



Initial Information on new Tripartite Countries before Completion of the Diagnostic Report for the IDF

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Information and or data required Column A	Data and or Information from desk research Column B	Questions to ask to collect information or data Column C
Country demographics		
<ul style="list-style-type: none"> Total Population Age range of population Concentration of population (urban / rural) income levels of population (summary of livelihoods) Education levels of population. 	<p>Total population https://www.cia.gov/the-world-factbook/countries/ethiopia/ 113,656,596 (2022 est.)</p> <p>Age range of population https://www.cia.gov/the-world-factbook/countries/ethiopia/ (2020 est.) 0–14 years: 39.81% (male 21,657,152/female 21,381,628) 15–24 years: 19.47% (male 10,506,144/female 10,542,128) 25–54 years: 32.92% (male 17,720,540/female 17,867,298) 55–64 years: 4.42% (male 2,350,606/female 2,433,319) 65 years and over: 3.38% (male 1,676,478/female 1,977,857)</p> <p>Concentration of population (urban / rural) income levels of population (summary of livelihoods)</p>	<p><i>If information on vulnerable communities is not publicly available:</i></p> <p>Questions to be asked of staff at UNDP CO and or other donors can include:</p> <ol style="list-style-type: none"> 1. Have you identified vulnerable communities? 2. What are the causal factors for their vulnerability? 3. Where are the

<ul style="list-style-type: none"> Description of vulnerable communities in the country (locations, size of communities and location of communities) 	<p>https://www.cia.gov/the-world-factbook/countries/ethiopia/ urban population: 22.7 % of total 113,656,596 population= 25,800,047 and Rural population: 77.3 % of total 113,656,596 population= 87,856,549 Income According to https://www.worldbank.org/en/country/ethiopia/overview Ethiopia is one of the least developed nations, with a per capita gross national income of \$960.</p> <p>Additional information: According to the https://www.fao.org/3/i7347en/i7347en.pdf the Gini index coefficient distribution of family income is 35 (2015 estimate). This indicates income inequality. The lower the coefficient the lower in income differences.</p> <p>Livelihood map According to the http://foodeconomy.com/wp-content/uploads/2016/02/Atlas-Final-Web-Version-6_14.pdf the livelihood types by the respective number of engaged population is presented below.</p>	<p>communities located?</p> <p>4. What is the population of these communities?</p> <p>5. What is being done to assist these communities ?</p>
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Population by category of livelihood zone		
Dominance (see note under map)	population	% of total population
Livestock	7,772,750	13%
Cash crop	7,117,190	12%
Crop sales	20,278,855	34%
Food crop	25,302,326	42%
Total	60,471,112	100%

Education levels of population.

According to the world bank <https://data-worldbank-org>

Female age 15 and above literacy 44%, and Male age 15 and above literacy 59% as of 2017

Literacy is the ability to read and write

According to <https://www.indexmundi.com/ethiopia/>

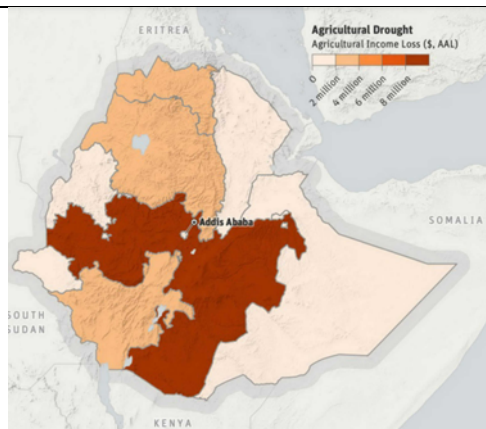
School life expectancy (primary to tertiary education)

male: 9 years, female: 8 years

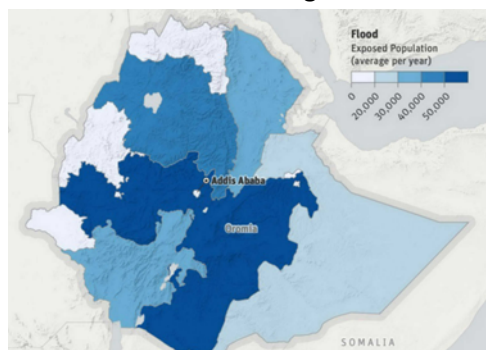
Description of vulnerable communities in the country (Size of communities, and location of communities) : based on potential hazard risks of the country

<https://reliefweb.int/report/ethiopia/ethiopia-drought-update-no-4-june-2022>

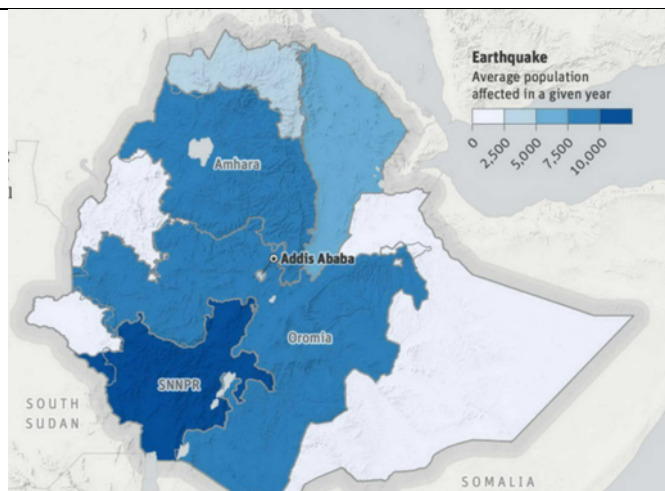
	<p>More than 8.1 million pastoralists and agro-pastoralists in Somali (3.5 million), Oromia (3.4 million), SNNP (1 million) and South-West (more than 15,000 people) regions are currently affected by the drought, of which more than 7.2 million people need food assistance and 4.4 million people need water assistance. Nearly 2.1 million livestock have died, while at least 22 million livestock are at risk and are very weak and emaciated with no or little milk production, the main source of nutrition for children.</p> <p>Draught, Flood, land slide, earthquake, and volcano</p> <p>DISASTER RISK PROFILE - Ethiopia - World Bank Documents that could be accessed through the following link provides some vulnerability factors and estimated populations by geographical locations. https://documents1.worldbank.org/curated/pt/258841574230954974/pdf/Disaster-Risk-Profile-Ethiopia.pdf</p> <p>On average, 250,000 people and around 200 education and healthcare facilities nationally are affected by river flooding. Landslide is a very localized hazard, but could cause up to \$3 million of damage to building stock and put over 1,000 people at risk per year, on average. Damaging earthquakes are infrequent, but it is estimated that around 300,000 people could experience at least light ground shaking at least once every 50 years. Ethiopia has many volcanoes in the heavily populated Rift Valley; around 0.5 million people are potentially exposed to volcanic ashfall around Corbetti volcano alone. These hazard risks and average number of people affected are geographically located in the following respective maps. Agricultural draught seems to be higher in Oromia (~8million) and total of 2 millions in Amhara, Tigray and SNNPR</p>	
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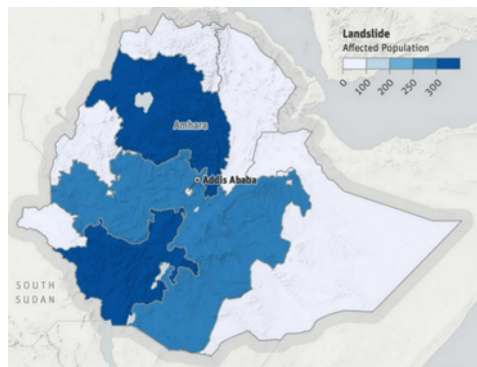
Flood risk seems to be higher in Oromia (~50,000) and total of ~40,000 in Amhara, ~30,000 in Afar and SNNPR



