

DEMAND STUDY FOR BMO SERVICES OF ECCSA & ITS MEMBER ORGANIZATIONS

Final Consolidated Study Report

Submitted to:

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ACRONYMS

AACCSA:	Addis Ababa Chamber of Commerce and Sectoral Association
BDS:	Business Development Service
BMO:	Business Membership Organization
BoD:	Board of Directors
CC&PRs:	Communications and Public Relations
CCCSA:	City Chambers of Commerce and Sectoral Associations
CCSA:	Chamber of Commerce and Sectoral Associations
CIPE:	Center for International Private Enterprises
CO:	Certificate of Origin
CSR:	Corporate Social Responsibility
DP	Development Partner
EBC:	Ethiopian Broadcasting Corporation
ECCSA:	Ethiopian Chamber of Commerce and Sectoral Associations
ECSA:	Ethiopian Chamber of Sectoral Associations
EEA:	Ethiopian Economic Association
EHPEA:	Ethiopia Horticulture Producer Exporters Association
EPOSPEA:	Ethiopia Pulses and Oil Seeds Producers and Exporters' Association
FDI:	Foreign Direct Investment
FSS:	Forum for Social Studies
FGD:	Focus Group Discussion
GOE:	Government of Ethiopia
JV:	Joint Venture
GTP:	Growth and Transformation Plan
HR:	Human Resource
MoU:	Memorandum of Understanding
MPEA:	Meat Producers and Exporters Association
PSD Hub:	Private Sector Development Hub
SA:	Sectoral Associations
SMS:	Short Message Service
SNNPR:	Southern Nations, Nationalities, and People Region

1. INTRODUCTION

Ethiopia is one of the fastest-growing economies in the world. Over the last decade, the economy registered an impressive growth rate. This growth, however, has been heavily dominated by public sector investment and the contribution of private sector investment is weaker than expected. To sustain this growth momentum in the long run, it is imperative that the private sector is allowed to play an active role in the economy.

Private sector development is widely acknowledged to be a critical driver in the fight to alleviate poverty as it provides more and diverse economic opportunities in any given society. The private sector has a key role in an economy by supporting inclusive growth, poverty reduction, job creation, and access to critical goods and basic services and by providing tax revenues.¹

In the emerging business environment globally, characterized by greater reliance on market forces and private enterprise, there is an increasing recognition of the need for stronger private sector involvement in developing national economies.² Development cannot be achieved by public sector initiatives alone.

“A dynamic business sector is a basic pre-requisite for economic growth, poverty reduction, income generation and the creation of decent jobs for all, including women and young people. In support of this broad objective, the Agenda for Change reiterates the importance of a stronger business environment, a competitive local private sector and integration into the world economy as enabling vectors in developing countries”.³

Various challenges including problems related to access to finance, infrastructure, hard currency, investment climate, land, skilled human power, etc. are constraining the growth of the Ethiopian private sector.

Business associations – including chambers of commerce and trade associations – are supposed to support and coordinate the effort of the private sector to contribute to economic growth, peace, and prosperity. They play a key role in building inclusive entrepreneurship ecosystems and they can bolster the ability of firms of all sizes to grow and create jobs. Through Business Membership Organizations, the private sector, as a combination of private enterprises, can voice legitimate needs while engaging in a transparent policy reform process. Voluntary membership-based associations are microcosms of the democratic process, bringing entrepreneurs together to strengthen market economies. In order to be successful, they need strong internal governance, focused membership development, financial sustainability, and advocacy skills.

¹IFC. 2011. International Finance Institutions and Development through the Private Sector.

²Markus Pilgrim and Ralf Meier.1995. CIPE. National Chambers of Commerce: A Primer on the organization and role of chamber systems.

³https://ec.europa.eu/europeaid/node/1021_

One of the main challenges for governments in developing countries is to design institutional and regulatory frameworks that are conducive to private sector development. It is true government alone cannot create a vibrant private sector with an entrepreneurial mindset. However, government actions can encourage or indeed hamper the development of entrepreneurship. In line with this, fostering a thriving private sector often requires extensive economic reforms. Evidence from many other countries suggests that business organizations representing the private sector are widely accepted when they pursue effective advocacy and dialogue with the government for the implementation of reforms that foster private enterprise. They should also complement and share the efforts and responsibilities of governments in the field of business promotion by responding to a growing demand for services from the business community⁴.

Various interrelated factors have negatively contributed to the Ethiopian chamber system's inability to effectively fulfill its mission as set out in the enabling proclamation⁵. The major capacity limitations are to be found in the areas of:

- Research, advocacy, lobbying and the delivery of demand based quality services
- Lack of sustainable sources of revenue
- Structural challenges emanating from the enabling legislation, which led to missions overlap and counterproductive relationship between City, Region and Nation level chambers and fragmentation of membership basis.

This assignment is a continuation of Sida's support to ECCSA through the PSD Hub, which was generally targeted at strengthening chamber advocacy and dialogue activities as well as supporting the implementation of private sector reforms. The PSD Hub Project document has the following to say regarding the PSD intervention supported by Sida.

“..... the Swedish International Development Cooperation Agency has been assisting the efforts of the Ethiopian chamber system to improve the business climate and thus augments Ethiopia's private sector development since 2005. This effort has contributed to the enhancement of the capacity of Chambers in being a positive voice for the private sector through research, advocacy and policy influence, which have borne fruit in terms of improved policy, legal and institutional arrangements for the sector. With such constructive engagement, government at all levels has appreciated the Chamber system and has established the Ethiopian Public Private Consultation Fora to enable the Chamber to exchange ideas with the Government and make the needs of the sector known.”⁶

⁴Markus Pilgrim and Ralf Meier.1995. CIPE. National Chambers of Commerce: A Primer on the organization and role of chamber systems.

⁵ Proclamation 341/2003 defines the mandate, functions and structure of Ethiopian Chamber System.

