Dear Readers,

Preparation, translation and production of procedural manuals and training modules in Budget Preparation and Management for Addis Ababa and Dire Dawa city administrations as well as Afar, Gambela, Harari and Somali regions were the focus of the DSA project activities during the second quarter of 2005.

The project is also preparing for the introduction of the Accounts Reform in Dire Dawa, Oromia, Benishangul Gumuz and Harari regions. The “Level 1” training program for core trainers from Oromia region is currently being carried-out. The program for the Benishangul Gumuz core trainers is scheduled for June 20th, 2005. The training of trainers program for Harari and Dire Dawa core trainers will be carried-out in July. The required procedural manuals and training modules in accounts were developed and translated for all regions.

This issue of The Bottom Line includes an extensive listing of over 70 of these newly developed procedural manuals and training modules as well as a listing of all the training programs scheduled to be carried-out or currently underway in budget preparation and management as well as accounts.

An article describing training activities in the Afar, Gambela and Somali regions, a brief introduction of project advisors and The People Page complete our March/April edition of The Bottom Line.

Enjoy your reading!

FROM BUDGET TRAINING TO BUDGET PREPARATION

A not so easy process in Afar, Gambela and Somali regions

Conducting a training program for 40 to 50 trainees per class at over 40°C is not an easy matter. This however is the reality in regions such as Afar, Gambela and Somali. The lack of infrastructure such as roads and telephone communications in weredas makes the task of organizing and carrying out training or any other activities for that matter, always in blistering heat, even more difficult. It is so delightful however, to witness the enthusiasm and eagerness of the trainees in attending these training programs carried-out under the close supervision of the BOFEDs.
To ensure the effectiveness of the training to wereda, zone and region staff as well as devise a stronger follow-up to weredas and for the prompt preparation of the FY 98 budget, the DSA project has put in place a training/support strategy that fits the regions’ capacity and requirements. Each of the core trainers trained by the DSA project, would be assigned a wereda and would spend two consecutive weeks there. During the first week they would train wereda staff and during the second week they would assist the wereda staff in preparing their FY 98 budgets.

The BOFEDs would then process the wereda budgets using the BIS. This strategy is designed to ensure that all weredas are supported and have completed their budgets before or at the beginning of the new fiscal year. The strategy builds upon the approach the regions have already taken:

- Maximize the use of the core trainers in both training and supporting weredas in preparing the budget.
- Immediate follow-up of the training with the very practical exercise of completing their budgets
- Getting the FY 98 budget prepared and approved promptly by the start of the fiscal year.

The same strategy will be applied for the provision of the budget execution training programs scheduled to be carried-out in August 2005.
Tall and slender with a wisp of grayish hair, he is a quiet but strong personality in the Central Accounts Department of the Ministry of Finance and Economic Development. As “Accounts Team Leader”, he is in charge of the federal accounts: This month The People Page is pleased to present Ato Degu Lakew.

Currently in his late thirties, Ato Degu Lakew has a Bachelor Degree in Accounting from the Addis Ababa University. He has attended several training programs in country as well as overseas.

Ato Degu joined the Ministry of Finance in 1990(EC). A key personality in the Central Accounts Department, he played a major role during the implementation of the accounts reform at federal level. In the absence of the Head of the Department at the time, Ato Degu was responsible for the oversight of the accounts reform implementation at federal level. He admirably carried out this challenging responsibility along with his colleagues.

It has now been three years since the BDA 3 (B) _new chart of accounts, double entry_ has been installed at the Central Accounts Department (CAD) at MOFED directly under the supervision of Ato Degu. He consistently ensured the daily data recording and the smooth operation of the system as a whole. The CAD recently closed the 1995 federal accounts using this system. Ato Degu worked closely with the project’s IT staff in developing additional functional requirements needed for accounts closing. He believes that the experiences of the 1995 federal accounts closing using BDA 3 (B) will be of great assistance to regions as well. The three regions expected to close the FY1996 accounts this year using BDA 3 (B) are Amhara, SNNP and Tigray regions.

