
**Federal Democratic Republic of Ethiopia
Country strategic opportunities programme
2024–2030**

Addendum

Management response to Member States' comments

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Comments from France	Management response
<p>Crops considered a priority may change from one year to the next, which could lead to untimely shifts to new products on a large scale, resulting in disruptions to downstream links that are difficult to manage. The selection of value chains to be supported is therefore a sensitive subject and should take place in close consultation with the Government to ensure their long-term engagement.</p>	<p>Management agrees that the a priori fixed selection of value chains to be supported over a long period of time is not sustainable due to changes in the market and political context. Hence, the selection of supported value chain is flexible and will be determined during project/programme design and during implementation. There will be careful monitoring and assessment of the country context throughout the project cycle, to inform the relevance of supported value chains.</p>
<p>IFAD is still seeking out cofinanciers (World Bank, Bill & Melinda Gates Foundation, Green Climate Fund, Global Environment Facility), which could pose a risk to effective project start-up. Guarantees of such financial support should be obtained rapidly.</p>	<p>Management agrees that there is a need to have the cofinancing support guaranteed quickly. For the World Bank cofinancing, under the proposed programme (Lowlands Livelihood Resilience Project II), the World Bank will approve its financing before IFAD, hence mitigating the risk of a slow start-up. In other cases, the programmes will be designed to start up and achieve results with IFAD funding. The cofinancing will be treated as additional funding in the event of delays.</p>
<p>Linkages with the <i>Agence Française de Développement</i> (AFD) interventions under way in the agriculture sector would be useful, in particular the Inter Aide project, which has the objective of building resilience among family farms in the Southern Nations, Nationalities and Peoples Region (SNNPR) region. Specific coordination could also be undertaken with the Agrihub project (2021–2025), calling for growth of small and medium-sized agricultural enterprises and better access to financial services.</p>	<p>The Ethiopia portfolio will seek to identify synergies with AFD’s current and future interventions. The IFAD country team will arrange to meet with AFD’s Ethiopia country team to seek potential areas for collaboration in the areas of development and strengthening agri-small and medium-sized enterprises and youth entrepreneurship, taking advantage of the Agrihub project.</p>