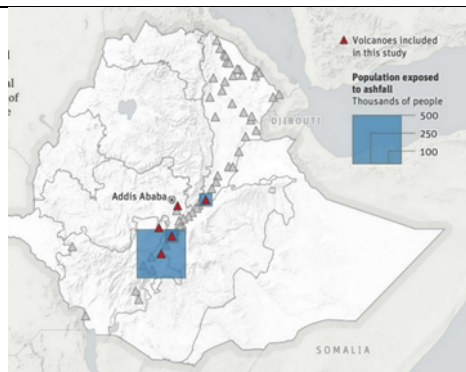
Earthquake seems to be higher in SNNPR (~10,000) and Oromia and Amhara 7,500, Afar 5,000, and Tigray 2500 are affected



Land slide seems to be higher in SNNPR and Amhara regions, where (~300) and Oromia 250 are affected

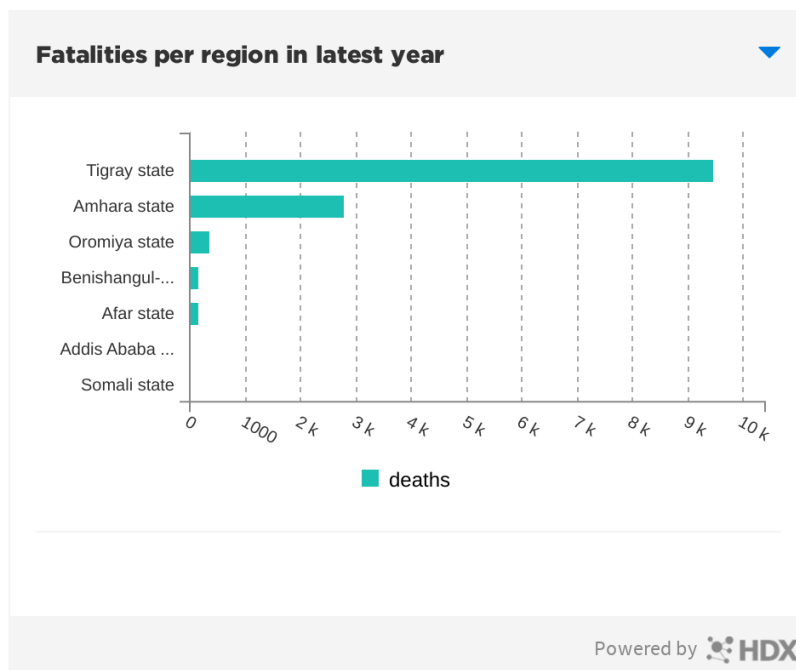


Volcano belt covers SNNPR, Oromia, and afar (the rift valley areas and populations in these areas are at higher exposures to this risk)



Conflict

<https://data.humdata.org/>



Cholera

A total of **36,154 cholera** cases and 246 deaths were reported between 2015 and 2017

Three Consecutive Waves of Cholera Outbreak in Ethiopia (2015- 2017): Explanatory Analysis Neamin Tesfay, and Mengistu Biru has presented the cholera incidences as per the table below.

Distribution of cholera case by location in Ethiopia between 2015-2017

	<table><tr><th></th><th>Frequency</th></tr><tr><td>Somali</td><td>8547</td></tr><tr><td>Addis Ababa</td><td>8110</td></tr><tr><td>Oromia</td><td>7318</td></tr><tr><td>Amhara</td><td>5526</td></tr><tr><td>Tigray</td><td>3346</td></tr><tr><td>Afar</td><td>1609</td></tr><tr><td>SNNPR</td><td>949</td></tr><tr><td>B/Gumuz</td><td>426</td></tr><tr><td>Harari</td><td>273</td></tr><tr><td>Dire Dawa</td><td>50</td></tr><tr><td>Gambella</td><td>0</td></tr><tr><td>Grand total</td><td>36,154</td></tr></table> <div>DOI: http://dx.doi.org/10.4314/ejhs.v30i4.2</div>		Frequency	Somali	8547	Addis Ababa	8110	Oromia	7318	Amhara	5526	Tigray	3346	Afar	1609	SNNPR	949	B/Gumuz	426	Harari	273	Dire Dawa	50	Gambella	0	Grand total	36,154	
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Political and economic/ financial stability of the country																												
1. Current status of government 2. List the government ministries that	1. Current status of government The current prime Minster of Ethiopia Abiy Ahmed was confirmed and sworn in by the Ethiopian parliament as Prime Minister of Ethiopia on 2 April 2018. During his acceptance speech, he promised political reform; to promote the unity of Ethiopia and unity among the peoples of Ethiopia; to reach out to the Eritrean government to resolve Eritrean–Ethiopian border conflict after the Eritrean–Ethiopian War and to also reach out to the political																											

