Dear Readers,

Establishment of wereda support units in Oromia, SNNP and Benishangul Gumuz regions, extensive visits to woredas and zones in Oromia and Benishangul Gumuz, budget execution training programs in Afar, Gambella and Somali regions, extensive IT support work in all regions and at the Federal were at the center of the project’s activities for the past two months.

In October 2005, the Cambridge based Harvard University Accountant, Helen Solomon, and Administrator, Carrie Main, arrived in Ethiopia for a ten-day working visit. The team from Harvard was to review financial procedures and the financial control environment of the field office. As part of the review process, a trip was organized for Helen and Carrie to go to Afar region to look at the process of the disbursement of project funds in regions, for training as well as other reform activities. In this issue of THE BOTTOM LINE you will find an article that Helen wrote, about her trip to Afar region.

The People Page this month introduces you to all regions’ Finance and Economic Development Bureau Heads; THE BOTTOM LINE would like to take this opportunity to congratulate newly appointed Heads and those who left assigned to other responsibilities.

We begin this edition of THE BOTTOM LINE with an article on the IBEX application system reviewing available reporting formats.

Once again we encourage our readers to write to us and give us feedback or send articles on the reform. We will be happy to publish your articles.

Enjoy reading THE BOTTOM LINE.

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The IBEX Budget Module has been operational at MOFED and at the Addis Ababa BOFED and sub-cities for the past year. The IBEX Accounts Module is installed at the Central Accounts Department at MOFED and is undergoing user acceptance testing.

IBEX is a significant upgrade in functionality and security of the BIS/BDA versions currently in use country-wide. The DSA project carried-out this upgrade to ensure that these systems meet future requirements taking into account a) the continuously evolving processing and reporting requirements of users in the Federal and regional governments, b) the development partners’ specific reporting requirements and, c) the need for bringing the technical standards of BIS/BDA to an industry standard technical platform enhancing security framework, scalability and performance.

With the devolution of the Financial Management to woredas, automation of weredas is the next step of the government’s reform

Continued on page 2
process. IBEX is a web-based application that is designed to run on the communication infrastructure that the government is currently completing throughout the country. IBEX is the solution to the need for automation of the financial management at wereda level.

IBEX includes reports that are included in the regional and Federal consolidated budget book, reports that track the budget data with actual data a) to facilitate variance analysis, b) to promote planning and control and, c) to facilitate policy development by Federal and regional government and its development partners.

Below is a list of all reports currently found in the IBEX Application. These reports can be generated with different levels of detail. To review report samples with the most level of details specified, please refer to Project Report IT-IBEX -5 (Budget report). There are currently over 80 different report formats for use in the budget books, for budget notification as well as comparison and analytical purposes. The IBEX Accounts Module also features 64 reports.

**IBEX Reports** *(See page 5 and 6 for more reports)*

### Volume I
1. Table 2.5a – Total Budget for Functional Classification by Expenditure Category
2. Table 2.5b – Recurrent Budget for Functional Classification by Expenditure Category
3. Table 2.5c – Capital Budget for Functional Classification by Expenditure Category
4. Table 2.8 – Summary by Donor/Creditor of Assistance and Loan
5. Table 2.9 – External Assistance
6. Table 2.10 – External Loan
7. Table 2.11 – Total Budget by Function and Sub-Function Classification
8. Table 2.12 – Recurrent and Capital Budgets by Public Body/Transfer Recipient
9. Table 2.14 – Recurrent Budget by Sub-Function and Sub-Function Classification
10. Table 2.15 – Recurrent Budget by Public Body/Transfer Recipient
11. Table 2.16 – Recurrent Budget by Class of Account Functional and Sub-Functional Classification
12. Table 2.17 – Capital Budget by Function and Sub-Function Classification
13. Table 2.18 – Capital Budget by Public Body + Transfer Recipient
14. Table 2.19 – Capital Budget by Class of Account Functional and Sub-Function Classification

### Volume II
15. Table 3.1 – Recurrent Detailed Budget by Source of Finance & Federal
16. Table 3.3 – Capital Detailed Budget by Source of Finance and Federal

### Volume III
17. Recurrent Profile
18. Capital Profile

### Notification
19. Recurrent Budget Approved
20. Capital Budget Approved

### Requested Budget
21. Recurrent Budget Request
22. Capital Budget Request

### Negarit
23. Negarit Gazette

### Comparison and Analytical

#### Requested and Recommended Budget by Expenditure Code and SOF
24. Recurrent
25. Capital

#### Requested and Recommended Budget by PB, SA and Proj and SOF
26. Recurrent
27. Capital

#### Ceiling Vs Requested and Recommended Budget by SOF
28. Recurrent
29. Capital
FROM BOSTON TO AFAR...

In October of 2005, the Harvard based project accountant Helen Solomon and administrator, Carrie Main, were in Ethiopia on a working visit. For Helen Solomon, the trip to Ethiopia was her first trip to Africa. She arrived late on Sunday night, October 16, 2005 and on Tuesday October 18, she traveled to Afar region. Helen was overjoyed by everything she saw: It was all so new and so different! Helen was kind enough to send us the article below about her trip to Afar region.

