I. KEY ACTIVITIES OF THE REPORTING PERIOD

- The new accounting system is the accounting system operating in the federal government since July 8, 2002.

- 139 of the 154 federal government institutions were visited to assist and assess in the implementation of the new accounting system.

- Cycle #1 of the SNNPRG budget completed and produced in 16 volumes.

- Production by the BIS of all federal budget notifications (8 copies for over 500 sub-agencies and projects) for FY 1995.

- Production by the BIS of all tables of the FY 1995 Budget ("Green Book") without text.

- Training of 2,862 staff in Amhara region (2600 in the weredas and 262 in the zones) in budget execution to use the new pool guidelines.

- Training of 244 Federal staff in Accounts Module 3 (including 42 from the Inspection Department of the MoFED).

- The new BDA computer system was completed and installed in the Central Accounts Department of MoFED.
II. CORE ACTIVITIES

A. Accounts Reform

- Implementation of New Accounting System

    EFY 1995 began July 8, 2002. The new accounting system began operating on that date in all federal Public Bodies. To date, 30 of 154 reporting entities have delivered reports to the Central Accounting Department (CAD) using the new accounting system. Successful implementation was lead by CAD with the assistance of DSA.

---Visits to Public Bodies

A team consisting of at least one CAD and one DSA person visited 139 of the 154 reporting entities since the beginning of EFY 1995. The purpose of each visit was:

- To verify that the new accounting system is understood.
- To verify that the new accounting forms and registers are in place.
- To eliminate or receive an explanation for existing backlogs.
- To help accounts departments properly organize personnel.
- To verify that start-up accounting entries are understood.

In addition, a qualified accountant at CAD was available to answer any questions on the implementation of the new accounting system. Many Public Bodies telephoned or visited CAD to receive more information.

---Training of Other Federal Personnel

The new accounting system impacts other federal personnel. CAD with the support of DSA conducted training for:

- Treasury Department at MoFED: 26 trainees.
- Inspection Department at MoFED: 42 trainees (45 more are scheduled for training next quarter).
- Office of the Auditor General: 50 copies of Manual 3 and Training Module 3 were provided.

- Accounting Procedures Manual 3 and Accounting Training Module 3

---Amharic Translation of Manual 3 Version 1.0 Completed

The Amharic translation of Manual 3 was completed on August 13. Three copies of the English translation of Manual 3 and three copies of the Amharic translation of Manual 3 were sent to each region for awareness. The Head of CAD wrote a letter that stated (1) Manual 3 is the current FGE accounting system, (2) Regions are expected to implement this manual in the future, (3) Implementation in a region should not take place unless the region's accounts are current and the budget reform has been implemented.
The same packet of materials was sent to the Ministry of Capacity Building and to the Ethiopian Civil Service College.

---Draft Revision of Manual 3 Version 1.1 Completed
A draft revision of Manual 3 was completed. The draft revision includes an expanded description of the accounting system, including:
  o Forms and registers
  o CAD/MoFED procedures
  o Application of the accounting system to complex organizations

The Accounts Reform Team will finalize the revision as soon as the team is officially appointed.

---Draft Revision of Training Module 3 Version 1.1 Completed
A draft revision of Training Module 3 was completed. The revision will be finalized as soon as the revision of Manual 3 is finalized.

- **BDA System**

  A new BDA system to complement the new accounting system is in process. A local consultant is creating the database and program. The new BDA system consists of four modules: treasury/disbursement, budget adjustment, CAD transaction register, and monthly report consolidation. All modules are completed. The treasury/disbursement, budget adjustment, and CAD transaction register are in operation and performing well. The monthly report consolidation is completed, but has not been used by CAD yet.

- **Fixed Asset Management**

  DSA is finalizing a fixed asset management manual. The manual is based on the comments received from an initial draft property management manual exposed for comments. The manual is 75% complete.