<p>are focused on:</p> <ul style="list-style-type: none"> (i) financial stability (ii) resilience (iii) management of disaster risk, 	<p>opposition inside and outside of Ethiopia. His acceptance speech sparked optimism and received an overwhelmingly positive reaction from the Ethiopian public and the international community. On 21 November 2019, upon approval of EPRDF ruling coalition, a new party, Prosperity Party, is formed via merging of three of the four parties that made up the Ethiopian People's Revolutionary Democratic Front (EPRDF) and other five affiliate parties. Among the many positive political developments, the most prominent were the institutional strengthening of democratic institutions including, the National Election Board of Ethiopia (NEBE), the release of political prisoners, the return of exiled political activists and economic reforms.</p> <p>Ethiopian general election to elect members of the House of Peoples' Representatives was held on 21 June 2021 and 30 September 2021. Regional elections were also held on same dates. The election was initially scheduled for 29 August 2020, but it was delayed due to the COVID-19 pandemic. The National Election Board of Ethiopia (NEBE) announced the final results of the national election on July 10, 2021. Out of 547 seats of the House of People's Representatives (HoPR), the election was contested for 436 seats only of which the ruling Prosperity Party (PP) won the majority. Of the confirmed 436 seats contested, NEBE announced that PM Abiy Ahmed's Prosperity Party (PP) won the majority of the seats (410 seats).</p> <p>The government has launched a 10-Year Development Plan, based on the 2019 Home-Grown Economic Reform Agenda, which will run from 2020/21 to 2029/30. The plan aims to sustain the remarkable growth achieved under the Growth and Transformation Plans of the previous decade, while facilitating the shift towards a more private-sector-driven economy. It also aims to foster efficiency and introduce competition in key growth-enabling sectors (energy, logistics, and telecom), improve the business climate, and address macroeconomic imbalances.</p> <p>According to World Bank, Ethiopia's main challenges are continuing its positive economic development on a sustainable basis and accelerating poverty reduction — which both require significant progress in job creation, as</p>	
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	<p>well as improved governance, to ensure that growth is equitable across society. Key challenges are related to:</p> <ul style="list-style-type: none"> • The incidence of conflict has increased, particularly in the North since November 2020, having a substantial impacts on lives, livelihoods, and infrastructure. • Like the rest of the world, Ethiopia has been experiencing the unprecedented social and economic impact of the COVID-19 pandemic. While exports and foreign direct investment rebounded in 2020/21 and jobs have been recovering, some lasting scars are likely to remain. Urban employment levels have not recovered fully, some households and firms continue to report income losses, and poverty is estimated to have increased. • Food insecurity is growing due to adverse weather events, locust invasion, conflict, and global conditions leading to high inflation of food prices. Frequent severe weather events alongside long-term impacts of climate change undermine agriculture and pastoral livelihoods as well as food security. The 2022 drought is the worst in forty years, severely affecting millions in southern and eastern parts of the country. Overall, more than 20 million persons face severe food insecurity in 2022. • Ethiopia's Human Capital Index is at a low 0.38 (2020) which means that a child born in Ethiopia today will be 38% as productive when s/he grows up as s/he could be if s/he enjoyed complete education and full health. This is lower than the average for the Sub-Saharan Africa region but slightly higher than the average for low-income countries. Learning poverty stands at 90% and 37% of children under 5 years of age are stunted. • Ethiopia has a fledgling private sector, whose growth and job-creation abilities have been hindered by constraints in the business climate and competitiveness. • The country's growing workforce (with roughly 2 million persons reaching working age per year) puts pressure on absorption capacity of the labor market, necessitates improving current jobs, while creating sufficient new jobs. 	
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	<p>https://www.worldbank.org/en/country/ethiopia/overview</p> <p>2. List of government ministries that are focused on;</p> <p>I) Financial stability</p> <ul style="list-style-type: none"> • National Bank of Ethiopia • Ministry of Finance • Ministry of Plan and Development • Financial Intelligence Centre <p>II) Resilience</p> <ul style="list-style-type: none"> • National Disaster Risk Management Commission • Ministry of Women and Social Affairs • Ministry of Water and Energy (Resilient WaSH) • Ministry of Irrigation and Lowland • Ministry of Labor and Skills (Resilient jobs) <p>III) Management of disaster risk</p> <ul style="list-style-type: none"> • National Disaster Risk Management Commission <p>Below is the list of lead sector institutions assigned for every hazard and related disasters as per the 2013 National Policy and Strategy on Disaster Risk Management. Some of the institution's names are changed.</p>	
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No.	Lead Institution	Hazards covered
1	Ministry of Agriculture	Agriculture related hazards and associated disasters such as livestock diseases and crop pests and diseases as well as regarding addressing disaster induced shortages of animal feed and crop seed supply.
2	The Environment, Forest and Climate Change Commission	Forest and bush fire as well as climate change and environmental pollution related hazards and associated disasters.
3	Ministry of Health	Food shortage induced malnutrition affecting children and mothers and also other human epidemics associated with disasters.
4	Ministry of Water, Irrigation and Energy	Floods and other water supply, and water dams related hazards and associated disasters.
5	Ministry of Federal Affairs	Conflict related hazards and associated disasters.
6	Ministry of Transport	Transport service-related hazards and associated disasters.
7	Ministry of Mines	Geological hazards and related disasters such as seismic and volcanism (earthquakes and volcanoes), landslides and slope failure.
8	Ministry of National Defense	Rescue, maintain order, and provide support to emergency, recovery, and rehabilitation interventions in times of disasters as required.
9	Ministry of Urban Development, Housing and Construction	Urban infrastructure and building and other constructions related hazards and associated disasters and other urban disasters, including fire
10	Ministry of Education	School curricula and research and higher learning institutions levels for measures before, during and after the disaster.
11	Region, zone, woreda, Addis Ababa and Dire Dawa City Administration	Undertake activities ranging from monitoring to response with respect to hazards and related disasters that are not under the responsibility of the Federal government

	http://extwprlegs1.fao.org/docs/pdf/eth205047.pdf https://www.undrr.org/media/77152/download https://resilientaddis.org/wp-content/uploads/2020/06/addis-ababa-resilience-strategy-ENG.pdf https://www.undp.org/ethiopia/publications/2013-annual-report-disaster-risk-management-and-livelihood-recovery-programme	
<p>I. what government policies and strategies are in place for disaster risk management and/or disaster risk financing</p> <p>II. Are there any donor funded or government programs in place to support these policies?</p> <p>III. Is there any (sub-)sovereign risk insurance in</p>	<p>I. What government policies and strategies are in place for disaster risk management and/or disaster risk financing</p> <ul style="list-style-type: none"> The first formal governmental disaster management institution was the Relief and Rehabilitation Commission (RRC), established in the wake of the 1973/74 famine with a mandate to provide relief supplies to drought victims. The Government of Ethiopia reviewed its disaster management strategy and adopted the National Policy on Disaster Prevention and Management (NPDPM) in 1993. The accompanying policy directive was issued in 1993 and the policy implementation guidelines were developed in 1995. The new 2013 policy provides for a comprehensive framework of disaster risk management (DRN) measures and is an amendment of the 1993 National policy on disaster prevention and management. It includes general directions and major implementation strategies, including on a decentralized DRM system, early warning and risk assessment, information management, capacity building, and on integration of disaster risk reduction into development plans. The main objective of the Policy is to reduce disaster risks and potential damage caused by a disaster through establishing a comprehensive and coordinated disaster risk management system in the context of sustainable development. Specific objectives of the policy are the following: (i) to reduce and eventually prevent disaster risk and 	<p>If government websites do not detail the information required, the following questions will be asked of the appropriate government officials</p> <p>Questions ask the direct questions from Column A</p> <p>More questions to ask if the response is yes to any of the 5 questions</p> <p>1. What are the details of the government policies?</p>