Ato Degu continues to perform his duties diligently and with great responsibility. **THE BOTTOM LINE** applauds him and wishes him all the best in his future endeavors.
Budget and Accounts training programs designed and supported by the DSA project - March, April and May 2005

<table>
<thead>
<tr>
<th>NO.</th>
<th>REGION</th>
<th>TRAINING PROGRAM</th>
<th>TRAINING LEVEL</th>
<th>EXPECTED NO. OF PARTICIPANTS</th>
<th>ACTUAL NO. OF PARTICIPANTS</th>
<th>NO. OF TRAINERS</th>
<th>TRAINING SITES</th>
<th>TRAINING PERIOD</th>
<th>TRAINERS</th>
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<tbody>
<tr>
<td>1</td>
<td>SNNPR</td>
<td>Region-wide training in budget planning</td>
<td>III</td>
<td>1610</td>
<td>NF²</td>
<td>9</td>
<td>13 zone sites</td>
<td>April 2005</td>
<td>BOFED</td>
</tr>
<tr>
<td>2</td>
<td>AFAR</td>
<td>Budget preparation and management course for Afar region core trainers</td>
<td>I</td>
<td>30</td>
<td>35</td>
<td>4</td>
<td>Semera</td>
<td>April 9 to 12, 2005</td>
<td>DSA</td>
</tr>
<tr>
<td>3</td>
<td>HARARI</td>
<td>Budget preparation and management course for Harari region core trainers</td>
<td>I</td>
<td>15</td>
<td>19</td>
<td>2</td>
<td>Dire Dawa</td>
<td>April 16 to 19, 2005</td>
<td>DSA</td>
</tr>
<tr>
<td>4</td>
<td>DIRE DAWA</td>
<td>Budget preparation and management course for Dire Dawa core trainers</td>
<td>I</td>
<td>15</td>
<td>15</td>
<td>2</td>
<td>Dire Dawa</td>
<td>April 16 to 19, 2005</td>
<td>DSA</td>
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<tr>
<td>5</td>
<td>ADDIS ABABA</td>
<td>Budget preparation and management course for core trainers from the Addis Ababa City Administration</td>
<td>I</td>
<td>30</td>
<td>27</td>
<td>2</td>
<td>Addis Ababa</td>
<td>April 22 to 23, 2005</td>
<td>DSA</td>
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<td>6</td>
<td>GAMBELA</td>
<td>Budget preparation and management course for Gambela region core trainers</td>
<td>I</td>
<td>30</td>
<td>22</td>
<td>3</td>
<td>Addis Ababa</td>
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<td>DSA</td>
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<td>7</td>
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<td>III</td>
<td>200</td>
<td>207</td>
<td>12</td>
<td>Addis Ababa</td>
<td>April 24 to 27, 2005</td>
<td>BOFED</td>
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<tr>
<td>8</td>
<td>HARARI</td>
<td>Budget Preparation and Management for Harari region budget staff</td>
<td>III</td>
<td>160</td>
<td>79</td>
<td>6</td>
<td>Harari</td>
<td>May 9 to 12, 2005</td>
<td>Region</td>
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<tr>
<td>9</td>
<td>SOMALI</td>
<td>Budget preparation and management course for Somali region core trainers</td>
<td>I</td>
<td>30</td>
<td>26</td>
<td>3</td>
<td>Dire Dawa</td>
<td>May 10 to 13, 2005</td>
<td>DSA</td>
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<tr>
<td>10</td>
<td>DIRE DAWA</td>
<td>Budget Preparation and Management for the Dire Dawa City Administration budget staff</td>
<td>III</td>
<td>200</td>
<td>156</td>
<td>8</td>
<td>Dire Dawa</td>
<td>May 18 to 21, 2005</td>
<td>Region</td>
</tr>
</tbody>
</table>
Introducing the DSA project technical staff

The following bios are of technical staff involved in reform work. Their responsibilities include the review of the government budgeting and accounting systems, design of new systems, design of training materials, and provision of classroom training as well as on the job training.

- Abaya Terfassa joined the Project in February 1, 2004. He has over 20 years experience in financial management.

- Alemu Kidane, joined the Project on May 1st, 2004. Alemu has worked for 8 years in the areas of financial management before joining the project.