- **Accounting Reform in SNNPRG**

  SNNPRG is planning to implement the new accounting system in EFY 1996 with DSA assistance. An Accounts Reform Design Team is established in SNNPRG, and two meetings have been held in Awassa with the Team and DSA. Information on adapting the new accounting system to SNNPRG was gathered and issues were discussed. An assessment of woreda capacity will be conducted with DSA assistance during October. The federal Manual 3 is being revised for use in SNNPRG. CAD is coordinating with the SNNPRG Accounts Reform Team.
The Accounts Backlog

The accounts reform is implementing tools, such as double-entry bookkeeping and modified cash basis accounting, that are necessary to reduce backlogs and improve the financial accountability of government. However, the accounting tools alone are not sufficient to accomplish the objectives. Accounting backlogs are created by a complex set of interrelated problems, including:

- **Staff:** Accounting staff are too few and unqualified.
- **Working Conditions:** Accounting staff are assigned to crowded work areas and noisy environments that may lack equipment as basic as a calculator.
- **Workload:** Accountants are not responsible for FGE accounts alone. Accountants also are responsible for:
  - **Procurement Regulations:** It is the accountants’ responsibility to enforce the regulations by refusing to record expenditure until regulations are complied with. This can cause delays in reporting expenditures.
  - **Budget Adjustment:** Accountants are responsible for maintenance of the adjusted budget.
  - **Cash Requisitions:** Accountants are responsible for requesting and recording cash from Treasury by item of expenditure.
  - **Off-budget accounting duties:** Accountants often must maintain accounts for bank accounts that are not part of the FGE accounting system. Examples include bank accounts kept for donors and HIV.
  - **Duties to Donor/Lender:** Accountants often maintain accounting records for donors and lenders using accounting systems established by the donors and lenders, in addition to maintaining the FGE accounting system.

The total workload of accountants is more than simply recording and reporting FGE accounting information. Given limited capacity, the highest priority is not always given to FGE accounts.

- **Complex Public Bodies:** Some public bodies are complex organizations. DSA lacks the capacity to analyze and reorganize individual Public Bodies.
- **National Bank of Ethiopia:** The banking system does not provide sufficiently detailed information to CAD for proper recording of many transactions. DSA lacks the capacity to analyze and reorganize the Ethiopian banking system.
- **Computerization:** Double-entry bookkeeping creates additional paperwork that is easily handled using simple desktop computer processes. Although the BDA system created by DSA can be adapted for use by accountants throughout the system, DSA lacks the capacity to implement.
Other Financial Processes: The accounting system is the end of the government financial process. Planning, budget, cash management, data processing, procurement, inspection, audit, counterpart funds, stores, and all other processes in the financial system impact accounts. If any of these processes are delayed, account processes are delayed.

Reducing accounts backlogs requires more than new tools. Additional staff, improved working conditions, a revision of some task assignments, changes to some regulations and some donors/lender procedures, reorganization of some public bodies, improvements to the banking system, computerized accounting processes, and other financial reforms also are necessary.

Auditor General and Inspection Processes

The new accounting system fundamentally changes the accounting processes and records of Public Bodies. Auditors and Inspectors need a thorough understanding of the new accounting system. DSA is helping to provide this understanding by supporting the training of General Auditors and Inspectors. However, in addition to gaining an understanding of the accounting system, the General Auditors and Inspectors must consider the impact that the new accounting system has on their standard procedures. Changes to audit and inspection programs, actions taken as a result of findings, and certain laws, regulations and directives should be reconsidered. For example, currently Inspectors count cash in the safe at year-end. Cash distributions for next year's budget are reduced by that amount. Although this procedure is appropriate in a cash-based accounting system, it is inappropriate in a modified-cash basis accounting system. Other procedures, laws, regulations and directives may be equally inappropriate.