<p>place?</p> <p>IV. has the government piloted risk finance approaches?</p> <p>V. are government assets insured?</p> <p>VI. What are the coordination structures for ministries and departments involved in disaster risk management</p>	<p>vulnerability that pose challenges to development through enhancing the culture of integrating disaster risk reduction into development plans and programmes as well as by focusing on and implementing activities to be carried out before, during, and after the disaster period to address underlying factors of recurrent disasters; (ii) to save lives, protect livelihoods, and ensure all disaster affected population are provided with recovery and rehabilitation assistances; (iii) to reduce dependency on and expectations for relief aid by bringing attitudinal change and building resilience of vulnerable people; and (iv) to ensure that disaster risk management is mainstreamed into development plans and programs across all sectoral institutions and implemented at all levels.</p> <p>https://www.refworld.org/pdfid/5a2689ea4.pdf</p> <p>https://www.undrr.org/media/77152/download</p> <p>https://www.undp.org/ethiopia/publications/2013-annual-report-disaster-risk-management-and-livelihood-recovery-programme</p> <p>ii. Are there any donor funded or government programs in place to support these policies?</p> <ul style="list-style-type: none"> The Ethiopian Government planned to spend on average USD 130.2 million (Birr 3.6 billion) on direct and indirect DRM between 2015/16 and 2019/20 from domestic resources. This accounts for 2.2 per cent of the federal budget. USD 177.5 million (27 per cent of total DRM) was earmarked for projects with primary (direct) DRM objectives. This accounts for 0.6 per cent of the federal budget, less than the average for the Greater Horn of Africa (1 per cent). More than 90 per cent of direct investments are planned by National disaster Risk Management Commission (NDRMC) and three other sectors. NDRMC together with the Strategic Food Reserve Agency (SFRA) accounts for 40.4 per cent of total direct DRR investments. The remaining is planned by the Urban Development and Construction (28.2 per cent), Water Resources and Energy (14.2 per cent) and Agriculture and Rural Development (9.5 per cent). More than half of the planned budget of 55.4 per cent of direct DRR-planned expenditure targeted hydrometeorological disaster risks. The focus of Ethiopia's DRM-planned investments is more on managing disasters rather than disaster risks. The budget review finds close to half of direct DRM public 	<p>2. What are the details of any sovereign risk policies and which organization is the insurance with?</p> <p>3. Please describe any pilot projects the government has implemented?</p> <p>4. What government assets are insured and or are parastatal or state owned enterprise assets insured and if so what assets are covered by insurance</p> <p>5. What are the ministries and departments responsible for disaster risk management and how are they coordinated?</p>
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	<p>expenditure (49.4 per cent) targeted response to disasters, while the remaining is planned for mainly prevention/mitigation (29.9 per cent) and preparedness (20.4 per cent). In actual expenditures, the distribution of resources is even more skewed towards response operations. Only 56 per cent of resources dedicated to prevention and 40 per cent dedicated to preparedness are implemented, while for response it is 100 per cent. In the absence of a contingency fund, and according to key informant interviews at the NDRMC, earmarked budget for prevention and preparedness of the Commission is often repurposed for emergency response.</p> <ul style="list-style-type: none"> • During the 2020/21 fiscal year (Covid-19 pandemic), planned investments for direct DRM activities were estimated to be 1.3 per cent of the federal budget. This is a 74 per cent increase in budgeting compared to the previous year. Between 2015 and 2019, Ethiopia received 23.5 billion USD in ODA, OOF and private finance. Of this, USD 1.2 billion was aid disbursements towards direct DRR objectives. Development partners in Ethiopia focus mainly on emergency response rather than prevention activities. A cumulative 3.8 billion of humanitarian aid flows reached Ethiopia over the period under study, of this 3.6 was for emergency response. • Most of the external development assistance for DRR comes from bilateral donors. The top three donors, providing almost two thirds of all aid disbursements across the period, are the United States (USD 472 million), the Global Alliance for Vaccines (USD 150 million) and Immunization and the Global Fund (USD 145 million). The majority of DRR aid was disbursed through development partners outside of the government system (60 per cent) (Channel 3). Only 31.5 per cent is disbursed through sector ministries (Channel 2) and a small amount is disbursed through the central government (8.5 per cent) (Channel 1). Similar to the complementarity found in DRR and CCA policy frameworks, investments also interconnect. Projects marked as direct DRR with either a direct or indirect relevance for CCA were 13 per cent for domestic and 15 per cent for international resources. <p>https://www.undrr.org/media/77152/download</p> <p>https://www.refworld.org/pdfid/5a2689ea4.pdf</p>	
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	<p>https://projects.worldbank.org/en/projects-operations/project-detail/P129151</p> <p>https://reliefweb.int/report/ethiopia/world-bank-provides-385-million-horn-africa-countries-tap-groundwater-potential-and-boost-climate-resilience</p> <p>https://www.gfdr.org/en/ethiopia-building-capacity-woreda-disaster-risk-reduction-and-climate-change-adaptation</p> <p>https://www.preventionweb.net/news/reducing-ecosystem-based-disaster-risk-eastern-ethiopia</p> <p>https://www.undp.org/ethiopia/publications/fast-fact-disaster-risk-reduction</p> <p>https://www.undp.org/ethiopia/publications/2013-annual-report-disaster-risk-management-and-livelihood-recovery-programme</p> <p>iii. Is there any (sub-)sovereign risk insurance in place?</p> <p>Insurance companies purchase reinsurance to provide financial security, to increase their own capacity to underwrite insurance business, and to stabilize their underwriting results. Adherence to sound reinsurance risk management policies and procedures go hand in hand with financial soundness. Failure to adhere to such policies and procedures may lead to an increased risk level assessment. Each company should develop a comprehensive reinsurance program to address the objectives of its reinsurance risk management policy. In developing the reinsurance program, the company should identify its tolerance to risks in its underwriting book and consider which reinsurance arrangements (e.g., the use of quota share reinsurance, surplus treaties, excess of loss coverage or stop loss policies) are most appropriate to limiting risks above its tolerance level. The reinsurance program should be documented and approved by Insurance Supervision Directorate (ISD) at the National Bank. Reinsurance transactions involves the transfer of premium in exchange for the right to receive funds in the event of a claim.</p> <p>https://nbebank.com/wp-content/uploads/2019/04/insurance-busines.pdf</p>	
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	<p>IV. Has the government piloted risk finance approaches?</p> <p>https://www.farm-d.org/app/uploads/2019/05/Ethiopia-Risk-Financing-to-Protect-Livelihoods.pdf</p> <p>V. Are government assets insured?</p> <p>Government vehicles have full motor insurance and motor 3rd party insurance. Government planes, ships and earth moving machineries are also insured. However, insurance for buildings and other assets are not common.</p> <p>VII. What are the coordination structures for ministries and departments involved in disaster risk management</p> <p>The Disaster Risk Management (DRM) mainstreaming guideline for Ethiopia was launched on the 11 October, 2018. The guideline was developed by the National Disaster Risk Management Commission (NDRMC), Ethiopia with technical support from ADPC and financial support from the World Bank. The guideline is part of the Disaster Risk Management Strategic Programme and Investment Framework (DRM-SPIF) of Ethiopia, which aims to ensure effective coordination and collaboration among different sectors involved in disaster risk management (DRM).</p> <p>https://www.undrr.org/media/77152/download</p> <p>https://www.alnap.org/system/files/content/resource/files/main/DRM%20SPIF%202014%20-%20Final.pdf</p>	
<p>1. Summary of the current state of countries economy (focus on key indicators- i.e., GDP, poverty levels, government debt levels etc.).</p> <p>2. Are there social protection insurance programs</p>	<p>1. Summary of the current state of Ethiopia's economy</p> <p>The Ethiopian economy in the past three years has been faced with multiple shocks of differing natures; the COVID 19 pandemic, internal conflicts and the northern Ethiopia war, drought and most recently, the Ukraine crisis. The multiple shocks render macroeconomic management challenging. Below are key economic indicators, according to UNDP Ethiopia's Quarterly Economic Profile (July, 2022);</p> <ul style="list-style-type: none"> • Growth: Official estimate for real GDP growth in 2022 is 6.6%, while UNDP projects 3.0% and IMF 3.8%. • Inflation: Worsening of inflation to 37.2% in May 2022 and 34% in June 2022 compared to 33.6% in February 2022. 	

