



Ministry of Innovation and Technology

Ethiopia Digital Foundation Project

Project No.: P171034

Summary Report on the 2015 EFY Plan Preparation Workshop

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Addis Ababa, Ethiopia

Table of Contents

1. Background.....	3
2. Objectives of the Plan and Budget Preparation Workshop	3
3. Participants of the 2015 EFY Plan and Budget Preparation Workshop	3
4. Presented Topics	4
4.1. Official Opening Remark	4
4.2. Background information about the Ethiopian Digital Foundations Project	4
4.3. Major Concepts of Planning and Budgeting	5
4.4. Environmental and social safeguard issues.	6
4.5. Financial Management Feature of the Project	6
4.6. Procurement Management.....	7
5. Discussion:.....	8
6. Major Achievements of the workshop.....	9
7. Annex I. Workshop Schedule for the EDFP Plan Preparation Workshop (Feb 21-23/2022). 11	
8. Annex II. Picture of Some of the Participants	13
9. ANNEX III. List of Participants of the Plan Preparation Workshop.....	14

1. Background

The Federal Democratic Republic of Ethiopia, Ministry of Finance (MoF), has received financing from the World Bank toward the cost of the Ethiopia Digital Foundations Project. The Digital Foundations project will be financed through an SDR 138.9 million (US\$200 million equivalent) IDA credit that will involve a range of stakeholders through five components having as leading implementing partners the Ethiopian Communication Authority (ECA), Ethiopian Education and Research Network (EthERNet), the Ministry of Peace, the Ministry of Finance, and the Ministry of Innovation and Technology (MInT) as the main coordinating and beneficiary institution.

The project is intended to lay the building blocks to develop Ethiopia's digital economy through support to the policy and regulatory environment, improving infrastructure and quality of broadband connectivity and supporting the digitalization of services, and promoting digital entrepreneurship. The project development objective is "to improve Ethiopia's competitiveness in the digital age through increased inclusiveness and affordability of digital services and through digital job creation".

2. Objectives of the Plan and Budget Preparation Workshop

The main objective of the two days awareness creation program was to:

- Create better understanding about the project and outline expectations from beneficiary institutions
- Share experiences on the preparation of Annual work plan and budget
- Prepare a realistic and workable plan budget
- Produce a standard and comprehensive annual workplan and budget for 2015 EFY

3. Participants of the 2015 EFY Plan and Budget Preparation Workshop

The participants of the 2015 EFY plan and budget preparation workshop includes planning and programming experts and technical IT experts/directors from all beneficiary institutions engaged in the implementation of EDFP project related activities. The project beneficiary institutions comprise of: Ministry of Finance, Ministry of Labor and Skill, Ministry of Education, Ethiopian Communication Authority, Ministry of Innovation and Technology, the

National Digital ID Project and the PIU (organizer). See the list of participants in Annex III and picture of them in Annex II.

4. Presented Topics

In this workshop, the following major topics were discussed in brief, followed by group breakout for drafting each of the beneficiary institution's workplan and budget and presentation of the draft action plan; details are annexed in the three days' workshop timeline.

4.1. Official Opening Remark

The official opening remark was given by H.E. Mrs Huria Ali. The speech focused on giving some background information about the project, the development objectives, the beneficiary institutions, the performance status of the project, the preparation of the 2015 EFY EDFP AWPB.

The state minister briefed the participants about the aim of the three days plan and budget preparation workshop, the need to prepare workable and realistic workplan and budget. She also underlined the necessity of collaboration and teamwork between all beneficiary institutions, not only during plan preparation but also in the process of project implementation, to bring about synergy and ensure successful implementation of the project. Beyond the preparation of the work plan and budget, H.E emphasized the high level of commitment expected from all the beneficiary institutions to meet the intended project objectives.

4.2. Background information about the Ethiopian Digital Foundations Project

In this section, main topics covered include highlights on project development objectives (increase the inclusiveness and affordability of digital services and digital job creation in Ethiopia), components, subcomponents, allocated budget, major project activities, governance of the project, major achievements made, the 2014 first six months performance report, revised workplan and budget and the way forward. Finalized documents such as (PAD, ESMF, POM, FMM, SEP, GRM, LMP, SA and PPSD) were also mentioned during the presentation.

In this presentation, the project's major components and subcomponents are explained. The components are.