⁶PSD Hub Project Document, 2015-2020, Capacity Building for the Sustainability of the Ethiopian Chamber of Commerce and Sectoral Associations, page 7

The PSD Hub project document hastens to add that the support of Sida to the private sector of Ethiopia, through the PSD Hub, should be taken to the next level. It states as follows:

“As cooperation between ECCSA and Sida has progressed, sustainability of the Chamber has become a concern. Following various consultations, it was realized that the Chamber system better invest in service delivery as a way not only to build its constituency but also gain financial support from the same.”

At the same time, as services rendered by the Chamber have to be valuable to merit client support, its capacity needs for sustainability should focus on in-demand analysis, service development, marketing and service delivery. The Chamber also believes that the Hub has to complete the research, advocacy and project activities that it started and engage in some salient research before its exit. This study is therefore predicated on the findings of the PSD Hub as encapsulated by the above quoted statement.

The purpose the study are also very much in line with the vision and mission statements of ECCSA. ECCSA envisions“ To see a private sector that plays a leading role in the economy by putting in place an institutionally sustainable chamber by 2025” while its mission statement is “to provide a platform for unified voice of the private sector that can play a leading role in the economy through advocacy, trade and investment promotion and capacity building”.

2. OBJECTIVES AND SCOPE

2.1. Objectives

The main objectives of the study are to:

- a. Provide an evidence based report which will directly increase the knowledge and understanding of ECCSA, the Hub and Sida stakeholders on the nature of private sector demand for BMO services and
- b. Identify and analyze the capacity and competency of ECCSA BMO members to develop, manage and deliver those services.

Essentially, the first phase has enabled us to identify major constraints of the Chamber system in relation to delivering demand based services to its members. It also enabled us to take inventories of and dwell on characteristics of existing services and gave an idea of potential services (non-generic). The question for phase II remained as to what services ECCSA and its members could quickly cash in on and what the Chamber system, led by ECCSA, could undertake with the support of the PSD Hub to meet short run demands of members and, at the same time, ensure long term financial sustainability, and ability to advocate for members and the private sector.

To achieve the objectives of the assignment, the consultant employed a combination of secondary and primary data sources. The study mainly relied on interviews as its method of primary data

generation. A total of 40 individuals in the leadership and management of ECCSA and its members (*Board Chairpersons, Secretary Generals, Membership Managers, and Board members*) were interviewed. ECCSA and all its 18 members were covered. The consultant also collected primary data through structured questionnaire, focus group discussion, document review, and a Workshop organized to deliberate on the Preliminary Findings of the study.

2.2. Scope of the Study

The study is designed to look at the existing service demand for BMO services as perceived by ECCSA and its members. Accordingly, the study did not consider enterprise level surveys and interview of key stakeholders including relevant government officials.

The assignment was slated to be completed in three distinct phases: Inception phase, Phase I, and Phase II. The activities under each phase are presented in Figure 1 below.

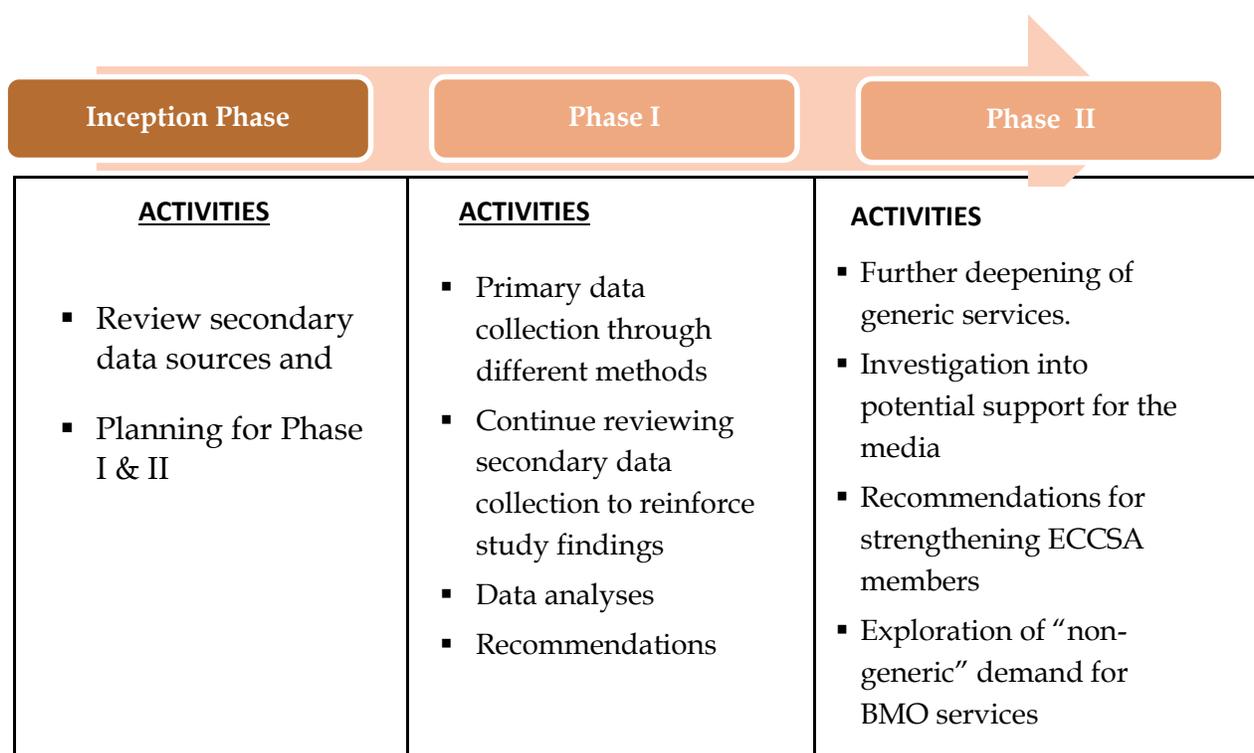


Figure 1: *Phases of the Study*

Inception phase: The inception phase was mainly dedicated to reviewing secondary data sources and planning for the next phases of the assignment. During the inception phase of the assignment, the consultant team accomplished the following major activities:

- Reviewed available documents related to the assignment
- Designed data collection instruments
- Prepared Inception Report
- Presented the inception report to stakeholders, and

- Incorporated stakeholders feedback on the draft inception report

The inception phase was completed after the inception report was approved by the client.