<p>in place.</p> <p>3. What are the key economic sectors in the country</p>	<ul style="list-style-type: none"> • Inflation remains high with a slight deceleration reported in June 2022, which may not suggest an emerging trend. • Fiscal Out-turns 2022: The fiscal deficit/GDP is widening and is estimated at 5.1% for FY2022 • Fiscal Plan 2023: The deficit in FY2023 is budgeted to fall to 3.4% of GDP, due to tighter expenditure control. • Monetary aggregates: Reserve money is projected to grow at 32% in FY2022. • Foreign exchange: Foreign exchange reserves in May 2022 are at \$US 1.5 billion and have been dwindling. • Current account balance: The current account deficit is projected at 5.3% of GDP in FY2022. • BoP: Overall BOP deficit in FY2022 is estimated at \$US 2 billion, requiring significant external financing support <p>According to AFDB, Ethiopia's economy decelerated to 5.6% growth in 2021 from 6.1% in 2020, due to civil conflict and the effects of COVID-19 on transport and hospitality. Growth was led by industry and services on the supply side and private consumption and investment on the demand side. Inflation increased to 26.7% in 2021 from 20.4% in 2020, much above the central bank's 8% target, because of domestic credit expansion to revive the economy and COVID-19-induced supply chain disruptions. The fiscal deficit, including grants, declined to 2.6% of GDP in 2021 from 2.8% in 2020 due to expenditure reprioritization and growth in tax revenue. The banking sector is stable but closed to international competition; it accounts for 76% of the financial sector's total capital (with state-owned banks accounting for 51.8% of banking sector assets), followed by microfinance (15%), and insurance and leasing (9%). Public and publicly guaranteed debt was estimated at 57.8% of GDP (external debt, 32.8% of GDP) in June 2021. The current account deficit improved slightly from 4.4% of GDP in 2020 to 4.3% in 2021 on account of subdued imports. The current account deficit was financed by FDI and remittances. International reserves remained low at 2.5 months of import cover in 2020, and 2.2 months in 2021. The \$408 million SDR allocation (0.4% of GDP), recorded at the central bank, will boost international reserves. Conflict and the COVID-19 pandemic increased the number of people requiring humanitarian support to close to 15.8 million in 2021 from</p>	
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	<p>about 8 million in 2020.</p> <p>(UNDP Ethiopia's Quarterly Economic Profile, July 2022)</p> <p>https://www.afdb.org/en/countries/east-africa/ethiopia/ethiopia-economic-outlook</p> <p>2. Are there social protection insurance programs in place?</p> <p>Ethiopia has a fundamental policy and legislative framework strong enough to promote social protection programmes effectively. The country has a national social protection policy and strategy as well as different sector-specific strategies such as the Urban Food Security and Job Creation strategy. Although it is at an early stage, the system for contributory and non-contributory social protection programme is institutionalized to some degree in the country. The two main contributory social protection schemes are the public servants' social security and the private organization employees' social security schemes.</p> <p>The public servants' social security currently covers 2.5 million public workers, while the private organizations employees' scheme has enrolled 1.67 million members out of a total of 203,458 private enterprises (3.6 per cent of the population). The expansion of private organization social security has a potential to embrace refugees, as their economic integration is ensured as part of the Comprehensive Refugee Response Framework (CRRF) and the additional pledges the country made during the first Global Refugee Forum in December 2019.</p> <p>In terms of institutional structure, the Ethiopian Health Insurance Agency (EHIA) promotes social health insurance in the country based on mandates provided to it by Proclamation No. 191/2010. The agency administers two contributory health insurance schemes, which are the Social Health Insurance (SHI) for public service employees, government development enterprises, private organizations, non-profitmaking organizations and pensioners, and the Community-based Health Insurance (CBHI) scheme, mainly designed for small-scale, informal sector workers and the general public at large.</p> <p>The three large social protection programmes implemented in rural and urban areas are the Rural Productive</p>	
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	<p>Safety Net Project (RPSNP), Humanitarian Food Assistance (HFA) and the Urban Productive Safety Net Project (UPSNP). The RPSNP is implemented in rural areas of eight regional states providing services for more than 8 million beneficiaries. The UPSNP is implemented in 11 regional capital cities, providing transfer to 604,000 different categories of beneficiaries. HFA2 is triggered in the country when natural and man-made disaster occurs; the number of beneficiaries is determined based on seasonal assessments conducted every six months.</p> <p>While the RPSNP has no interventions that target refugees, the new design of the Urban Productive Safety Net and Job Project (UPSNIJ), which is financed by the World Bank with a contribution from the government, has made a paradigm shift in incorporating a component for the integration of refugees and host communities in selected localities. The project aims at including refugees and host communities living in the proximity of selected cities in a joint public works and livelihoods programme. It is expected to foster social cohesion and sustainable integration of host and refugee communities through shared activities and communication.</p> <p>The Agency for Refugee and Returnee Affairs (ARRA) has developed a five-year Country Refugee Response Plan (2020–2021) which vows to go beyond mere care and maintenance and combines wider support to refugees and host communities.</p> <p>Three different proclamations are currently in draft stages, and another proclamation is under review.</p> <p>These are: a) proclamations to establish a national social protection council; b) a proclamation for the establishment of a national social protection fund; c) a proclamation for the promotion of community based health insurance. Additionally, the EHIA has identified key concerns and issues to be considered in amending the SHI for formal sector employees, all of which are currently awaiting approval and subsequent actions from the Council of Ministers.</p> <p>https://www.ilo.org/global/programmes-and-projects/prospects/countries/ethiopia/WCMS_821183/lang--</p>	
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	<p>en/index.htm</p> <p>https://nbe.gov.et/annual-report/</p> <p>https://www.moh.gov.et/site/Ethiopian Health Insurance</p> <p>https://www.afdb.org/en/countries/east-africa/ethiopia/ethiopia-economic-outlook</p> <p>3. What are the key economic sectors in the country?</p> <p>According to the National Bank of Ethiopia below are the key economic sectors;</p>	
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Items		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Sector	Agriculture	544.1	580.4	600.9	623.8	650.3	686.4
	Industry	343.9	413.8	464.4	526.2	576.9	618.8
	Services	575.9	619.3	673.9	745.7	786.9	836.2
Total		1,463.9	1,613.5	1,739.3	1895.7	2,014.1	2,141.4
Less FISIM		14.5	17.0	19.8	21.0	24.5	27.2
Real GDP		1,449.4	1,596.5	1,719.5	1,874.7	1,989.6	2,114.2
Growth in Real GDP		8.0	10.1	7.7	9.0	6.1	6.3
Per capita GDP (USD) (Nominal)		815	876	883	985	1,080	1,092
Growth rate in Per capita GDP		9.5	7.5	0.9	11.6	9.6	1.1
Mid-year population(in millions)		91.2	93.4	95.5	97.6	99.7	101.9
Share in GDP (in %)	Agriculture	37.5	36.3	34.9	33.3	32.7	32.5
	Industry	23.7	25.9	27.0	28.1	29.0	29.3
	Services	39.7	38.8	39.2	39.8	39.5	39.6
Agriculture	Absolute Growth	2.3	6.7	3.5	3.8	4.3	5.5
	Contribution to GDP growth	0.9	2.5	1.3	1.3	1.4	1.8
	Contribution in %	11.3	24.6	16.5	14.6	22.8	29.0
Industry	Absolute Growth	22.2	20.3	12.2	12.6	9.6	7.3
	Contribution to GDP growth	4.7	4.8	3.1	3.6	2.6	2.1
	Contribution in %	58.8	47.3	40.8	39.5	42.4	33.6
	Absolute Growth	8.7	7.5	8.8	11.0	5.3	6.3