B. Budget Reform

Budget Reform in the SNNPRG

---Cycle #1 Budget Production
Cycle #1 budget information was entered and consolidated using the BIS. A consolidated Cycle #1 budget was prepared for the weredas, special weredas, zones and the region. The Cycle #1 budget document was 16 volumes and over 2300 pages in length and had details by line item using the new chart of accounts (B-55 to B-70). The BIS demonstrated again that it is robust and is capable of producing budget reports by sector, by item of expenditure and by jurisdiction. The need to have more trained budget staff in the BIS to takeover the management of the system, and extend it to few zones, as a pilot was among the issues raised during the August meeting
with the reform task force. The BIS team of the DSA project has started to provide training on the production of reports.

---Automation Support
During the reporting period the project provided the BoFED two computer specialists to assist them in preparing the Cycle #1 budget and enter the Cycle #2 data. Because of the BoFED's limited manpower in information technology, the continued support was necessary. The principal BoFED staff member involved in managing information systems was unable to manage the processing because he was fully occupied in assisting in the introduction of budget execution procedures. (While fully occupied elsewhere he was extensively involved in this process). The Project has developed a plan to train BoFED staff in the management of the system.

---Budget Proclamation
The Project assisted the Region to finalize the English and Amharic version of SNNPRG FY 1995 budget proclamation. Summary tables were prepared to facilitate the budget appropriation process.

---Assessment of the Reform
The Regional Budget Reform Team presented its assessment of the FY 1994 budget reform and held discussions with the DSA Project team in August.¹

---Action Plan for FY 1995
An action plan was also prepared in August during consultations with the regional BoFED for the budget and accounts reform for FY 1995. The action plan indicates the major activities that would be performed in each month from August 2002 to June 2003.

---Assessment of the FY 1994 Budget Reform
It was decided to make an assessment of the regional capacity to execute the FY 1995 budget. A questionnaire was developed in September by the DSA Project for this purpose and was agreed upon by the Regional Task Force. The objective of the assessment was to identify: the status of manpower in terms of staffing and skill, training needs, problems encountered in budget preparation and execution (issues of doing budget in two cycles, adequacy of budget formats, budget allocation procedures, payment requisition and disbursement procedures), the availability of bank accounts, the pooling system and how it operates, and the preconditions to undertake the accounts reform.

• Workshop on the SNNPRG Budget Reform in Awassa (September 2-3)

There were three objectives of this workshop:

1) To present the SNNPRG budget reform, and the problems encountered and the solutions found.
2) To review the experience of other regions in the three reforms: 1) the budget reform, 2) the restructuring of public bodies and 3) the devolution process. The objective of these discussions was to develop consistent guidelines and work procedures that would promote strong financial management in regions and assist in the consolidation of national accounts at the federal level.
3) To present to regions what preparations they need to make to implement the accounts reform.

The documents of the SNNPRG budget reform were distributed to the participants and the SNNPRG Budget Reform Team made presentations. All of the regions participated in the workshop except for the Somali region which could not attend because of a car accident. Three regions, Amhara, Oromia, and Tigray presented the major features of their pooling systems. The presentations indicated that not all pooling procedures are similar across the regions, that regions need to exchange experiences and try to simplify the pooling system, and that there should be consistency across regions that would enable the consolidation of data at the Federal level.

The workshop also presented the prerequisites of the accounts reform: a stable structure (budget structure, pool system, bank accounts, complete the devolution process, and complete the budget reform), stable personnel assignments, and little or no backlog in closing accounts.

The workshop identified important lessons for improving budget reform in regions (B-75):

- Receipt of the federal subsidy figures on time and doing only one cycle budgeting to economize on resources.
- Need for a clear directive on the establishment of the sinking fund.
- The pooling system is still unclear. Thus, revise own budget structure and attempt to have similar pool guidelines.
- Complete staffing of weredas before providing training.
- Clearly demarcate expenditure assignment of regions, zones and weredas.
- Prepare a revenue sharing mechanism between regions and weredas.
o Decide on the issue of unspent money at the wereda level

o Prepare a transparent, fair, need based, and output conditioned formula that accommodates expenditure requirements.