Phase I: During this phase, the consultant team collected data through the various methods described in section 2 below with the major aim of better understanding the demand for BMO services and the capacity and competency of ECCSA members to deliver those services. The preliminary findings and recommendations of Phase I were presented at a meeting of Chamber leaders and the feedback obtained is used to further enrich the study.

Phase II: Phase II commenced after the first phase report was approved by the client. Activities that are included in this phase are: a) further deepening of generic services b) Investigation into potential support for the media c) Recommendations for strengthening ECCSA members d) exploration of “non-generic” demand for BMO services

3. METHDOLOGY

The methodology resorted to is explained below in detail:

Data Collection: A combination of different data collection methods were employed in the study (interviews, document review, questionnaire, and focus group discussion). A combination of these methods was useful for data triangulation and to understand the situation more clearly from different angles.

Interviews: The study mainly relied on interviews as its method of primary data generation. A total of 40 individuals in the leadership and management of ECCSA and its members (Board Chairpersons, Secretary Generals, Membership Managers, and Board members) were interviewed. ECCSA and all its 18 members were covered. The checklist which was developed at an early stage of the study and which was agreed by the client was used to guide the interview process (See Annex 3). The checklist did allow a free flowing discussion as it is an open list principally focusing on “why and how questions” Most of the interviews were conducted face to face (85%) while some were made via telephone (15%). List of interviewed persons is presented in Annex 1 and 2.

Document Review: The consultant’s team started the assignment by reviewing available secondary documents related to the assignment. The documents reviewed include: baseline study of ECCSA organizations (June 2014), ECCSA’s and members’ strategic plan, PSD-Hub project doc (2015 - 2020), proclamation 341/2003 and other internal reports of the Chamber system. The study also utilized and further built up on the raw members’ data ECCSA already collected from some of its members.

Structured Questionnaire: A structured questionnaire, which included both close and open-ended questions (See Annex 12), was designed and distributed to all ECCSA members to help the consultants collect primary data for the study. Through the questionnaires, the study team managed to generate primary data from all the 16 ECCSA members. In most cases, the questionnaire was

self-administered by ECCSA members themselves while some ECCSA members were assisted by the consultant's staff in filling them.

Focus Group Discussion (FGD): To substantiate the preliminary findings distilled from interviews and questionnaires and further probe into ambiguous areas through analysis, a FGD of stakeholders was organized in Addis Ababa at ECCSA. A total of 9 persons from ECSA, Oromia CCSA (2), PSD Hub (3), Sugar and sweet SA, Textile and Garment SA, Ethiopian Horticulture Producer Exporters Association (EHPEA) as well as three experts of the consultant organization participated in the FGD. Once again, the major thrust of the FGD was to try to ensure consistency of information and drill deeper into some of the looming findings.

Workshop on Preliminary Findings: The preliminary findings and recommendations of the study were presented at a meeting organized by the PSD Hub. Representatives from ECCSA and members, government institutions, and other invited participants brainstormed on the preliminary findings and recommendations and their inputs have been used to enrich the study.

In summary, the study employed the following logical pathway to derive analysis during phase I study is shown in Figure 2 below.

The sources of analysis and recommendations for the subsequent dive-in (phase II) are the following:

- a. Primary and secondary data collected and processed for Phase I study.
- b. Findings and conclusions of the Phase I study - inferential approach of analyzing the findings and recommendations given in Phase I study is applied to arrive at a workable detail plan.
- c. Interview of selected key informants – the Media, Advocacy Institutions and Consultants and more importantly ECCSA management and staff. A representative staff from all operational departments of ECCSA is interviewed during this phase.
- d. Further literature survey is undertaken to firm up some of the earlier findings and give concrete examples.