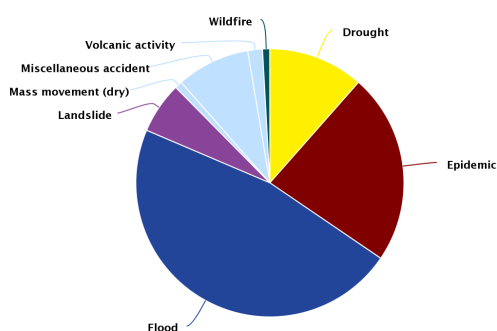
<https://nbe.gov.et/annual-report/>

Risk profile of country

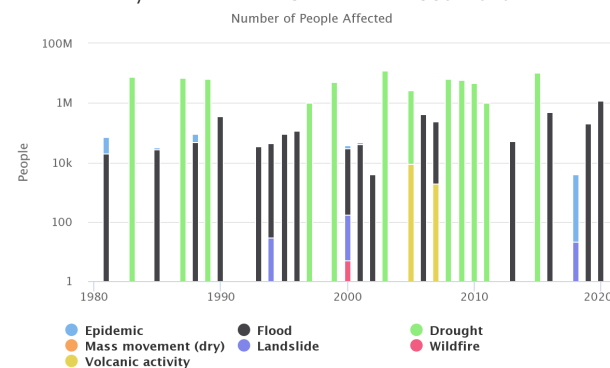
1. Summary of significant natural and man-made catastrophic events that have occurred in the country in the last 20 years
2. Specific geographical features that present risks
3. Specific areas of the country more prone to catastrophic events for each area identify the

1. Summary of significant natural and man-made catastrophic events

Average Annual Natural Hazard Occurrence for 1980–2020



Key Natural Hazard Statistics for 1980–2020



<https://climateknowledgeportal.worldbank.org/country/ethiopia>

Ethiopia has a high degree of risk to hydrometeorological hazards and natural disasters. Vulnerability is further exacerbated due to the country's high level of poverty and its dependence on key sectors most likely effected by climate change: agriculture, water, tourism, and forestry. While the country is at high-risk to natural disasters such as flooding as well as drought, its topographic diversity, and highly marginalized segments of the population, make it additionally vulnerable.

Ethiopia is highly vulnerable to climate change, particularly regarding the country's water, agriculture, infrastructure, forestry, and public health sectors. Impacts of climate change are already being experienced in the region.

risk.

4. Any data available on disaster impact: number of people affected, estimated emergency response cost, economic impact

5. Donor contributions to recovery costs

TABLE 3. Natural disasters in Ethiopia, 1900–2020

Natural Hazard 1900–2020	Subtype	Events Count	Total Deaths	Total Affected	Total Damage ('000 USD)
Drought	Drought	16	402,367	77,141,879	1,492,600
Earthquake	Ground Movement	2	24	585	320
	Bacterial Disease	16	10,999	134,551	0
Epidemic	Viral Disease	6	156	4,819	0
	Parasitic Disease	1	157	25,000	0
Flood	Flash Flood	9	863	1,129,358	9,400
	Riverine Flood	32	1,105	1,809,978	8,900
Insect Infestation	Locust	4	0	0	0
Landslide	Landslide	5	93	215	36
Mass Movement (dry)	Landslide	1	13	0	0
Volcanic Activity	Ash Fall	3	69	11,000	0
Wildfire	Forest Fire	1	0	5	0

[Climate risk Fact sheet Ethiopia](#)

2. Specific geographical features that present risks

Ethiopia’s topography is characterized by large regional differences; it is considered an arid country, but precipitation trends exhibit high annual variability. Ethiopia has three rainy seasons: June–September (kiremt), October–January (bega), and February–May (belg). Kiremt rains account for 50–80 percent of the annual rainfall totals, and most severe droughts usually result from failure of the kiremt. The lowlands in the southeast and northeast are tropical, with average temperatures of 25°–30°C, while the central highlands are cooler, with average temperatures of 15°–20°C. Lowlands are vulnerable to rising temperatures and prolonged droughts, while highlands are prone to intense and irregular rainfall. HISTORICAL CLIMATE trends since 1960 include: Mean annual temperature has increased by 1°C, an average rate of 0.25°C per decade, most notably in July through September. The average number of "hot" nights (the hottest 10 percent of nights annually) increased by 37.5 percent between 1960 and 2003, while the average number of hot days per year increased by 20 percent. More intense precipitation during extreme weather events, although long-term rainfall trends are difficult to determine. The incidence of drought increased. Belg rains are increasingly unpredictable.

3. Donor contributions to recovery costs

Selected Program	Amount	Donor	Year	Implementer
Climate Services for Resilient Development [Ethiopia pilot]	\$34 million (financial and in-kind)	Public-private partnership	2015–2016	USAID, UK government, others
Promoting Autonomous Adaptation at the Community Level in Ethiopia	\$30.13 million	GEF, UNDP	2011–2016	Federal Environment Protection Agency
Strengthening Climate Information Systems and Early Warning Systems to Support Climate Resilient Development and Adaptation to Climate Change	\$38.34 million	GEF, UNDP	2013–2017	National Meteorological Agency
Implementing Climate Resilient and Green Climate Plans in Highland Areas in Ethiopia	\$16.83 million	GEF, UNDP	2015–2010	Not listed
Rural Resilience Enhancement Project	Not listed	Japanese International Cooperation Agency	2012–2015	Ministry of Agriculture, Natural Resource Management Directorate
Resilience through Enhanced Adaptation, Action Learning and Partnerships	–\$5.5 million	USAID/OFDA/ Feed the Future	2014–2017	Catholic Relief Services, others
Restoring Vibrant Villages and Environments	–\$5.5 million	USAID/OFDA/ Feed the Future	2014–2016	Project Concern International, others
Adaptation and Disaster Risk Reduction in Africa	56.8 million NOK	Norwegian Agency for Development Cooperation	2011–2016	World Meteorological Organization
Agricultural Climate Resilience Enhancement Initiative (ACREI)	\$5 million	Adaptation Fund, FAO, IGAD	Planned	World Meteorological Organization