o Properly implement the budget reform prior to an accounts reform

• Budget Reform in Oromia

---Experience in Implementing the Budget Reform in FY 1994

The Oromia Bureau of Finance and Economic Development held discussions with the DSA Project on July 5th and explained the status of their experience with budget reform in FY 1994 and the assistance they needed from the Project. Due to its commitments to the budget reform in the SNNPRG, the Project was not involved in Oromia's budget reform in FY 1994. The Oromia BoFED indicated that they tried to implement the budget reform in FY 1994 after receiving a five-day training program which they felt was wholly inadequate. The training was rushed and appropriate trainees were not selected because staffing at the wereda level was not complete at the time of the training. As a result, some trained staff were assigned to other posts and were not involved in budget preparation. Moreover, the formats used for the training were incomplete and the training material was not translated into Oromiffa. The BoFED also listed a number of other problems encountered during their FY 1994 budget reform: the BDA in Oromia is not updated to fit into the new chart of accounts, the grant formula did not work properly; pooling instructions were not prepared, and training was not given on the budget procedures. The FY1995 budget for Oromia was not completed on time because the federal subsidy arrived very late, it was not easy to integrate the new procedures into the system, and the staffing of the weredas was not settled so it was not possible to accurately determine the wereda budget.

---Regional Requirements

Following the July 5th meeting, Project staff visited the Regional BoFED on July 22nd and 26th and discussed possible next steps. Concerning the training needs, the BOFED officials stated the following: since they have already started the new budget reform 1) they do not need to train staff in the FGE Accounting Module 1; 2) they do not need to train on Module A Version 1.0 (accounts training manual); and, 3) they want to have a modified and translated copy of the training manual developed for the SNNPRG (project report T-98) and provide intensive training on that manual.

It was agreed to prepare a training manual and the Oromiffa version of budget forms. The training manual would include a complete set of the budget formats. It was also proposed to prepare an action plan for training.
---Translation of budget forms
A number of budget formats (MeBeMa’s, KaBeMa’s, GeHe’s and GeBeWe’s) and budget call directives were translated into Oromiffa finalized. The budget formats which were missing (GeBeMa/11,12, KaBeMa/11,12 and BeMa/10) in the FY 1994 crash training program were identified and translated into Oromiffa. The SNNPRG Budget Execution Training Manual was reviewed to fit into the requirements of Oromia and is ready for translation.

---BoFED’s Budget Reform Request
In August, Oromia came up with a request of 8.4 million Birr to train 6907 staff in the new budget procedures and the automation of the budget in 50 weredas. The Project indicated that it would review this proposal and discuss with the relevant federal officials.

- Tigray and Amhara Regions

The Project held discussions with officials of the two regions on how to introduce the new Civil Service Budget Reform. Agreements were reached with the two regions to prepare action plans on how to do the reform in their respective regions, and the two regions are currently preparing their action plans.

- Development of Guidelines to Assist Weredas in Preparing their Budgets

A draft guideline has been developed on how to prepare and execute budget in weredas, zones and regions. The objective of this guideline is to provide a simplified instruction that assists budget staff at all levels on budget preparation and execution. It introduces the concept of budgeting, charts of accounts, the financial calendar, and the stages of budgeting. The guide provides instructions on how to allocate the budget between recurrent and capital, how to prepare and present recurrent and capital budgets, and how to make budget adjustments. The Guideline also provides information on budget execution procedures, (payment request and authorization procedures) and how to complete budget preparation and execution.

- Preparation of Budget Training Modules

Budget preparation and execution training manuals were prepared by the Project for the SNNPRG budget reform. Since other regions are also moving forward to introduce the budget reform it is necessary to prepare a standardized and comprehensive budget training manual that serves all the regions. The Project is preparing such budget-training manual in four Modules.
  - Module 1 on Budget Classification and Charts of Accounts
- Module 2 on Budget Preparation and Presentation
- Module 3 on Public Expenditure Programming: Concepts and Methods, and
- Module 4 on Budget Execution

When these training modules are finalized they will be translated into local languages and will be used for budget preparation and execution training by regions.