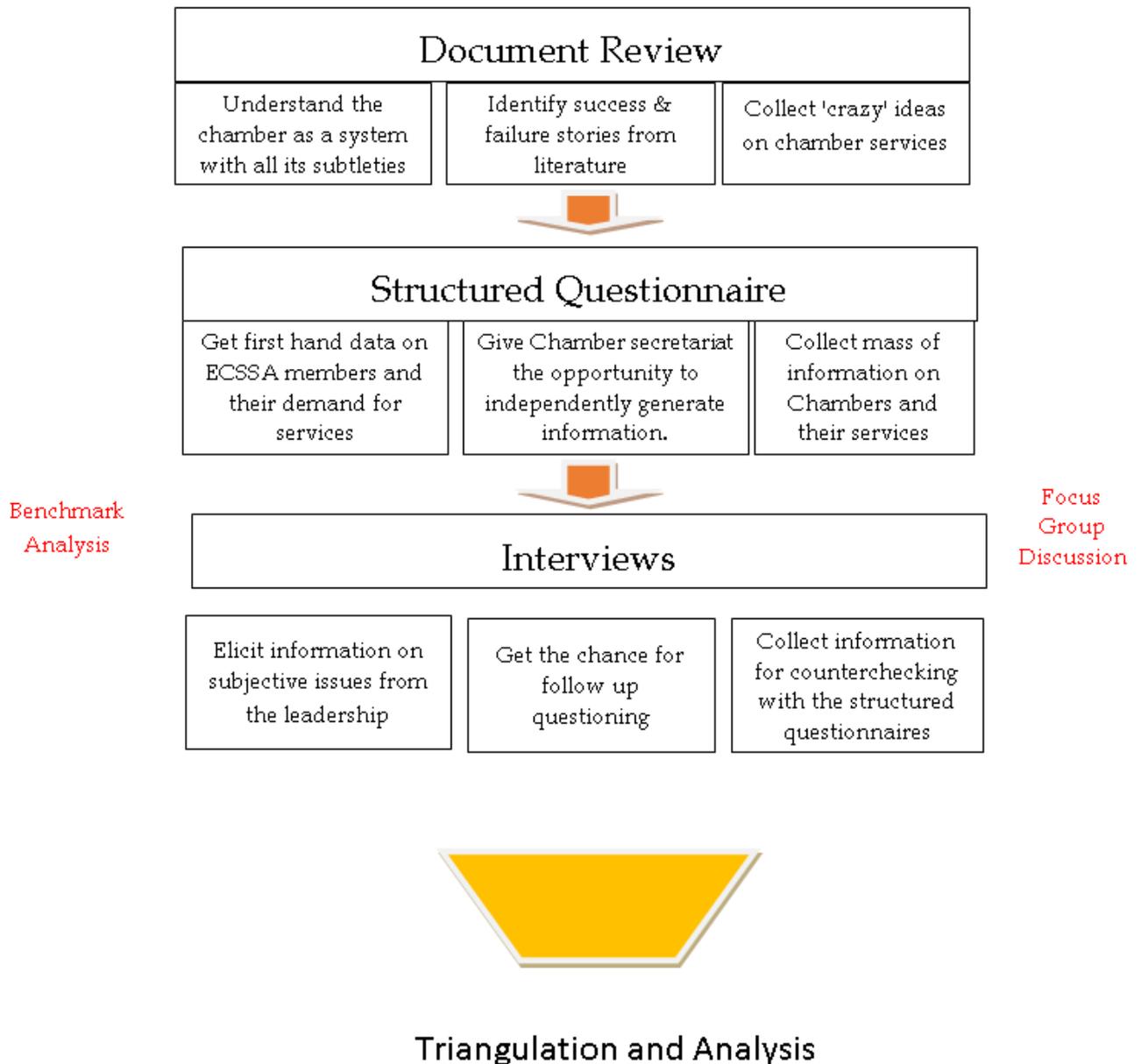


Figure 2: Logical Pathway for Analysis

The study suffers from the following limitations:

- It is a rapid study that necessitated all primary and secondary data to be assimilated and triangulated in a fast paced situation.
- The collection of primary data was limited to the eighteen members of ECCSA and no individual enterprise and other key stakeholders were interviewed. This is agreed from the very design of the study. However, limiting the study to the BMOs inhibits the opportunity of further cross checking and triangulating data.

In spite of these limitations, the findings of the study and the recommendations based on them are still relevant and valid.

4. LITERATURE REVIEW

The Ethiopian private sector is organized along Public Law, even though it does not enjoy the twin privileges of public law bestowed on Chambers of Commerce⁷; delegated functions from the government and compulsory membership. The latest proclamation in Ethiopia establishing private sector membership organization is in many ways different from the previous proclamations. The most pronounced changes introduced in this proclamation as compared to the previous ones are two; the fact that chamber organization is made to follow government federal structure, and the introduction of a new (but notable for lacking clarity) concept of sectoral associations that are wedded to the Chambers of Commerce (*and Sectoral Associations*) at different levels.

Few formal studies are conducted on the merits and demerits of the new conception of the Chamber system in Ethiopia. However, two studies⁸ have weighed in heavily as regards elucidating the disadvantages of the new mode of organizing the Chamber system in Ethiopia. A study by the PSD-Hub⁹ (page 99) states as follows:

“The sources and coherence of business associations depends more on the services they can provide for their members and the looseness of centralized authority and coordination. The current organizational landscape of business associations in Ethiopia is particularly redundant due to the ambiguous institutionalization of the peak organizations, namely the Chambers of Commerce and Sectoral Associations and the Chambers of Sectoral Associations both recognized as representative horizontal organizations, overlapping or competing with each other and lacking stable relations. Under the circumstances, a single firm is seen to quite often be affiliated to its primary trade association, a horizontal regional association and its local

⁷ Whatever the name is; in many jurisdictions it is Chamber of Commerce and Industry, while in equally numerous jurisdictions it is Chamber of Commerce, and there are still other variants of naming.

² PSD-hub Publication No. 10, Situation Analysis of Business and Sectoral Associations in Ethiopia, June 2009 (Bacry Yusuf, Admit Zerihun and Shumet Chanie) Report of the Partnership project between ECCSA and the HWK “The Chamber System in Ethiopia: Challenges and Opportunities, August 2011

chamber of commerce, which, as already noted, are in turn members of sectoral associations, city chambers, and the peak chamber of commerce and sectoral associations.”

The Strategic Plan of ECCSA (2014/15 – 2018/19) also stresses a similar point by stating: “.....The law rigidly dictates that way associations have to organize, creating conflict of interest and depriving them of advantages of scale of economies. “

All the same, the chamber system has to take the above constraint as given at this stage and concentrate on what it could leverage to influence and bring about change. The major limitation currently is inability to design market and sustain demand driven services to members. **With few exceptions, most city and regional chambers suffer from a vicious circle of low membership size, low organizational capacity to design and promote service to members, low revenue and dissatisfied existing members and continued low membership size.** They have to address members expectation; and for them to do that, they need to have the minimum level of organizational capacity which essentially depends, among other things, on sizable internal fund. And, potential members would not be willing to contribute for the strengthening of their BMO until they gauge that their association could be relevant to their business. Partly because of the fragmentation of capacity created by the way Chamber BMOs are organized in accordance with the legislation, Proclamation 341/2003, Chambers are hard put to raise sufficient revenue to help sustain their particular BMO as a viable institution relevant to them and the economic development of the country.

The nodal point of any Chamber BMO being ability to advocate for free enterprise, and improved business environment at all stages; Chamber BMOs currently in Ethiopia do not seem to be credible amongst their membership and they are not seen to be initiated in the direction of coordinated effort to advocate for the interest of private sector development and free enterprise.

The single most obdurate challenge which BMOs are, therefore, encountering is the low capacity/inability to supply demand driven generic and non –generic services to the members. The inability to supply standardized, diversified and credible services to members is, therefore, a double edged disadvantage. On the one hand, it prevents Chambers from creating the necessary resource to sustain themselves as strong organizations. On the other hand, it deprives them of the means by which their relationship with members would be placed on a solid basis and help them renew their relationship with their members in a sustained manner.

ECCSA has recently developed and launched a Strategic Plan which is only but a sequel in the tradition of doing so. It has three more years to go before it lapses (2014/15 - 2018/19). In this document are listed nineteen main chamber services that are currently on offer to members by ECCSA. Twenty strategic objectives are also identified for the five year period. One would therefore try to match the identified services of the Chamber with the strategic objectives and evaluate if the objectives are being served by the chamber services listed in the Plan.

