



### **ADB Approves \$123m In Grant For Ethiopia's Basic Services Transformation Program**

Addis Ababa, November 21, 2018 -The African Development Bank Group (ADB) last Monday approved additional resources to Ethiopia's Basic Services Transformation Program in the form of a 123- million US dollars grant.

The Basic Services Transformation Programme Supplementary Financing (BSTP-SF) will be for the fiscal years 2018/19 to 2019/20, according to a press release issued by the bank.

The proposed support is consistent with the Ethiopian government's Growth and Transformation Plan II (GTP II) 2015/16 – 2019/20), with specific reference to the strategic pillar on accelerate human development and technological capacity building and ensuring its sustainability.

The additional financial support is a continuation of the African Development Bank Group's commitment to deliver quality basic services in Ethiopia in sectors such as healthcare, education and water and sanitation.

The original support program was approved in December 2015, the statement noted.

It will also enable Ethiopia to continue with programs that increase access to better basic services at the local level; strengthen accountability and transparency in service delivery and improve citizen's engagement in service delivery.

According to the statement, Ethiopia has made strong progress in human capital development. It increased net enrolment rate in primary schools from 77.5 percent (2006) to 99 percent (2016); reduced child mortality from 72 children per 1000 in 2006 to 20 children per 1000 by 2016, and improved rural water supply from 46 percent in 2006 to 74 percent as at end of 2017.

In approving the additional support, the Board of Directors of the African Development Fund noted Ethiopia's progressive economic development and structural transformation process.

The East African nation's fiscal policy in 2018/19 is expected to sustain focus on fiscal consolidation, characterized by stable pro-poor spending and improvements in public revenue mobilization.

BSTP-SF was developed jointly by the African Development Fund and the Government of Ethiopia, in close consultation with key development partners supporting basic service delivery (the World Bank, EU, Austria Development Agency and Italy Development Cooperation).