As the Cambridge-based Harvard University project accountant for the DSA Project in Ethiopia for the past five years, I was looking forward to meeting my counterparts in Ethiopia for the first time. I finally made the trip to consult with the local staff to review and improve our shared accounting systems and procedures.

I arrived in Addis Ababa late Sunday night October 16, 2005 and at 10:00AM Monday morning I went to the DSA office to meet the staff, tour the offaces and attend a donors meeting. On Tuesday Sarah, the project manager, Alex, the driver and Carrie the Cambridge-based project administrator as well as I, left the hotel at 6:00AM to begin a 7 hour drive to the Afar region to distribute per diem funds to trainees attending a five day training session.

For most of the trip the road was a well paved two lane highway with no sidewalks. At the start of the journey from Addis Ababa the sides of the road were filled with schoolchildren with books tucked under their arms, dressed in school uniforms, walking to their various schools in animated groups. As we continued on to Afar we saw donkeys, goats, camels, cows, monkeys, ostriches and antelopes as well as and all birds of many shapes and sizes. Naturally we had to slow down to look and sometimes even stop to let them cross the road. I was delighted every time there was a crossing since we don’t see this very often in Cambridge.

The geography from Addis went from grassy fields with picturesque haystacks, farming fields with huts made from branches to give shade and (well-kept family huts in small village clusters (5 or 6 huts) along the road-side, to a more arid landscape with few trees and lots of volcanic rock, to a vast desert scene of scrub brush, dust and rock that was the Afar region. Along the first two thirds of the trip we saw many 5 box high termite hills - just imagine!

The Afar people are nomadic and live in small portable rounded grass and stick huts with colorful tarp over them. They own goats, cows and camels and live off the milk and occasionally the meat of the goats and cows. When the rainy season is over (at the end of September) they roll up the huts and pop them onto the backs of their camels and travel around the region looking for water and places for the animals to eat. They are also a very handsome group - facial features that NYC models would pay good money to have. They also dress very colorfully which further enhances their natural beauty – to see the children in their colorful clothes running and

Continued on page 4
laughing while herding goats was dazzling.

After about two hours we stopped to buy some ice to keep our food from spoiling and went to a little cafe for something cold to drink. I know I should've been surprised but you can't get diet coke, or diet anything for that matter, in Ethiopia. . . no demand. We continued driving to a small town in Afar where there were rows of makeshift one-room businesses with lots of people, animals, cars, trucks and goods in the street. Before we stopped for lunch we drove to a newly built gas station to refuel. There seems to be quite a lot of construction in process in Ethiopia. We then drove back to the town and pulled in to a restaurant that was in the open with a grass tarp overhead and a TV, front and center, on an Arabic channel blaring American movies—I hadn't seen "ET" in a long time. We were served traditional Ethiopian food called injera - a large pancake style bread made with the local grain "tef". It tastes like a rubbery/spongy sourdough bread and is loaded with vitamins and minerals. It was topped with freshly roasted lamb and very hot spices. Before we began eating, a server came around with a bowl and a pitcher of warm water so we could wash our hands. We all ate from the same plate and the food was delicious. We met other people from the project there and the conversation was lively with lots of laughter.

We then decided to check-in to our guest house which was a 30 minute drive from the restaurant on deeply dusty roads, past the BOFED where we would be paying the trainees. When we got there we were shown our quarters. We had the "VIP" suite but it was far from luxurious. The manager sprayed for mosquitoes and left us there. There was mold on the ceiling as well as resident spiders and lizards. There were also bright red flowers outside the door and a few very pretty delicate cats roaming around looking for attention, but my focus was on the bugs.