- Support to the Ministry of Finance and Economic Development in production of the tables for the FY 1995 budget and the notification forms

---Production of the tables of the Annual Budget
In July the Project staff using the BIS entered in the last data for the FY 1995 Recommended Budget. The annual budget (the two "Green Books") was then produced in Amharic (B-51 and B-52) and English (B-53 and B-54) were prepared but without the text from the Budget Departments of MoFED.

---Production of the Budget Notification Forms
Project staff in July using the BIS produced 8 copies of the FY 1995 budget notification for over 500 Federal sub-agencies and projects. Production was completed within two days.

C. In-Service Training

- Module 3 training for federal accountants

Module 3 Accounts Training Program continued in this quarter for 202 Federal accounts staff bringing the total number of trained federal staff to 994. 965 of these were tested at the end of each training sessions and 83% of these obtained grades above average. 69% of them obtained very good results (80+/100).

Review of the training evaluation forms reflected concerns raised by trainees such as continuity of the training program, follow-up of the trainees after they have returned to their work- places and requirement for an awareness training program for senior officials in the new accounting system. The trainees complained that Amharic manuals and forms should have been made available for the training. Indeed, because of the delay in the translation process of the Manual 3 documents, the Project produced and distributed English version manuals to all trainees.

An additional training program in this new accounting system was also planned for the end of September to train Inspection Department staff of the Ministry of Finance and Economic Development: the first class run from
September 16 to 20, 2002 with 42 participants. 45 inspectors are expected to participate in the second class starting on September 30, 2002.

Furthermore, 50 copies of each of the 3 volumes of Manual 3 and 50 copies of the Module 3 trainee manuals were sent to the Federal Auditor General on September 13, 2002 to be used in a training program organized in-house by the Auditor General.

- Translation of Manual 3

The Translation of Manual 3 scheduled to be completed on May 20th, 2002, was finalized and handed over to the DSA Project on August 14, 2002. 1000 copies of the Amharic version of each of the 3 volumes of Manual 3 were printed to be distributed to Federal Public Bodies as well as regions.

- Budget execution training programs in Amhara and Tigray regions

With the wereda devolution process, a new challenge faces weredas in managing their newly acquired budget execution responsibilities. During the Period July-August, a budget execution-training program dealing with accounting issues, disbursement as well as procurement was delivered to 262 trainees from 11 zones and 2,600 trainees from 116 weredas in the Amhara Region. Similarly in Tigray, a training of trainers program in budget execution involving 50 participants was conducted from August 26 to September 5, 2002. These trainers are expected to train 420 participants from 35 weredas in a budget execution-training program in October 2002.

- In-Country Specialist Capacity Training

The regional management institutes did not provide any in-service training programs this quarter following the Project’s earlier notice (November 2001 – IFTP Q10) of funding constraints. However, a new funding agreement between the USAID and Ireland Aid is being processed currently. The Project will release the necessary funding to run the in-service training program again as soon as the Contract Agreement is finalized.

The total number of participants in the in-service financial training program at the Regional Management Institutes is 4,875 (Annex 1). To date, the total number of staff trained in budget preparation and execution is 6333 (Annex 2).
III. OUTSTANDING ISSUES

- Delay in Incremental Funding of the Project

As of the date of this report, incremental funding necessary for the implementation of the Project's Strategic Plan for FY 1995 is delayed and is currently unavailable. If the funding is not available to the Project by December 25th, the Project's Strategic Plan for FY 1995 must be modified.

--Background
The initial budget for Phase 3 of the DSA Project agreed to by the Government and USAID was for $7.2 million for three years (March 2001-March 2004). USAID reduced this budget by $1.5 million in March of 2001 at the beginning of Phase 3. USAID reprogrammed the funds to other activities. The $1.5 million reduction reduced the in-service training program during the second half of the phase 3 (October 1, 2002 to March 2004).