Moreover, the document¹⁰ comes up with a tangible assessment from a strategic plan stakeholder brainstorming session. The assessment is that “ECCSA’s performance on strategic objectives such as improving members’ membership and capacity to design demand driven approaches, establishing standard communication system and improving image and efficiency of ECCSA, and educating the business community on corporate social responsibility were either unachieved or barely pursued” (page 16)

A baseline survey was undertaken in 2014 by ECCSA through the Support of the HwK Partnership Project. The survey covered 87 City Chambers of Commerce and Sectoral Associations (CCCSAs) covering 90% of CCCSAs during the year of survey. The survey could be considered as more or less exhaustive for that reason. Findings that came out from the survey are the following:

Findings

Revenue and Representation

- There were about 112,000 paying individual members in these CCCSAs.
- The individual membership fee ranges from ETB 2 in Gambella CCSA to ETB 3,512 in Mekele CCSA.
- Only 11% of the CCCSAs had income from sources other than membership fee, trade fair and donor support.
- Trade Fair remains to be the major service income for the BMOs under survey (29% of the Chambers)

The total yearly budget of the surveyed CCSA is about ETB 60.5 million which is about ETB 695,000 per CCCSA on average. If we, however, take out the Addis Ababa Chamber of Commerce and Sectoral Associations, the average drops to ETB 201,604, while if we take out the five big City Chambers¹¹, the average diminishes fast to Birr 112,800. Hence, the vast majority of Chambers are providing their operations and membership services on a very limited budget.

Governance and Legitimacy

- 50% of the CCCSAs surveyed had a membership retention strategy.
- 62% of them had membership database.
- 50% of those surveyed had an Audit Report.
- 75% of them conducted regular board elections.
- 89% had election guidelines.

Capacity Building

¹⁰ ECCSA Strategic Plan Document, 2014/15- 2018/19)

¹¹Mekele, Dessie, Adama, Dire Dawa and Gondar respectively in order of importance

- 41% had strategic plan and written mission statement.
- 53% had annual work plan.
- The CCCSAs had an average of 3 professional and support staff employees; if we take Addis Ababa out of this equation, the average staff falls to a little under two.
- 47% were managed by a full time Secretary General.
- 70% had offices

Advocacy

- 75% of the CCCSAs have had advocacy one way or the other with 309 issues tabled to the government.
- 37% presented position papers.
- 59% have organized public private consultative fora.
- 46% of those surveyed have given interviews to the media with 136 stints of interview.

From the above, we can conclude that Chamber BMOs have significant constraints in designing and implementing enough revenue streams and revenue collection. The number of services and the scale of services that they provide to their members very much fall below desired, leading to low satisfaction of members. From the general reading of the above statistics, we can conclude that CCCSAs have registered good results in following **good governance routines** and made substantial effort to advocate for policy reforms as could be seen from the number of dialogue fora, issues tabled and relationships with the media¹². The establishment of the national dialogue secretariat and ensuing large number of dialogue fora held by the Secretariat might have possibly inspired member Chamber BMOs to dialogue with the government on such a scale. Having said this, the quality of membership services and the dialogues, and the general relevance and credibility of Chamber BMOs is quite low as could be gleaned from various materials written on the subject.¹³ In fact, the project document of the PSD Hub project (2015-2020) clearly states that BMOs in Ethiopia faces a number of challenges, including the following.

- **Poor structure and management.**
- **Small proportion of registered businesses being members of BMOs.**
- **Inability to deliver either appropriate advocacy or services to members.**
- **Not being perceived as delivering value to members.**
- **Suffering from mutual distrust that exists between the public and the private sector.**

¹² The relations with the media is defined narrowly here. The wide engagement of the media for advocacy is generally lacking. Almost all media engagements are limited to pre and post events.

¹³ ECCSA, 'የግሉ ዘርፍ ዕድገት ተግባር ቶችና የመሬት አቅጣጫ ዎች በኢትዮጵያ፤ ለሀገራዊ ንግድ ሲም ፖ ዚ ምዕራብ 2004 አዲስ አበባ

Of particular concern is the fact that ECCSA draws only 7%¹⁴ of its income from its member BMOs and that this is very untypical of a membership based organization. The project document further states that ECCSA and its members should be capacitated to provide “demand-led products and services for which their members are willing and able to pay”

And, the project document also envisions an important linkage that should exist between the Chamber system and other partners to best serve members and add value, as the Chamber BMOs cannot have all the necessary skills in-house. And, the entire argument of the project document revolves around the cardinal point that ECCSA should not only capacitate itself to generate revenue but, more so, should capacitate its member organizations to the level where they would pay back to ECCSA by higher contributions. It also further gives a list of services being offered by ECCSA currently.

In light of the correct findings of the project document, this study, therefore, comes up with a list of generic and non-generic services for which members have a ripe demand and willingness to pay.

The strategic plan of ECCSA identifies and ranks internal problems of ECCSA, which is pretty much the same with those found in other studies on BMOs in Ethiopia. The three top most recurring problems of internal environment (from among 10) are the following:

- Inadequate and unsustainable financing model.
- Lack of systems that promote organizational learning.
- Small membership.

Internationally, strong chambers depend on fees collected from membership services and membership fees to finance their operations. Even though some depend on project financing from government and donors, most chambers in the developed economies follow a business model and operate in the same way as private businesses do. Those under public law are actually spared this challenge as membership is compulsory and revenue is secure. The silver lining of this is that private law Chamber BMOs are highly creative in designing services for members and non-members.¹⁵ They are, in particular, very experienced in finding the right niches of service in the suite of business development services. They have developed an expertise in designing services that do not duplicate existing services of member businesses. They are also very innovative in pitching state of the art services; hence, giving distinct services to prop up the capacity of members. They also take advantage of the credibility of the unique brand name of ‘chamber of commerce/industry’ to give services that no other individual business could easily give such as in business networking and authentication of documents of trade.