1. Component one: digital economy, enabling legal and regulatory environment,
2. Component two, digital government and connectivity,
3. Component three, digital business and entrepreneurship, and
4. Component four, project management.

4.3.Major Concepts of Planning and Budgeting

In this section of the presentation, the main points covered include major concepts of planning and budgeting, methods of preparation of a good plan and the budget preparation process for EDFP. The 2014 first six months performance and the revised six months work plan and budget by Component, Beneficiary Institution, and by Expenditure category was also highlighted during the presentation.

The following issues were among the major contents discussed during the presentation,

Planning is all about the review of previous year's performance, reading and understanding the current situation and making informed choices, determine what worked and what didn't work for the project and setting out activities with their corresponding budget estimate, considering some assumptions.

Workplans typically list tasks required, responsible body for each task, time period when each task will need to be undertaken, and the amounts of human and other resources required to complete the task. Workplans are prepared by identifying: What specific tasks are required; Who will be responsible for helping to complete each task; When each task will be undertaken and the sequence of linked tasks; and how much each task will cost and how it will be funded.

The budgeting process of the EDFP follows the Federal Government of Ethiopia's budgeting procedure and calendar. A consolidated Annual Work Plan and Budget (AWPB) for the EDFP project will be prepared by the PIU, in consultation with the implementing entities, based on the project's objectives, resources, costing estimates, past trends, and so on.

Once the AWPB is approved by the PSC (Project Steering Committee), it will be submitted to the World Bank, no later than March 31st of each year, for No Objection. After obtaining the no objection it will be sent to MoF for approval, and the approved project annual budget will be proclaimed under MInT.

4.4.Environmental and social safeguard issues.

In this section, the following main topics were presented and have been discussed among the participants. These include: the anticipated environmental risks/impacts, and recommended mitigation measures, anticipated social risks/impacts and respective mitigation measures, roles, and responsibilities of the E & S specialist at the PIU and focal persons at the beneficiary institutions, the institutional arrangement for the implementation of ESMF and other E & S safeguard instruments.

Any human activities on Natural Env. are believed to have E and S Risks/Impacts which may be manifested in Community Health and Safety, Ecological risk, OHS risks, different hazards (i.e., accidents), hence E & S risks/impacts should be Avoided, Minimized, Mitigated.

Recognizing the risks and impacts of the project some decision support tools are in place and under practice, that can promote a safe environment and sound and sustainable development. Instruments like Grievance Redress Mechanism (GRM), E & S screening/scoping guidelines have been developed for the implementation of the decision support tools.

The Environmental risks through the purchase of office furniture, electronic supplies/digital facilities will add up e-waste and solid waste sources after shelf life (very toxic to eco-system). Noise, Dust releases, and disposal of demolition wastes during building modifications, excavation of trenches, and generation of packaging wastes will cause potential solid waste risk. OHS, as well as Community Health and Safety risks, access roads, Right of Way issues are also likely to occur.

Therefore, the implementing MDAs are required to apply E&S screening guidelines for the subproject supported by EDFP, to develop an e-waste, solid waste management plan, will manage any EHS and OHS risks associated with their activities based on WB and National standards.

All implementers should undergo periodic inspection or monitoring for their E and S Risk Management due diligence, if any EHS incidents or accidents, should be recorded, reported, responded and monitored based on the WB E & S Incidents Response Toolkit

4.5.Financial Management Feature of the Project

In this section the main points discussed include financial budgeting, budget processing, factors to be considered during budget drafting, payment rate for Preparation of AWPB, budget preparation procedures and the project financial status.

The budget process involves asking several questions: What are the objectives of the project? What activities will be involved in achieving these objectives? Where will the funds come from? What resources will be needed to perform these activities? What will these resources cost? Is the result realistic/accurate?

Budget preparation requires active participation at all levels, and should closely reflect program activities and support, should indicate period covered, considers all direct & indirect costs and any program income.

Project Appraisal Document (PAD), Financing Agreement (FA) & Disbursement and Financial Information Letter (DFIL) are prime legal documents for the WB and GoE; Approved PPSD and Project Implementation Manual (PIM) are the basic reference documents during the preparation of the project's annual budget.

4.6. Procurement Management

In this section the main points presented include procurement planning under World Bank financed projects, characteristics of a good procurement Plan and major steps for procurement planning.

Most common procurement problems are the result of poor planning, but project beneficiaries externalize the problem and commonly complain as: Projects are performing badly, disbursement is lower than projected/expected, Bank procedures are too cumbersome, Procurement is too slow, Bank responses take too long, Government counterpart funding is not coming or is insufficient, nobody monitors project implementation etc.