USAID and the Government agreed that alternative sources of funding should be sought to replace the lost funds. The Steering Committee was informed of the progress on obtaining additional funding in (see Quarterly Reports # 18 and 21). Irish Aid and the European Union each proposed to fund the Project with one million euros for a total of approximately $1,800,000. With this level of incremental funding, the Project would be able to implement the Strategic Plan for FY 1995.

The Project presented the Strategic Plan for FY 1995 to the Director of the Civil Service Reform Project in a brief (M-15) submitted to the MoCB on April 10th. The same brief was also submitted to State Minister Getachew Gebre of MoFED in April. Table 2 of the brief outlined the sequence of implementing the CSRP financial reforms based on a strategy of federal first, pilot region second and then extension to the other high capacity regions.

For FY 1995 the proposed strategy is to implement the accounts reform in the SNNPRG and the budget reform in the Amhara and Tigray regions. The Chief of Party met with the Head of the CSRP in August and reiterated this sequence and specifically asked if the Project should proceed or should await the reorganization of the CSRP. The Project was instructed to proceed.

The Head of the CSRP asked the Chief of Party whether the Project had the capacity and funds to assist these reforms. He was assured that it did if the proposed incremental funding by the EU and Irish Aid totaling two million euros was forthcoming.
Based on the strong commitment of Irish Aid to this program which included "letters of comfort", the DSA project proceeded in Spring and Summer to support the implementation of the accounts reform at the federal level (1,081 staff trained) and budget execution training at the weredas in the SNNPRG (2,330 staff), Amhara (2,872 staff) and Tigray (50 staff) for a total of 6,333 trainees. Without this program, the federal accounts reform could not have been implemented for the FY 1995 budget and the wereda execution of the FY 95 budget would have been hampered. These training activities cost $513,007 and the Project funded them with the understanding that these activities would be covered by Irish Aid.

As of the date of this report, Minister Getachew has agreed in principle that MoFED would sign a Memorandum of Understanding with Irish Aid and USAID to permit reimbursing the $513,007 to the Project. MoFED has also agreed to hold further discussions with USAID and Irish Aid on the modalities for future funding.

---Consequences
Without the additional $400,000 proposed by Irish Aid and the $900,000 proposed by the EU the Project cannot proceed to implement the reforms proposed in the Project's FY 1995 strategic plan. The following are the estimated costs of the proposed reforms:

<table>
<thead>
<tr>
<th>Reform</th>
<th>Cost</th>
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<tbody>
<tr>
<td>SNNPRG Accounts Reform</td>
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<td>Amhara Budget Reform</td>
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<td>Tigray Budget Reform</td>
<td>$384,000</td>
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<tr>
<td>Sub-Total</td>
<td>$1,372,000</td>
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</table>

There are also two additional reforms the Project has been asked to fund:

<table>
<thead>
<tr>
<th>Reform</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>SNNPRG Budget Reform</td>
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<td>Tigray Accounts Reform</td>
<td>$200,000</td>
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<tr>
<td>Sub-Total</td>
<td>$385,000</td>
</tr>
</tbody>
</table>

A strong case can especially be made for funding the SNNPRG Budget Reform for an additional year to complete the work started in FY 1994. The SNNPRG Budget Reform needs support for a second year because of the relocation of wereda staff.

Finally, Oromia Region has asked the Project for assistance to the Oromia Budget Reform. The Project has no cost projections for this activity and is evaluating what is feasible given the potential commitments in the other regions.
• Scope of the Strategic Plan for FY 1995

Assuming the incremental funding discussed above is sorted out, the Project still has excessive demands in FY 1995 for assistance to regions on accounts, budget and expenditure planning reform. The Project is concerned that if Project resources are spread too thin there will not be adequate capacity to promote a quality reform. The Government's policy to devolve financial management in FY 1995 has makes the assistance task even more difficult because it has significantly expanded the number of public bodies that will have to manage these financial systems.