We then went to do the job we came to do. At the Afar Finance Bureau we set up a table to pay the trainees. They were all current government employees (mostly Muslim and fasting for Ramadan - tired, hungry, thirsty trainees) participating in a training of trainers program in the new financial systems developed by the DSA project that Harvard administers with support from USAID (United States Agency for International Development).
### IBEX Reports

**BI by Expenditure**
- 30. Recurrent
- 31. Capital
- 32. Recurrent and Capital

**External Financing by BI**
- 33. Recurrent
- 34. Capital Assistance
- 35. Capital Loan

**Others**

**Budget Forms**
- 36. ME/BE/MA1
- 37. ME/BE/MA2
- 38. ME/BE/MA3
- 39. KE/BE/MA1
- 40. KE/BE/MA2
- 41. KE/BE/MA3

**Budget Structure**
- 42. Recurrent
- 43. Capital

**Management Reports**
- 44. Table 1 – Recurrent Budget – Treasury and Retained Revenue Ceiling vs Requested and Recommended Budget by Public Body
- 45. Table 2 – Capital Budget – Treasury and Retained Revenue Ceiling vs Requested and Recommended Budget by Public Body
- 46. Table 3 – Comparison of Recommended Recurrent Budget with Previous FY’s by Public Body (Treasury + Retained Revenue)
- 47. Table 4 – Comparison of Recommended Capital Budget with Previous FY’s by Public Body (Treasury + Retained + Assistance + Loan)
- 48. Table 5 – Comparison of Recommended Budget with Previous FY’s by Public Body
- 49. Table 6 – Summary of Recurrent Allocation between: Non-Discretionary, Priority Discretionary and Other Public Bodies (Treasury + Retained + Revenue)
- 50. Table 7 – Summary of Capital Allocation between: Non-Discretionary, Priority Discretionary and Other Public Bodies (Treasury + Retained Revenue + Assistance + Loan)
- 51. Table 8 – Summary of Recurrent and Capital Allocation between: Non-Discretionary, Priority Discretionary and Other Public Bodies For (Treasury + Retained Revenue + Assistance + Loan)
- 52. Table 9 – Comparison of the Composition of Expenditure (Salaries and Operation & Maintenance) of Recurrent Budget by Public Body (Treasury + Retained Revenue)
- 53. Table 10 – Summary of the Key Items of Expenditure for both Recurrent and Capital for the Recommended Budget (Excluding Retained Revenue)
- 54. Table 11 – Recommended Recurrent and Capital Budget By Source of Finance
- 55. Table 12 – Summary of Key Items of Expenditure for both Recurrent and Capital Budgets by Public Body (Treasury + Retained Revenue + Assistance + Loan)
- 56. Table 13 – Comparison of the Composition of Expenditure (Salaries and Operation & Maintenance) of Recurrent Budget by Public Body (Treasury + Retained Revenue)
- 57. Table 14 – Comparison of the Composition of Selected Expenditure of Recurrent Budget by Public Body (Treasury + Retained Revenue)

**HTML Reports**
- 58. Requested and Recommended Recurrent Budget by Expenditure Code And SOF
- 59. Requested and Recommended Capital Budget by Expenditure Code and SOF
- 60. Requested and Recommended Capital Budget By PB, SA, Project and SOF
- 61. Requested and Recommended Recurrent Budget by PB, SA, Project and SOF
- 62. Ceiling vs Requested and Recommended Recurrent Budget by SOF
- 63. Ceiling vs Requested and Recommended Capital Budget by SOF
- 64. Recurrent External Financing for Sub-Function
- 65. Capital External Assistance for Sub-Function
- 66. Capital External Loan for Sub-Function
- 67. Recurrent Budget Structure
- 68. Capital Budget Structure
- 69. Total Budget Summary by SOF
- 70. Total Budget by Functional Category for Zone and Woreda

**Nation-Wide Consolidation Module Reports**

**Consolidated Reports**
1. Consolidated Reports
2. Revenue by Account Code
3. Expenditure by Account Code
4. Expenditure by Function
5. Ordinary Budgetary Expenditure
6. General Capital Expenditure
7. Domestic Capital Expenditure
8. Assistance Capital Expenditure
9. Loan Capital Expenditure

**Status Reports**
1. Regional Organization Mapping Status
2. Regional Accounts Mapping Status

*Continued on page 6*
### IBEX Reports

**Transaction Reports**
1. Transaction Expenditure Report
2. Transaction Revenue Report
3. Transaction Transfer Report
4. Transaction Ledger Card
5. Transaction Expenditure Budget Ledger Card
6. Transaction Details by Day
7. Transaction Details by Budgetary Institution
8. Transaction Transfer Match by Budgetary Institution
9. Transaction Transfer Match by Account
10. Transaction Trial Balance Summary