¹⁴ PSD Hub Project Document, 2015

¹⁵Exposure Visit Reports of management and experts of AACCSA to Dublin, Stockholm, Rotterdam and Birmingham, 2008-2010, (financed by Sida Capacity Building Program)

The findings of the Addis Ababa Chamber of Commerce and Sectoral Association are also instructive on this matter. Having distilled experiences from other Chambers globally, it prepared a membership development strategy in August 2009.¹⁶ In this document, ten strategic measures are identified to turn around the size of membership and its satisfaction. Citing the top most strategic action areas is informative enough:

- a. Injecting new services and reinventing existing ones
- b. Raising awareness of the business community about Chamber's available services
- c. Empowering and motivating membership sales agents

To conclude, Chambers in a voluntary system¹⁷ have unique ability to tap into the true interests of their members. In so doing, they mobilize the energies of their members. Membership policy is predicated on the robust interest of members and good practice governance.

5. OPPORTUNITIES AND THREATS

We have briefly analyzed the strengths and weaknesses of ECCSA and its members, focusing on membership services. We also discussed their capacities to deliver a high quality and standardized range of services. We now enumerate the opportunities and threats that the BMOs should be acutely aware to exploit and manage respectively. The opportunities and threats stated below are captured from the interviews held with ECCSA and its members.

5.1. Opportunities

- Increasing number of businesses including FDI
- A heightened government interest for dialogue
- Ever growing integration of the national economy
- Higher penetration of communication infrastructure – internet, mobile and roads
- Ample body of evidence of success and failure of the Chamber system

5.2. Threats

- The competitiveness of Ethiopian exporters being at stake -- quality and price
- **Private BDS providers are getting competitive and the Chamber system is challenged;** Business Directory, International market information and Trade Fair.
- Reputational risk of the Chamber system unabated.

¹⁶ Essentially, a synthesis of exposure visits to various chambers in Europe financed by Sida Capacity Building Project, and critical organizational self-assessment

¹⁷ Even though the Chamber system in Ethiopia is mixed, straddling both mandatory and voluntary membership, it is voluntary in the recruitment of members and delivery of services.

6. CAPACITY OF ECCSA MEMBERS

The challenge facing ECCSA members can be demonstrated in a vicious circle (Figure 3). Due to the existing poor capacity of BMOs, their services are limited in number and are poor quality. When members do not get the services they require at an acceptable quality level, their interest to support their BMO diminishes. This in turn has in reality had a negative implication on the financial capacity of the BMO. In a situation where a BMO has no sustainable sources of revenue, it is not able to hire competent staff, procure office facilities, and cover expenses related to the design and delivery of services. The situation repeats itself endlessly unless one is able to break the circle. Hence, the dilemma of BMOs is how to break the vicious circle and bring about a spiral of growth. The reason BMOs require the support of development partners and governments is the critical need to be assisted in breaking the circle.

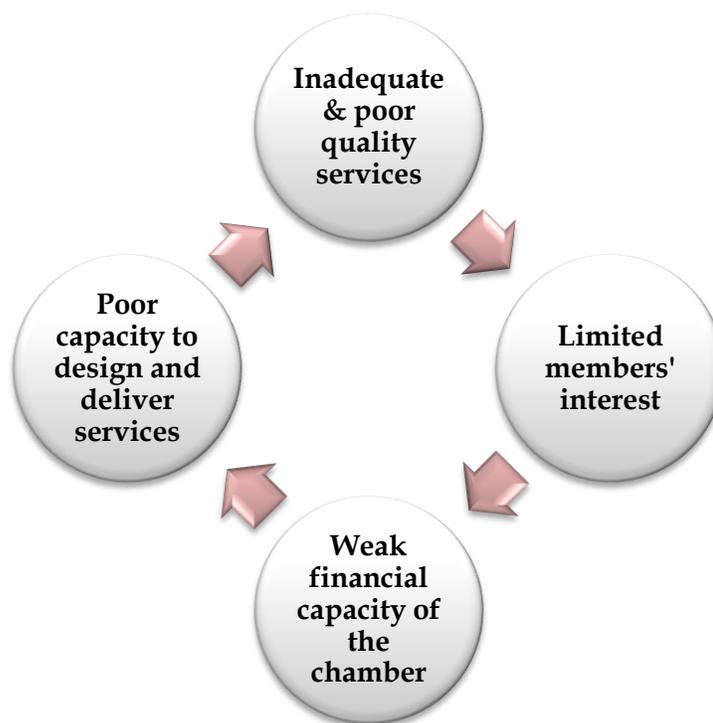


Figure 3: *Vicious Circle - service delivery capacity*

6.1. Leadership

With the exception of Afar and Gambella Regions CCSAs, all ECCSA members have strategic plan documents. In the case of half of the members, the strategic plans are never monitored and evaluated, and in the majority of cases, actual implementation is well below plans. It is also found out that mission, vision and objectives as inscribed within the strategic plans are mere perfunctory statements.

When analyzed for qualification, capacity and business acumen, **Board members in the Sectoral Associations are rated highly.** They are highly qualified in their respective sectors and are successful entrepreneurs. In their leadership style, they are involved and give tangible support to the Secretariat of the associations. **The situation is mixed when it comes to regional chambers. In as much as General Assembly meetings, Board meetings, and elections take place regularly, most Board members do not have adequate understanding of the objectives of BMOs and their services. In the Chambers of the emerging regions, Board members perform the functions of a Secretariat for want of the capacity to pay for full time staff.** Generally, Board Members in the Regional Chambers have low leadership acumen and experience and there is a wide disparity in capacity level and background among Board members. Usually, the chair of the Board is far removed from the other Board members in capacity and internalization of membership services.

The current enabling law and its implementing directives tacitly encourage the holding of simultaneous elected positions at different tiers and geographical areas. As a result, individuals are seen occupying Board seats in several associations at the same time; City, Region, and Federal). **Sly observers in the Chamber system point to this state of affairs as one of the factors exacerbating the weakness of Chamber leadership as it obviates a check and balance system.**

6.2. Secretariats

Inadequate size and low professional capability of human resource is a serious challenge affecting the service delivery capacity of almost all ECCSA member organizations. As table 1 shows, the Gambella region CCSAs did not have a single employee while MPEA SA, and Dire Dawa, Afar, Benishangul, and Oromia CCSAs have less than five staff. Furthermore Dire Dawa, Somali, and Benishangul CCSAs do not have a single permanent professional staff.