- Asrat Bekele joined the project on December 20th, 2004. Asrat has over 15 years experience in Public Finance. Asrat, former expert of the Ministry of Revenue and authorized accountant by the Federal Auditor General, is currently advising the project on Tax issues, in addition to his work as an accounts advisor.

- Elias Ergicho joined the Project in June 2003 as an advisor. Elias has over 20 years experience in financial management, with 16 years of government service.

- Essayas TekleGiorgis joined the Project on March 8, 2004. He has over 17 years experience in financial management.

- James Joseph joined the Project in May of 2001 and is currently the Accounts Reform Director. He is responsible for the oversight of the accounts reform. He has over 20 years experience in international, private and public sector financial management.

- Mebrahtu Araya joined the Project in July 2002. He has over 18 years experience in financial management.

- Mohan Joseph Karikal joined the Project in November of 2004. He has over 6 years experience in financial management.

- Adam Abate is the IT Director of the DSA Project. He is responsible for the oversight of all IT activities of the project. He has over 6 years IT experience in developing sophisticated technology solutions in the US, in finance, manufacturing and consumer industries and has been working on the DSA Project IT systems since August 2003.

- Eric Chijioke joined the project as Lead Architect for the IBEX project. Formerly with ERisk in New York, USA, Eric has over 7 years of experience in application design and development. He also worked with the DSA project in November 2003, to design the IBEX application. Eric has now joined the project on a full time basis.

- Simon Solomon joined the project as Senior Analyst for the IBEX project. Simon has over 7 years experience in application development and architecture. He previously worked for Federated Systems Group in Duluth, Georgia, USA.

- Anthony Higgins has just joined the project as a resident Financial Management Specialist. Anthony has extensive experience in budget reform, public sector accounting and decentralization.
Current Staff Assignment for the implementation of budget and accounts reforms in the regions stated below:

<table>
<thead>
<tr>
<th>Region</th>
<th>Reform</th>
<th>Task Manager</th>
<th>Support Staff</th>
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<tbody>
<tr>
<td>Somali</td>
<td>Budget</td>
<td>Essayas T/Giorgis</td>
<td>Mohan Joseph</td>
</tr>
<tr>
<td>Gambela</td>
<td>Budget</td>
<td>Elias Ergicho</td>
<td>Mohan Joseph</td>
</tr>
<tr>
<td>Afar</td>
<td>Budget</td>
<td>Alemu Kidane</td>
<td>Mebrahtu Araya</td>
</tr>
<tr>
<td>Harar</td>
<td>Budget and Accounts</td>
<td>Asrat Bekele</td>
<td>Mebrahtu Araya</td>
</tr>
<tr>
<td>Dire Dawa</td>
<td>Budget and Accounts</td>
<td>Asrat Bekele</td>
<td>Mebrahtu Araya</td>
</tr>
<tr>
<td>Benishangul Gumuz</td>
<td>Budget and Accounts</td>
<td>Elias Ergicho</td>
<td>Mebrahtu Araya</td>
</tr>
<tr>
<td>Addis Ababa</td>
<td>Budget and Accounts</td>
<td>Mebrahtu Araya</td>
<td>-</td>
</tr>
<tr>
<td>Oromia</td>
<td>Budget and Accounts</td>
<td>Abbaya Terfassa</td>
<td>Mebrahtu Araya</td>
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### Training Levels