**Monthly Reports**
13. Monthly Transfer Match by Budgetary Institution
15. Monthly Trial Balance Check List
17. Maximum Period Expenditure Report
18. Monthly Report Type Details by Account Code
19. Monthly Report Type Details by Budgetary Institution
20. Monthly Budget vs Expenditure by Budgetary Institution
22. Monthly Trial Balance Summary
23. Monthly Net Trial Balance Summary
24. Monthly Region Wide Trial Balance Summary

**Accounts Closing Reports**
25. Monthly Batch Balance Report
26. Monthly Transfer Match by Budgetary Institution
27. Monthly Transfer Match by Account Code
28. Wereda/BoFED Transfer Comparison Report
29. Wereda/BoFED Subsidy Expenditure Comparison Report
30. Monthly Report Type Details by Account Code
31. Monthly Report Type Details by Budgetary Institution
32. Monthly Budget vs Expenditure by Budgetary Institution
33. Monthly Budget vs Expenditure by Account Code
34. Monthly Trial Balance Summary
35. Monthly Net Trial Balance Summary
37. Maximum Period Expenditure Report
38. Account Closing Status Report
40. Transaction Pre-Closing Trial Balance Summary
41. Transaction Post-Closing Trial Balance Summary

**Quarterly Reports**
42. Quarterly Budget vs Expenditure by Budgetary Institution
43. Quarterly Budget vs Expenditure by Item of Expenditure
44. Quarterly Net Trial Balance Summary

**Account Book Reports**
45. General Ledger Budget vs Expenditure Summary
46. Revenue Summary by Account Code

**Management Reports**

### Analysis Reports

47. Expenditure Analysis by Item of Expenditure and Source of Finance
48. Expenditure Analysis by Category, Sub-Category and Function
49. Expenditure Analysis by Function, Sub-Function and Source of Finance
50. Expenditure Analysis by Zone Wereda and Function
51. Expenditure Analysis by Zone Wereda and Category
52. Expenditure Analysis by Public Body and Category
53. Salary Expenditure Analysis by Function, Sub-Function, Program and Source of Finance
54. Non-Salary Expenditure Analysis by Function, Sub-Function, Program and Source of Finance
55. Salary Expenditure Analysis by Zone Wereda and Source of Finance
56. Non-Salary Expenditure Analysis by Zone Wereda and Source of Finance

### Revenue Reports

57. Domestic Revenue Analysis by Item of Revenue
58. Other Types of Revenue Analysis

### Other Reports

59. Current Assets and Liabilities
60. Checklist and Reconciliation of Transfers and Subsidies

### JBAR Reports

61. Consolidated Recurrent Expenditure Budget at Regional and Woreda Level
62. Consolidated Capital Expenditure Budget at Regional and Woreda Level
63. Consolidated Recurrent Budget vs Expenditure at Regional and Woreda Level
64. Consolidated Capital Budget vs Expenditure at Regional and Woreda Level
This month, we briefly present to you ten Finance and Economic Development Bureau Heads from eight regions and two city Administrations

### AMHARA REGION

Ato Ahmed Abtew  
Head Finance and Economic Development Bureau since October 1998  
Former assignment:  
Deputy Finance Bureau Head (1990 – 1994)  

### ADDIS ABABA

Wzo. Genet Aberra  
Head Finance and Economic Development Bureau since 1987  
Former assignment:  
Head, Industry and Handicrafts Bureau (1985—1987)

### B/GUMUZ REGION

Ato Berhanu Garno  
Head Finance and Economic Development Bureau since August 1993  
Former assignment:  
Budget, Disbursement and Accounts Department Head (1989 – 1993)

### SOMALI REGION

Sultan Abdi Ali Shagah  
Head Finance and Economic Development Bureau since September 1998  
Former assignment:  
Planning and Finance Sector Head, Regional Council (1994)

### GAMBELLA REGION

Ato Tesfaye Riso  
Head Finance and Economic Development Bureau since 1996  
Former assignment:  

### OROMIA REGION

Ato Tolossa Gedefaa  
Head Finance and Economic Development Bureau since September 1998  
Former assignment:  

### HARARI REGION

Ato Arif Abdulhafiz  
Head Finance and Economic Development Bureau since January 1998  
Former assignment:  

### DIRE DAWA

Ato Ketema Tessema  
Head Finance and Economic Development Bureau since July 1996  
Former assignment:  
**The People Page**

**Afar Region**
Ato Mohammed Awel Miae  
Head Finance and Economic Development  
Bureau since 1995  
Former assignment:  
Regional Council, Deputy Finance Sector  
Head (1994)

**Tigray Region**
Ato Abadi Zemou  
Vice President, Tigray Regional State  
Head Finance and Economic Development  
Bureau since November 1998

**SNNP Region**
Bureau Head not appointed yet.

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**From Boston to Afar...**

Development, DCI (Development Cooperation Ireland) and RNE (The Royal Netherlands Embassy).