In order to prepare a good procurement, plan it needs to have easy reference, monitorable, easy to update, consistent with the project implementation plan and disbursement plan, and consistent with government budget.

The steps for procurement planning comprises Identification of constraint, preparation of annual work plan, determination of contract packages, procurement methods, time required and Creation of a procurement plan.

5. Discussion

The three-day plan and budget preparation workshop was organized at Adama town from February 21-23/2022 for the EDFP beneficiary institutions. A total of 33 participants from all beneficiary institutions attended the workshop. The composition of participants shows that: 9 of them were from Ministry of Innovation and Technology, 6 from Ministry of Education, 4 from Ministry of Finance, 3 from Ethiopian Communication Authority, 2 from Ministry of Labor and Skill, 2 from the National Digital ID Project and 7 from the PIU.

H.E Mrs Huria Ali, the state minister for the Ministry of Innovation and Technology, and chairman of the project steering committee, has delivered an opening remark and emphasized the importance to prepare workable and realistic workplan and budget. She also underlined the need for collaboration and teamwork between all beneficiary institutions, not only during plan preparation but also in the process of implementation, to bring about cooperation and ensure successful implementation of the project. Beyond the preparation of the work plan and budget, H.E emphasized the level of commitment expected from all the beneficiary institutions.

Dr. Mesfin Belachew, the director of the Project Implementation Unit, delivered a presentation on the project background. Subsequently, Monitoring and Evaluation Specialist, the Finance Management specialist, the procurement management specialist and Environment and social safeguard specialists at the PIU delivered presentations on their respective subject areas where the planning and budgeting section took major portion.

Following the presentations, the participants break out into group for the actual plan and budget preparation work, based on the institution they come from. PIU was guiding the participants to primarily consider the activities planned in 2014, and compare with the first six months performance of their respective beneficiary institution. Then they have reviewed which activities could be completed this fiscal year and what activities could be pushed to next year. So, in order to draft next year plan, the priority action was to list down the postponed activities with their respective remaining amount of budget, and then consider new activities that can be achieved with available input capacity. Based on these initial steps and the technical support from the PIU, the experts continued drafting their respective institutions' 2015 EFY work plan and budget to produce their draft annual work plan and budget.

Finally, representatives from each of the beneficiary institutions presented their draft work plan and budget, questions and constructive and entertained comments and suggestions from participants.

The role of the PIU staff in the whole process of the plan preparation was vital, in providing the participants with necessary information and clarification on the methodologies.

The different presentation topics covered in the first session of the workshop include:

- Background information about the Ethiopian Digital Foundations Project
- Highlights to the 2014 EFY first six months performance, revised six months plan and budget.
- Major Concepts of planning and budgeting
- Financial Planning
- Procurement planning
- Environmental and social safeguard issues.

6. Major Achievements of the workshop

The workshop was very participatory, where members spent the entire day including their leisure time working on the plan and discussing in groups. During the presentation of the draft plan, every other participant was forwarding comments. Based on the reaction and feedback of the participants, it is believed that the workshop has achieved its intended purpose mainly:

- It has created a clear understanding of the Digital Foundations Project
- Clear understanding of basic plan and budget preparation concepts and preparation process under the EDFP. The plan includes physical, financial, procurement and consideration of environmental and social safeguard issues in the planning process
- The communication and experience sharing seen between the beneficiary institutions during the workshop will lay down foundations for future collaborative works, that contributes to the improvement of work relationship and efficiency of the project.
- The expected draft work plan and budget from each of the beneficiary institutions is developed and submitted to PIU