While recognizing the difficulty of selecting one region over another for assistance, the Project still maintains that selection of regions for reform should be based on the status of their closure of accounts. This criteria was applied in FY 1994 when selecting the SNNPRG for the first regional budget reform and should be applied in FY 1995 in selecting regions for assistance in the accounts and budget reform.

• Reduction in Project Office Space

On November 8th the Project was notified by Minister Getachew Gebre that the Project would have to vacate two offices. The project was given seven days to vacate one office and fourteen days to vacate the second office.

The Chief of Party drafted a memorandum to Minister Getachew Gebre. The memorandum requested a reconsideration of the notice and stated that this action would cause a reduction in the ability of the Project to provide support. One of the two rooms identified to be vacated housed the computer staff of the sub-contractor. The loss of this office means that the 6 to 11 computer staff using that office will not be available to support MoFED’s BIS and expanded BDA systems in a responsive manner.
ANNEX 1

IN-SERVICE TRAINING

The following table depicts the training programs conducted to date by the Regional Management Institutes and the ECSC.

<table>
<thead>
<tr>
<th></th>
<th>No. of Rounds (Starting before IFTP)</th>
<th>Actual training figures (Total to date)</th>
<th>Actual training figures (Under IFTP)¹</th>
<th>FGE Accounting training programs starting date</th>
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<tbody>
<tr>
<td>SNN&amp;P RMI</td>
<td>11</td>
<td>895</td>
<td>713</td>
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<td>Oromia RMI</td>
<td>6</td>
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<td>600</td>
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<td>Amhara RMI</td>
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<td>Tigray RMI</td>
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<td>Gambela RMI</td>
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<td>ECSC</td>
<td>14</td>
<td>690</td>
<td>563</td>
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<td></td>
<td><strong>4,875</strong></td>
<td><strong>4,238</strong></td>
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</table>

¹: The IFTP account started operating in September 1999.
ANNEX 3

DOCUMENT REPRODUCTION DURING THE REPORTING PERIOD

- SNNPRG Budget Reform Program

  16 Volumes of the Cycle 1 Budget Summary and Detail documents were printed in 20 copies for the SNNPR Government.

- Federal Budget Reform Program

  8 copies of over 500 sub-agency and project Budget Notifications were printed for the Budget Consolidation Department of MOFED.

  The 2002-2003 Federal Budget Summary and Detail documents (Green Books) were printed in both Amharic and English versions for Minister Neway G/Ab of the Prime Minister's Office, Minister d'Etat Fikru Dessalegn of the Capacity Building Ministry, Minister d'Etat Dr. Mulu Ketsela of MOFED and Minister d'Etat Getachew Gebre of MOFED.

- Accounts Reform Program

  350 copies of each of the 3 Volumes of Manual 3 and the trainee manual were produced in-house for distribution as well as the federal manual 3 training program, in addition to the 1000 copies produced last quarter.

  1000 Amharic version copies of each of the 3 Volumes of Manual 3 were produced using a private printing press for distribution to Federal Public Bodies and regions.

  Also during this reporting period, 200 additional copies of the 3 Manual 3 Volumes were printed for the MOFED Inspection Department Training Program on Manual 3 and a similar training program organized in-house by the Auditor General.

  Furthermore, a total of 1,797 copies of the 18 Manual 3 training forms were produced for the MOFED Inspection Department Training Program on Manual 3.
• Budget Execution Training Program

3000 copies of the Module A trainee manual, Amharic version, and 400 copies of the Module A trainer guide were produced for the Amhara Budget Execution Training Program.

40 copies of “the Pool Guidelines”, “the Financial Proclamation and Directives” and “the Complete Case Solution” documents were produced for the Tigray Region Budget Execution Training of Trainers Program.