The DSA trainers had accommodations that some would consider better than ours. They slept in a suite for three - a platform, at the back of the restaurant, under mosquito nets and the full moon. Fresh air and wolves a-howling! We then went back to our “VIP” suite and hunkered down for the night. I "slept" with the light on to keep track of the other residents - African spiders, mosquitoes and lizards.

The next day we drove back through the desert in the morning and it was all hustle and bustle - people working, preparing food and talking in groups as well as several types of animals and birds searching for food - colorful, energizing scenes. The landscape at every turn of the road evoked the spiritual. The Rastafarians may well be right that Ethiopia is the Promised Land.

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**The Bottom Line**
 Successfully manage a decentralized financial system, that is the bottom line of EMCP.

Please participate by sending us brief and informative articles on the reform.

Your comments, suggestions are most welcome!

You can reach us at:

The DSA project.  
Room # 46  
Ministry of Finance and Economic Development  
Tel: 011-156 9122/ 156 0240  
011-137 6571  
Fax: 011-155 3363  
e-mail: dsa2@ethionet.et
This year, six former Bureau Heads have been assigned to new responsibilities...

**OROMIA REGION**

Ato Musa Mohammed  
Oromia BOFED Head from 1997 to September 1998  
Currently Head, EMCP Coordination Office, Ministry of Finance and Economic Development

**TIGRAY REGION**

Ato Mekonnen Abraha  
Tigray BOFED Head from 1994 to 1998  
Currently Deputy Head, Relief Society of Tigray

**SOMALI REGION**

Sultan Muhyedin Liban  
Somali BOFED Head from 1994 to August 1997  
Currently studying for a Masters Degree in the Netherlands

**HARARI REGION**

Ato Abdurahman Mohammed  
Harari BOFED from October 1997 to January 1998  
Currently Trade, Industry, Transport and Urban Development Bureau Head

**AMHARA REGION**

Ato Aychew Kebede  
Amhara BOFED Head from 1996 to 1998  
Currently Head, Amhara Rural Development Program Coordination Unit, SIDA

**SNNP REGION**

Ambassador Getachew Hamussa  
SNNPR BOFED Head from October 1989 to 1998  
Recently appointed Ambassador to Canada
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.

**DOCUMENTS AVAILABLE**

**BUDGET**
- Budget Reform Manual: Volume II—Accounting and Reporting; A guide for Somali Region [SOMALI VERSION] (B-204)
- Budget Reform Manual: Volume II—Training Module—Accounting and Reporting for Region Sector Bureau in Somali Region; Trainee Version [SOMALI VERSION] (T-292)
- Budget Reform Manual: Volume II—Training Module—Accounting and Reporting for The Office of Finance and Economic Development in Somali Region; Trainee Version [SOMALI VERSION] (T-293)
- Budget Reform Manual: Volume II—Training Module—Accounting and Reporting for The Office of Finance and Economic Development in Somali Region; Trainer Version (T-294)
- Budget Reform Manual: Volume II—Training Module—Accounting and Reporting for The Office of Finance and Economic Development in Somali Region; Trainer Version (T-295)
- Budget Reform Manual: Volume II—Training Module—Accounting and Reporting for The Office of Finance and Economic Development in Somali Region; Set of Forms [SOMALI VERSION] (T-296)
- Budget Reform Manual: Volume II—Training Module—Accounting and Reporting for Region Sector Bureaus in Somali Region; Set of Forms [SOMALI VERSION] (T-297)

**CASH MANAGEMENT**
- Civil Service Reform Program: Review of Cash Management; Aide Memoire, by Ian Storkey (C-5)

**MISCELLANEOUS REPORTS**
- Civil Service Reform Program: Awareness workshop on the implementation of Budget and Accounts Reforms in Gambella Region (M-63)
- Awareness workshop on the implementation of Budget and Accounts Reforms in Oromia Region (M-64)
- Awareness workshop on the implementation of Budget and Accounts Reforms in Harari Region (M-65)
- Awareness workshop on the implementation of Budget and Accounts Reforms in Afar Region (M-66)

**PROJECT QUARTERLY REPORT**
- Report of the DSA Project Activities: October 1st to December 31st, 2005 (Q-35)

**INFORMATION TECHNOLOGY (IT)**

**OUTSIDE REPORTS INVOLVING THE DSA PROJECT**