Table 1: Distribution of ECCSA members' staff by duration of employment, % of female staff, & number of professionals

No	Organization	Permanent	Temporary	Total	No of female staff	Number of Professionals
1	Amhara CCSA	4	2	6	2	5
2	Tigray CCSA	5	1	6	3	3
3	Oromia CCSA	4	-	4	1	4
4	SNNPR CCSA	2	3	5	2	4
5	Harari CCSA	9	-	9	6	3
6	Textile & Garment SA	2	-	2	1	1
7	Leather SA	4	-	4	2	4
8	ECSA	11	1	12	6	11
9	MPEA SA	2	-	2	1	2
10	EHPEA	15	6	21	-	21
11	Sugar and Sweet SA	2	-	2	-	2
12	AACCSA	82	12	79	39	51
13	EPOSPEA	6	1	7	5	6
14	Dire Dawa CCSA	3	1	4	3	1
15	Gambella CCSA	0	0	0	0	0
16	Afar CCSA	2	-	2	-	2
17	Benishangul CCSA	2	2	4	-	2
18	Somali CCSA	1	4 ¹⁸	5	1	5

6.3. Revenue generation

There is a very high discrepancy of revenue generation capacity among ECCSA members. The study showed that, actual annual revenue generated by ECCSA members in 2015 ranges from the smallest 8,500 Birr (Somali CCSA) to the highest 49,540,581 Birr (AACCSA). As Figure 4 shows, out of the revenue generated by ECCSA members in 2015, 79% is accounted for by AACCSA.

¹⁸ Staffs working on a voluntary basis with no salary or benefits

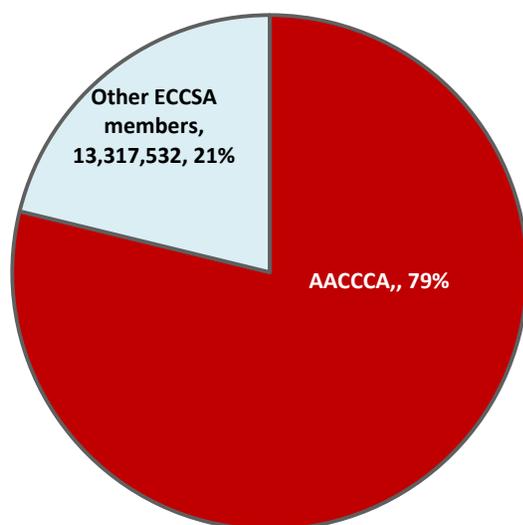


Figure 4: Comparison of existing revenue generation (in Birr) by AACCCA & the rest of ECCSA members

The acutest challenge to most ECCSA members is the lack of sustainable sources of revenue. It is true the seriousness of the financial limitation varies from member to member. Some members (such as Dire Dawa, Gambella, and Somali CCSAs) are unable even to pay for basic office consumables (stationery materials, printer tonner, office rent, etc.) and salary and benefits of critical fulltime secretariat staffs. As demonstrated in the vicious circle scenario described earlier (Section 6.1), most ECCSA members are unable to provide diversified quality services to their members. This, in turn, has contributed to diminished interest and willingness of members to support and pay their annual contributions. For example the share of members' contribution from the total organizational revenue is 0% and 1% for Gambella and Benishangul Regions CCSAs, respectively.

The support of development partners significantly contribute to the revenue streams of some ECCSA members. The most prominent case is EHPEA for which development partners contribute for 95% of its annual revenue over the past three years.

Tangible government support is observed only in Tigray and Gambella CCSAs, where 12% and 100% of total annual revenue respectively, have been contributed by the respective regional governments.

The consulting team has evaluated ECCSA's and each of its members' current capacity of delivering their respective existing services. Capacity levels for providing each of the services are graded as High (H), Medium (M), or Low (L). Results of the capacity assessment exercise are depicted in Table 3.

The work of classifying member chambers based on their relative capacity to deliver is helpful in order to design appropriate donor support. The needs of the different BMOs vary in accordance with the level of development they have attained; hence, the criteria outlined below:

6.4. Evaluation Criteria

One of the deliverables expected from this assignment was to categorize ECCSA members in to different groups based on their service delivery capacity. To do the grouping, the consultant developed the evaluation criteria outlined in Table 2 which covers ten different factors, directly related to service delivery capacity of the organizations. The criteria are pretty much clear and not debatable as such. The only and major at that caveat is the percentage points allotted to each factor. Subjective judgment is involved in allocating average points. All the same, the factors as well as the percentage points were validated with the Chambers, which effectively raised the level of confidence.

Table 2: Criteria used to evaluate ECCSA members capacity

No	Capacity Indicator	Weight Assigned
1	Capacity of Secretariat staff	20%
2	Capacity of Board and Governance	15%
3	Office Space ¹⁹ and Facilities	10%
4	Availability of Manuals and Policies	10%
5	Planning and Reporting	10%
6	The size, scope, scale and dynamism of the economy in the catchment area	10%
7	Revenue Generation	10%
8	International Networking experience	5%
9	Experience in organizing Dialogue Forums	5%
10	Experience in implementing partnership interventions	5%
Total		100%

Further disaggregation of the above criteria was made to minimize subjectivity in evaluating the organizations (See Annex 6). It is important, however, to bear in mind that each criteria is not measured or assessed on the quality of the factor. For instance, it is one thing to consider the regularity of meetings of the Board, the General Assembly and whether or not elections are conducted. It is an entirely different matter whether elections have been duly conducted and credible.

6.5. Evaluation Results

Based on the criteria outlined above, the study team gave scores for each of the 18 ECCSA members. The categorization is made as follows:

- Category I, High Capacity CCSA/SA : members with a total score of 75 or above
- Category II, Medium Capacity CCSA/SA: members with a total score of 60 -75
- Category III, Low Capacity CCSA/SA: members with a total score of less than 60

¹⁹ Whether the CCSA has office space, rented or owned, is a big consideration here.