4. Specific areas of the country more prone to catastrophic events

WFP climate risk in Ethiopia

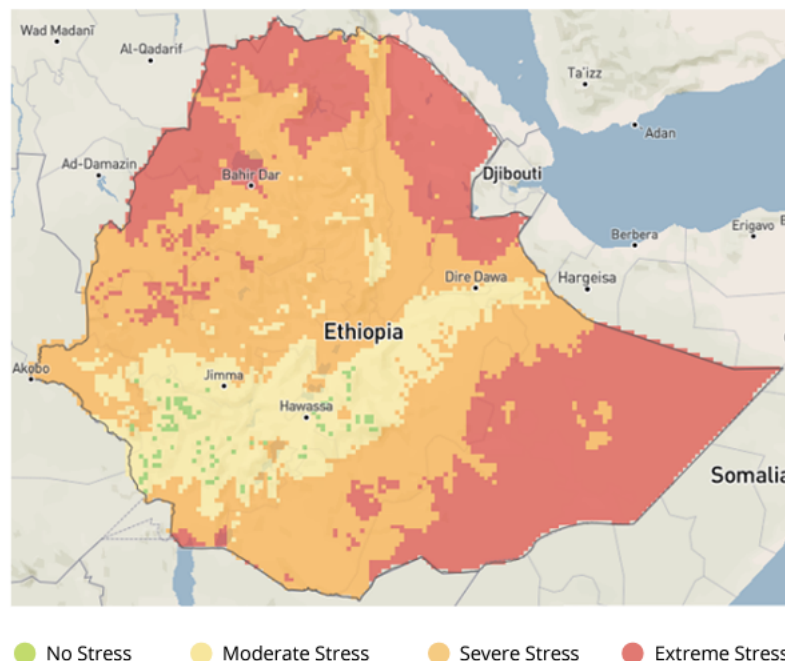


Figure 1 Climate exposure to aridity in Ethiopia measured as Thornthwaite's aridity index. Source: Smallholder Adaptation Atlas (CGIAR, 2021)

5. Any data available on disaster impact:

Climate security risks are not the same everywhere in Ethiopia. Using spatial analysis, we can identify hotspots of climate insecurities (Figure 4). In Ethiopia, areas where persistent dry-hot climate conditions, chronic food insecurity and different socioeconomic vulnerabilities converge present a moderate to severe conflict incidence. In addition, for the period 1980 – 2020, there exist a number of hotspots where harsh climate conditions and

conflicts co-occurred with other insecurities, such as high prevalence of malnourished children, education levels, and low agricultural productivity. In the harshest climate conditions (dry-hot weather), there exist highly localized hotspots for each of these insecurities. For instance, hotspots of dry-hot climate, moderate conflict intensity and highest rates of stunting, wasting and underweight are mostly located in the Afar zone 2 and in the Gode and Degehabur woredas in the Somali region

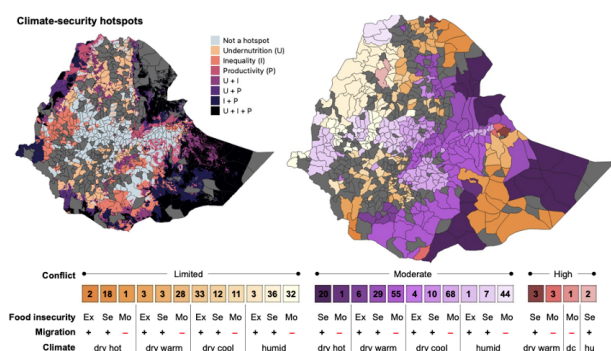


Figure 4 Hotspots of undernutrition, inequality, and low productivity within the conflict-security nexus. The left map

FDRE National Policy And Strategy For Disaster Risk Management

In northern Ethiopia, hostilities continue to escalate leading to injuries, loss of life, additional displacement, destruction of civilian infrastructure and mounting humanitarian needs. The humanitarian impact was already high prior to the recent escalation despite the significant efforts and resources invested to address the increasing needs.

- Civilians including aid workers continue bearing the brunt of hostilities in Northern Ethiopia; one aid worker killed and another wounded in Shire area, Tigray region.
- Close to 40,000 people newly displaced in Aba'la and Berhale woredas in Afar due to the recent wave of hostilities, according to local authorities.
- Most of the displaced people in Mersa, mostly from Raya Kobo Woreda in Amhara, have started to return

	<p>to their hometown.</p> <ul style="list-style-type: none">Cholera outbreak spread from Oromia to neighbouring woreda in Somali Region.Some 22 million people across the country reached with some form of assistance between January and August 2022. <p>https://reports.unocha.org/en/country/ethiopia</p>				
Environment for inclusive insurance and risk finance					
1. Is there an insurance law and supporting regulations?	<p>Insurance regulatory framework in Ethiopia</p> <ul style="list-style-type: none">Before October 1975, during the Imperial regime, there were thirteen insurance companies operating in Ethiopia. In November 1975 these thirteen companies were all nationalized and consolidated into one company, the Ethiopian Insurance Corporation (Ethiopian Yearbook, Insurance Section). When the Derge regime ended in the early 1990s, the establishment of private insurance companies was once again allowed. Before the 1975 change and during the Derge regime, the activity of insurance was governed only by the Commercial Code of 1960. However, the new phase called for new insurance regulation and the Licensing and Supervision of Insurance Business Proclamation No. 86 was promulgated in 1994.Currently, the Licensing and Supervision of Insurance Business (LSIB) Proclamation No. 86 of 1994 (hereafter referred to as the LSIB Proclamation) governs all insurance activities in Ethiopia and is supported by definitions contained in the Commercial Code of 1960.				
2. When was the Insurance law enacted?					
3. Is there an insurance supervisor (regulator)?					
4. Which Ministry	Legislation	Year Issues:	Sector to which it applies	General Framework main issue:	