**Level I:** TOT - Training of core trainers

**Level II:** TOT - Training of wereda and zones trainers

**Level III:** Region-wide training for wereda and zone staffs

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<table>
<thead>
<tr>
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<th>NO. OF TRAINERS</th>
<th>TRAINING SITES</th>
<th>TRAINING PERIOD</th>
<th>TRAINERS</th>
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<tbody>
<tr>
<td>11</td>
<td>AFAR</td>
<td>Region-wide training in budget preparation and management for Afar wereda, zone and region budget staff</td>
<td>III</td>
<td>855</td>
<td>NF(^2)</td>
<td>10</td>
<td>5 zone sites</td>
<td>5/18/2005 to 6/6/2005</td>
<td>Region</td>
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<td>12</td>
<td>GAMBELA</td>
<td>Region-wide training in budget preparation and management for Gambela wereda, zone and region budget staff</td>
<td>III</td>
<td>350</td>
<td>NF(^2)</td>
<td>18</td>
<td>6 region and wereda sites</td>
<td>Region</td>
<td></td>
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<td>13</td>
<td>OROMIA</td>
<td>Single Treasury System Accounts training to Oromia region's core trainers</td>
<td>I</td>
<td>45</td>
<td>NF(^2)</td>
<td>2</td>
<td>Addis</td>
<td>5/26/2005 to 6/04/2005</td>
<td>DSA</td>
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<tr>
<td>14</td>
<td>SOMALI</td>
<td>Region-wide training in budget preparation and management for Somali wereda, zone and region budget staff</td>
<td>III</td>
<td>1,500</td>
<td>NF(^2)</td>
<td>25</td>
<td>52 weredas</td>
<td>5/31/2005 to 6/20/2005</td>
<td>Region</td>
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<tr>
<td>15</td>
<td>AMHARA</td>
<td>Single Treasury System Accounts training to new recruits</td>
<td>III</td>
<td>219</td>
<td>NF(^2)</td>
<td>NF(^2)</td>
<td>NF(^2)</td>
<td>June - NF(^2)</td>
<td>BOFED</td>
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<tr>
<td>16</td>
<td>OROMIA</td>
<td>Region Sector Bureau Accounts training for Oromia region's core trainers</td>
<td>I</td>
<td>45</td>
<td>NF(^2)</td>
<td>2</td>
<td>Addis</td>
<td>6/07/2005 to 6/17/2005</td>
<td>DSA</td>
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<tr>
<td>17</td>
<td>B-GUMUZ</td>
<td>Single Treasury System Accounts training to Benishangul Gumuz region's core trainers</td>
<td>I</td>
<td>20</td>
<td>NF(^2)</td>
<td>2</td>
<td>Addis</td>
<td>6/20/2005 to 6/30/2005</td>
<td>DSA</td>
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<tr>
<td>18</td>
<td>B-GUMUZ</td>
<td>Region Sector Bureau Accounts training for Benishangul Gumuz region's core</td>
<td>I</td>
<td>20</td>
<td>NF(^2)</td>
<td>2</td>
<td>Addis</td>
<td>6/30/2005 to 7/10/2005</td>
<td>DSA</td>
</tr>
</tbody>
</table>

**Total** 5,374  

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**Note 1:** Training Levels  

**Level I:** TOT - Training of core trainers  

**Level II:** TOT - Training of wereda and zones trainers  

**Level III:** Region-wide training for wereda and zone staffs  

**Note 2:** NF - Training reports not finalized so data not available yet
Documents Available

The following is a list of recent documents available from the DSA Project for distribution. A major objective of this newsletter is to make Federal and Regional finance officials aware of the documents available on the reform and to rapidly disseminate the concepts and lessons of the reform.

**ACCOUNTS**

- Management Accounts for Regions—Volume II: Revenue and Other Reports, Version 1.0 (A-95)
- Disbursement Module: Functional Requirements for the Treasury Department of MOFED (A-99)
- Manual 3-O: Chart of Accounts for Oromia Region—Volume II, Version 1.0 (A-100)
- Management Accounts for Regions—Volume I: Expenditure Reports, Version 1.0—Final Version (A-105)
- Management Accounts for Regions—Appendices for Volume I: Expenditure Reports, Version 1.0—Final Version (A-106)
- Management Accounts for Regions—Volume II: Revenue and Other Reports, Version 1.0—Final Version (A-107)
- Federal Democratic Republic of Ethiopia—FY 1995 Budgetary Revenue and Expenditure (A-110)
- Amhara Region Accounting System—Training Module for the Region Sector Bureaus—Volume I, Trainee Version, Version 1.0 (T-216)
- Benishangul Gumuz Region Accounting System: Training Module for the Department and Office of Finance and Economic Development—Trainee Version, Version 1.0 (T-238)
- Benishangul Gumuz Region Accounting System: Training Module for Region Sector Bureaus—Trainee Version, Version 1.0 (T-239)
- Oromia Region Accounting System: Training Module for the Department and Office of Finance and Economic Development—Trainee Version, Version 1.0 (T-240)
- Oromia Region Accounting System—Training Module for Region Sector Bureaus—Trainee Version, Version 1.0 (T-246)
- Oromia Region Accounting System—Case Solutions for Region Sector Bureaus—Trainee Version, Version 1.0 (T-247)
- Benishangul Gumuz Region Accounting System: Case Solutions for Region Sector Bureaus—Trainee Version, Version 1.0 (T-248)
- Benishangul Gumuz Region Accounting System: Set of Forms for Region Sector Bureaus (T-251)
- Benishangul Gumuz Region Accounting System: Set of Forms for the Department of Finance and Economic Development and the Office of Finance and Economic Development (T-252)
Documents Available