7. Annex I. Workshop Schedule for the EDFP Plan Preparation Workshop (Feb 21-23/2022)

Time	Event	Presenter	Moderator
Day One (Feb 21/2022)			
7:00 AM -10:00 AM	Derive from Addis to Adama		
10:00 AM - 10:30 AM	Registration of Participants	PIU	PIU
10:30 AM - 11:00 AM	Tea Break		Hotel
11:00 AM - 11:10 AM	Welcome and program briefing	Ato Abiy Tessema	PIU
11:10 AM - 11:20 AM	Official opening of the workshop	H.E Huria Ali, ICT & Digital Economy State Minister at MInT	
11:20 AM - 11:50 AM	Background information about the Ethiopian Digital Foundations Project	Dr. Mesfin Belachew	PIU
11:50 AM - 12:30 PM	2014 first six months performance report and revised AWPB	Ato Abiy Tessema	PIU
	2015 EFY work plan and budget preparation	Ato Abiy Tessema	PIU
12:30 PM - 2:30 PM	Lunch		Hotel
2:30 AM - 3:00 PM	Procurement Issues	Ato Zelalem Tadesse	PIU
3:00 PM - 3:30 PM	Financial Issues	Ato Hailu Feyera	PIU
3:30 PM - 4:00 PM	Environmental and social Safeguard Issues	W/ro Alemtsehay W/Ab	PIU
4:00 PM - 4:30 PM	Tea Break		PIU
4:30 PM - 5:30PM	Group Breakout	Participants	„
Day Two (Feb 22/2022)			
9:00 AM - 9:30 AM	Group breakout	Participants	PIU
9:30 AM - 10:30 AM	Group breakout	Participants	„
10:30AM - 11:00 AM	Tea Break		Hotel
11:00 AM - 12:15 PM	Group Breakout	Participants	PIU
	Lunch		Hotel

Time	Event	Presenter	Moderator
2:00 PM – 4:00 PM	Group Breakout	Participants	PIU
4:00 PM – 4:30 PM	Tea Break		Hotel
4:30 PM – 5:30 PM	Group Breakout	Participants	PIU
Day Three (Feb 23/2022)			
9:00 AM – 10:30 AM	Presentations and discussion on the draft plan	Participants	PIU
10:30AM – 11:00 AM	Tea Break		Hotel
11:00 AM – 12:10 PM	Finalization and submission of the tentative plan to PIU	Participants	PIU
12:10 PM – 12:30 PM	Closing Remarks	Dr. Mesfin Belachew	”
12:30PM - 1:30PM	Lunch		Hotel

8. Annex II. Picture of Some of the Participants



9. ANNEX III. List of Participants of the Plan Preparation Workshop

S.No	Participants	Position	email	Telephone	Beneficiary Institution
1	Dr.Abiot Bayou	Director	Abiyot.Bayou@mint.gov.et	911034508	MInT
2	Dr.Fekade Getahun	Unit Leader	Fekade.Getahun@mint.gov.et	911595877	
3	Dr.Girum Ketema	Unit Leader	Girum.Ketema@mint.gov.et	911725217	
4	Ato Kirubel Getachew	M&E	Kirubel.Gizachew@mint.gov.et	913119315	
5	Mesay H/Mariam	IT Expert	Mesay.hailemariam@mint.gov.et	944741605	
6	Ato Azmach Desalegn	Planning director	Azmach.Desalegn@mint.gov.et	913656284	
7	Ato Yonas Hailu	Director	Yonas.Hailu@mint.gov.et	913158888	
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17	kedir Urji	IT Expert	kedfreedom@gmail.com	912250416	
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20	Haileyesus Demissie	Director	hailed77@gmail.com	910167171	
21	Matewos Tilahun	IT Expert	tmattewos@gmail.com	911346987	MoF
22	Samuel Eshete	IT Expert	seshete@mofed.gov.et	923245867	
23	Meseret Haile	IFMIS Expert	meseret.haile@gmail.com	911909530	

S.No	Participants	Position	email	Telephone	Beneficiary Institution
24	Solomon Lingerih	Accountant	slingerih@mofed.gov.et	910836663	
25	Feven Bulbula	IT Expert	feven@id.et	912210790	NIDP
26	Dereje Abdissa	IT Expert	dereje@id.et	913031236	
27	Dr.Mesfin Belachew	PIU Director	Mesfin.Belachew@mint.gov.et	911791462	PIU
28	Ato Hailu Feyera	FM Specialist	Hailu.Feyera@Mint.gov.et	911615077	
29	Ato Zelalem Tadesse	PM Specialist	Zelalem.Tadesse@Mint.gov.et	911446582	
30	W/ro Alemtsehay W/Ab	Env &Social Safeguard specialist	Alemtsehay.Woldeab@Mint.gov.et	912032411	
31	W/ro Simret Akalu	Finance Officer	Simret.Akalu@Mint.gov.et	913038811	
32	Ato Abiy Tessema	M&E Specialist	abiy.tessema@mint.gov.et	911715927	
33	Sefanit H/Mariam	Finance Officer	sefanithw@gmail.com	913640408	