• SNNPRG Workshop on Budget and Accounts Reform

The “SNNPR Decentralization” document, the Woreda, Zone and Regional Structure documents, sample documents on Cycle 1 Budget Request from the Awassa Zuria Woreda, Cycle 1 and 2 Budget Call documents, as well as the Minutes of the April Workshop in Awassa, were each produced in 100 copies for distribution to participants of the September 2 and 3 workshop on Budget and Accounts Reforms.
## ANNEX 4

### PROJECT REPORTS

#### A. Accounts Reform

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
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**B. Budget Reform**

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<td>“Budget Reform Design Manual Version 2:0, Budget Classification, Expenditure Codes and Budget Formats,” July 7, 1998</td>
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<tr>
<td>B-16</td>
<td>&quot;Budget Reform Design Manual Version 2.1,&quot; January 24, 2000 (Updated on February 17, 2000)</td>
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<tr>
<td>B-17</td>
<td>&quot;Budget Information System – Results of Initial System Study, Proposed Future Activities and Work Completed to Date, Version 1.0,&quot; by Shaun McGrath, February 2000</td>
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<td>B-18</td>
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<td>B-24</td>
<td>“Consultancy in Aid Management” by Edna Elliot McColl, June 2000</td>
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B-33  “FY1994 Recommended Budget for the FDRE, Volume I, Budget Summary.” Amharic Version

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B-55  "SNNPR Budget Reform: Cycle 1 Budget Request: Silte zone and its weredas". June 2002
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C-3  Consultancy in Cash Management” by Virginia Robinson, March 1, 2000
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D - 1  "Debt Management Issues (Ethiopia)" by Fernando Fernholz, September 1999.

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P-7 “System Requirements and Terms of Reference for a Consultant on Data Management for the Public Investment Program,” February, 1998.

P-8 “Expenditure Programming During the PIP Period,” March 1998.


P-10 PIP Preparation: an Example Based on the Ethiopian Roads Authority,” March 1998.


P-12 “Forecast of External Funding Available to Ethiopia,” May 1998.

P-13 “A Note on Flexibility and Relationship to the Capital Budget,” June, 1998.


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P-41 "Memorandum on revising the draft PEP design documents”. Perran Penrose, January 2001

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P-50 "Civil Service Reform Program: Expenditure Planning Strategy", Perran Penrose, April 2002


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<td>PA-7</td>
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G. Training Strategy for Accounts, Budget, Public Investment/Expenditure Planning

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<td>T-38</td>
<td>Accounts Training Module 2 Version 1.0 &quot;Donor Accounting&quot; Trainer Version, by David Sawyer, September 2000. (First Draft)</td>
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T-54 Accounts Training Module 2 (version 1.0) "Donor Accounting" Training manual, December 2000

T-55 Accounts Training Module 2 (version 1.0) "Donor Accounting" Guide for Trainers, December 2000

T-56 Accounts Training Module 2 (version 1.0) "Donor Accounting" Workbook for Trainees, December 2000
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T-74 Accounts Training Module 2 (version 1.0) "Donor Accounting" Training manual, December 2000 [Oromiffa version]

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Q-4  “Report of Project Activities: January 1st to March 31st 1998,”
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Q-5  “Report of Project Activities: April 1st to June 30th 1998,”
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Q-6  “Report of Project Activities: July 1st to September 30th 1998,”
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Q-18 "Report of Project Activities: July 1st to September 30th, 2001," November 08, 2001


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<td>IT-PIP-3</td>
<td>&quot;PIP Technical Guide&quot; by Shaun McGrath, June 1998. (Last updated December 2000) <em>(Also listed under T-16)</em></td>
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<td>&quot;LDS User's Guide&quot; by Shaun McGrath, June 1998. (Last updated December 2000) <em>(Also listed under T-17)</em></td>
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<td>PIP Sample Reports&quot; by Shaun McGrath, June 1998. (Last updated December 2000) <em>(Also listed under T-19)</em></td>
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<td>PIP Setup 2.51 and Full Documentation by Shaun McGrath, June 1998. (Last updated December 8, 2000.)</td>
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<td>CM-CD-2</td>
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