- Oromia Region Accounting System: Set of Forms for the Department of Finance and Economic Development and the Office of Finance and Economic Development (T-253)
- Oromia Region Accounting System: Set of forms for Region Sector Bureaus (T-254)
- Benishangul Gumuz Region Accounting System: Set of Forms for Region Sector Bureaus [Amharic Version] (T-258)
- Dire Dawa Administrative Council Accounting System: Training Module for Region Sector Bureaus—Trainee Version (T-261)
- Dire Dawa Administrative Council Accounting System: Case Solutions for Region Sector Bureaus—Trainer Version (T-262)
- Dire Dawa Administrative Council Accounting System: Set of Forms for Region Sector Bureaus (T-263)
- Harari Region Accounting System: Case Solutions for Region Sector Bureaus—Trainee Version 1.0 (T-264)
- Harari Region Accounting System: Training Module for Region Sector Bureaus—Trainee Version 1.0 (T-265)
- Harari Region Accounting System: Set of Forms for Region Sector Bureaus (T-266)

BUDGET

- Budget Reform Manual: Volume I—Budget Preparation and Management; A guide for Gambela Region (B-182)
- Budget Reform Manual: Volume I—Budget Preparation and Management; A guide for Gambela Region—Annexes (B-183)
- Budget Reform Manual: Volume I—Budget Preparation and Management; A guide for Gambela Region [Amharic Version] (B-184)
- Gambela Peoples’ National Regional State: Budget Forms [Amharic Version] (B-186)
- Budget Reform Manual: Volume I—Budget Preparation and Management; A guide for Addis Ababa
- Administrative Council [Amharic Version] (B-187)
- Budget Reform Manual: Volume I—Budget Preparation and Management; A guide for Somali Region [Somali Version] (B-189)
- Budget Reform Manual: Volume I—Budget Preparation and Management; A guide for Somali Region—Annexes [Somali Version] (B-190)
- Somali Regional State—Budget Forms [Somali Version] (B-191)
- Budget Reform Manual: Volume I: Training Module—Budget Preparation and Management; A guide for Afar Region—Trainee Version (T-219)
**Documents Available**

**Version** (T-228)

**Budget Reform Manual: Volume I: Training Module—Budget Preparation and Management; A guide for Somali Region—Set of Forms** (T-255)

**Budget Reform Manual: Volume I: Training Module—Budget Preparation and Management; A guide for Somali Region—Set of Forms [Somali Version]** (T-256)

**PUBLIC INVESTMENT / EXPENDITURE REFORM**
- Aide Memoire—Anaa Transfers in Oromia, Perran Penrose (P-68)

**INFORMATION TECHNOLOGY (IT)**

**MISCELLANEOUS REPORTS**
- Civil Service Reform Program: Minutes—Workshop on the Handling of Special Funds; Ghion Hotel, March 14th, 2005 (M-51)
- Civil Service Reform Program: DSA Project Brief (M-52)
- Index of Project Documents (M-53)

**OUTSIDE REPORTS INVOLVING THE DSA PROJECT**
- Accounting and Reporting Problems with Sector Development Programs, Ministry of Finance and Economic Development, Central Accounting Department [Amharic Version] (OR-40)
- Southern Nations, Nationalities and Peoples Regional Government, Coordination Bureau of Finance and Economic Development—Summary of 104 rural and 19 Urban Wereda Performance Agreements (OR-41)
- Civil Service Reform Program: Consultancy Report on the Tigray Planning Reform, Yohannes Shifferaw, SNNPR Planning Team (OR-43)
- Estimating the Revenue Potential for the Amhara Regional State, Final Document, James Warner (OR-44)