<p>does the insurance supervisor report to?</p> <p>5. Is there an insurance association to represent the insurance companies.</p>	<p>Licensing and Supervision of Insurance Business Proclamation No.86 of 1994</p>	<p>1998</p>	<p>Insurance</p>	<ul style="list-style-type: none"> • Governing proclamation for insurance sector, with some definitions contained in Commercial Code (see below). • Addresses institutional form, prudential and some basic market conduct regulations. • Only institutional form able of being insurers is a share company – does not allow the institutional form of a cooperative to become an insurer. • No separate definition for or special treatment of microinsurance • New insurance proclamation currently being drafted. 		
	<p>Commercial Code</p>	<p>1960</p>	<p>Insurance but also other sectors of the economy</p>	<p>Relevant sections that currently apply are the definition of insurance and insurance policy (Article 564) and a section on payment of premiums (Article 666).</p> <ul style="list-style-type: none"> • New Commercial Code currently being drafted. • Likely that the relevant sections on the insurance that is currently contained in the Commercial Code will 		

			be moved to the new insurance proclamation	
<p>Although the Licensing and Supervision of Insurance Business Proclamation (see Section 4.1) is the main piece of legislation constituting the insurance regulatory framework, several other pieces of legislation also form part of the framework and help to determine who may write insurance. A summary of the legislation that constitutes the insurance regulatory framework is provided in the table below. These other pieces of legislation include the following;</p> <ul style="list-style-type: none">• Monetary and Banking Proclamation No.83 of 1994• Licensing and Supervision of Banking Business, Proclamation, No.84 of 1994• Licensing and Supervision of Micro Financing Institutions Proclamation No.40 of 1996• Cooperative Societies Proclamation No. 147 of 1998• Cooperative Societies (Amendment) Proclamation No. 402 of 2004 <p>The National Bank of Ethiopia is the insurance policymaker, regulator, and supervisor which directly reports to the Prime minister's Office. The LSIB Proclamation together with the Monetary and Banking proclamation (No. 83 of 1994) designates the Bank of Ethiopia as the policymaker, regulator, and supervisor of the insurance industry in Ethiopia. The Bank has an Insurance Supervision Department that is responsible for the above. This implies that the insurance supervisor is not 23 independents from the Central Bank as required by the International Association of Insurance Supervisors (IAIS). As result, membership in the IAIS has not been open to the Bank of Ethiopia.</p> <p>There is an association called the Association of Ethiopian Insurers which is a productive, inclusive, and thriving sector, has over 20 member companies, and is funded by members’ subscriptions on a not-for-profit basis.</p>				

	<p>National Bank of Ethiopia insurance directives: https://nbe.gov.et/insurance-business-directives/</p> <p>National Bank of Ethiopia insurance Proclamations:- https://nbe.gov.et/proclamation-insurance-business/</p> <p>Association of Ethiopian Insurers: https://www.associationofethiopianinsurers.com/</p>	
<p><i>A summary of the insurance market</i></p> <p>1. Are there any international insurance companies operating in the country?</p> <p>2. The number of insurance companies in the country, detail the number of life, reinsurance, microinsurance and non-life</p>	<p>Summary of the insurance market</p> <ul style="list-style-type: none"> No. There are no international insurance companies operating in Ethiopia. But one Insurance company called African Reinsurance Corporation is pending license to join the market. The number of insurance companies stood at 18 which provide both life and non-life insurance service, whose branches rose to 632 after they opened 27 new branches in 2020/21. Of the total branches, about 54.6% of the total insurance branches were situated in Addis Ababa. 85.8 % were private insurance companies. Currently, Nyala, Oromia, and African insurance companies as well as state-owned Ethiopia Insurance Corporation (EIC) provide micro-insurance. Nib insurance also provides specifically for horticulture insurance. Recently in 2021, 1 new reinsurance service provider, Ethiopian Reinsurance S.C, joined the market. <p>The list of insurance companies</p> <ul style="list-style-type: none"> Ethiopian Insurance Corporation: Public Owned Awash Insurance Company: - Private Owned Africa Insurance Company: - Private Owned National Insurance Corporation of Ethiopia: - Private Owned United Insurance Company: - Private Owned Global Insurance Company: - Private Owned Nile Insurance Company: - Private Owned Nyala Insurance Company: - Private Owned 	

<p>companies, Also name the insurance companies.</p> <p>3. The size of the insurance market by premiums, detail the split of the premiums between life and non-life, total assets of the insurance market, penetration level of insurance in the country</p> <p>4. List the insurance products available.</p> <p>5. Are any insurance product made mandatory</p>	<ul style="list-style-type: none"> - Nib Insurance company: - Private Owned - Lion Insurance Company: - Private Owned - Ethio-Life & General Insurance S.C: - Private Owned - Oromia Insurance Company: - Private Owned - Abay Insurance S.C: - Private Owned - Berhan Insurance S.C: - Private Owned - Tsehay Insurance S.C: - Private Owned - Lucy Insurance: - Private Owned - Buna Insurance S.C: - Private Owned - Zemen Insurance S.C: - Private Owned - Ethiopian Reinsurance S.C ; - African Reinsurance Corporation (Africa Re): <ul style="list-style-type: none"> • The gross written premium of the Ethiopian insurance industry was \$179.1 million in 2021. The market is expected to achieve a CAGR of more than 15% for the forecasted years penetration rate of mainstream insurance itself is utterly shallow. The total premium of the 18 insurance companies stood at ETB9.1 billion in 2019 while the contribution of the insurance sector were about 0.2% of the GDP (US\$105 million) and life insurance premiums constituted only 6% of total premiums, with almost half (43%) of total insurance premiums derived from motor vehicle insurance. This is the lowest even by African standards. • Ethiopian non-life general insurance products categorized as commercial insurance and retail insurance. Commercial general insurance includes property insurance, liability insurance, MAT, miscellaneous, and general insurance non-categorized. • Retail general insurance includes motor insurance and personal accident and health insurance. Motor insurance was the largest sub-segment in the general insurance industry, followed by property insurance. <p>Micro-insurance products in Ethiopia</p>	
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<p>by the government.</p>	<ul style="list-style-type: none"> • Micro-insurance is at the infant stage in Ethiopia. The most available micro-insurance products provided by commercial insurers and (other formal and informal) financial sectors in Ethiopia are credit life micro-insurance, health micro-insurance, and agricultural micro-insurance. • The very first micro-insurance scheme was a credit insurance scheme provided by MFIs as a protection of their loan if the borrower defaults due to a natural cause (i.e., death) • Like in many other developing countries agricultural micro-insurance can be offered in the form of weather index insurance, multiperil crop micro-insurance, named peril crop micro-insurance, and livestock micro-insurance. While a few pilot projects have been implemented, most of them are yet on the way, particularly in the area of agricultural insurance and health insurance. • Currently, Nyala, Oromia, and African insurance companies as well as state-owned Ethiopia Insurance Corporation (EIC) provide micro-insurance. Even a few micro insurance products such as index-based crop and livestock insurance existing in Ethiopia, are subsidized by donors. Over 40,000 farmers and pastoralists benefited from numerous donors driven micro insurance pilot projects, between 2009 and 2020. <p>Insurance products made mandatory by the government.</p> <ul style="list-style-type: none"> • Third-Party Insurance Cover: Third-party insurance, which is also sometimes referred to as ‘act-only’ insurance is a statutory requirement for all vehicle owners as per the Motor Vehicle Act <p>1) NBE list of insurers: https://nbe.gov.et/insurers/</p> <p>2) Ethiopian association members: https://www.associationofethiopianinsurers.com/members</p> <p>3) Business review: https://ethiopianbusinessreview.net/microinsurance-the-long-laboring/</p> <p>4) ILO: http://www.impactinsurance.org/country/ethiopia</p>	
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