Country Program spent £4,122,000 (90%) for programme cost; £156,000 (4%) for fundraising cost; £265,000 (6%) for support cost and £22,000 (1%) for governance cost.

Expenditure Analysis

All statutory cost categories have been decreased compared to previous year except program cost which was higher by 11%. However, fundraising and support cost decreased by 6% and 20%, respectively.

Resource Allocation in 2015

Reserve

Reserves on national level and projects funds have improved compared to that of 2014 with an increase in the Country Programme's reserves level that is higher than the required target. The Development Area closing reserves (£591,000) stood at about four month's level; the national reserve £897,000 stood at 9.9 months level. The overall Country Programme level reserve and the total regular giving (£1,488,000) reserve is 6.3 months level. This is higher than the levels of our plan as well as reforecast mainly due to following factors.

Internal and external Audit recommendation

The country program implemented audit recommendations during the year: These include:

- Cleared and reconciled outstanding account balances
- Collected grant outstanding balance from partners and re-planned to use the leftover balance with others, as appropriate.

The Country Programme's accounts of 2015 have been audited by an external Audit firm. The audit report was unqualified. Annual audit of the Country Programme's accounts is mandatory as it is required by the Charities and Societies Agency (CSA) Regulations.

Challenges

- El Nino triggered drought negatively affected our program activities and the livelihoods of the communities in general in 2015
- High Staff turnover from field offices impacted our work.
- The ripple effect of the past years of troubled global economy and the rising humanitarian crisis affected the fundraising markets and ActionAid's child sponsorship income.

7. CONCLUSION

In 2015 AAE reached a total of 158,509 people in 16 Woredas. This number includes members of communities who had access to AAE's skills training, awareness raising, financial support as well as other forms of support either through respective CBOs or through community awareness creation and sensitization interventions. See table below.

No	Theme	Number of people reached		
		Male	Female	Total
	Women Development	11491	45969	57460
	Climate Resilience & Sustainable Agriculture	37806	25723	63529
	Education	11830	9577	21407
	Public Service & capacity building	5250	10863	16113
	Total	66377	92132	158509

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