Result of the evaluation exercise is depicted in Table 3. The categorization reflects the current service delivery of ECCSA members and this may change through time. Accordingly, it needs to be periodically updated. Detail scores given for each organization is presented in Annex 6.

Table 3: Categories of ECCSA members based service delivery capacity

Category A	Category B	Category C
1. AACCSA 2. EHEA 3. EPOSPEA	1. Amhara CCSA 2. Tigray CCSA 3. Oromia CCSA 4. SNNPR CCSA 5. Harari CCSA 6. Textile & Garment SA 7. Leather SA 8. ECSA 9. MPEA SA	1. Sugar and Sweet SA 2. Dire Dawa CCSA 3. Gambella CCSA 4. Afar CCSA 5. Benishangul CCSA 6. Somali CCSA

ECCSA members classified under each of the three categories demonstrate the following characteristics. Please note that the criteria should be seen in totality which means that the classified CCSA/SA needs to satisfy all criteria.

Category A

- Annual revenue exceeds 2.5 million Birr
- Revenue is not a critical factor of survival
- Have adequate number of professional staff
- Strong office capacity including material assets
- Strong international experience and networking
- May need support in the area of specialized technology/automation and overarching advocacy agenda.

Category B

- They have one or more permanent professional staff
- Medium level exposure to international experiences
- Annual revenue within a range of Birr 100,000 –Birr 2.5 million
- There are strong examples of revenues collected from services
- They are faced with financial constraints to expand and improve their services

Category C

- The organizations are in critical financial difficulties. They are unable to cover expenses of basic office consumables (stationery materials, printer tonner, and office rent)

- Their annual revenue is not more than Birr 100,000 (except Benishangul Region CCSA) and the contribution of services to organizational revenue is insignificant.
- Have no permanent professional staff because they can't afford to pay for salary and benefits.
- Not audited statement for the recently completed fiscal year
- **Service level is very poor and their sustainability is at risk without external assistance**

7. MEMBERSHIP SERVICES

7.1. Membership Structure

The Ethiopian Chamber System is a complex web of membership. ECCSA, in its own right, has 18 members, which are nine Regional Chamber, six Sectoral Associations, two City Chambers and one national Sectoral Association. If we drill down to the second tier membership of ECCSA (through the 18 members), City Chambers of Commerce and Sectoral Associations, Woreda level Chambers of Sectoral Associations, and Regional Chambers of Sectoral associations.

Members' of Regional CCSAs are expected to be Regional Sectoral Associations, and Chambers organized at City and Woreda levels. However, the members of Gambella and Somali CCSAs are enterprises. The six ECCSA member sectoral associations and Addis Ababa and Dire Dawa CCSAs also have enterprise members. Members of the Ethiopian Chamber of Sectoral Association (ECSA) on the other hand are Regional Chamber of Sectoral Associations (9), National Sectoral Associations (11), and City Chamber of Sectoral Associations (2).

Type of membership is a crucial factor in determining the type of services a given BMO has to offer. Regional chambers, for example, are mainly expected to coordinate and support their members at the city and Woreda level so that the latter can better serve their respective individual members. CCCSAs and Sectoral Associations at Woreda and city level, on the other hand, are expected to cater for service needs of their individual enterprise members.

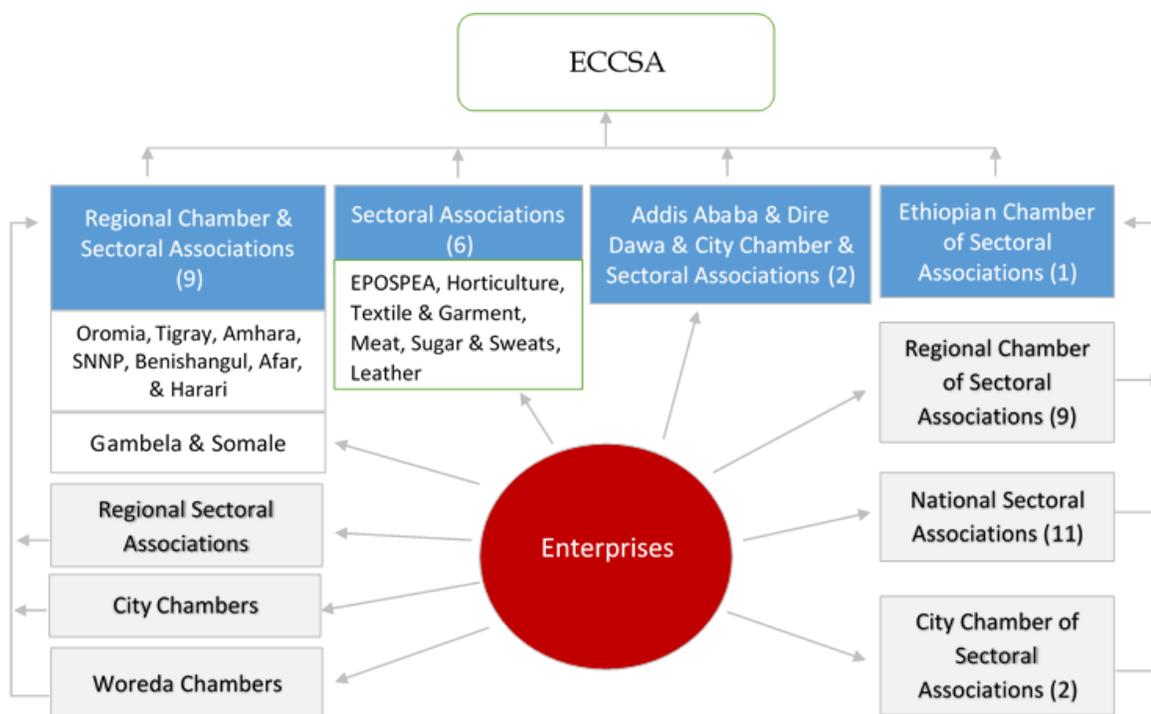


Figure 5: Membership Structure of the Ethiopian Chamber System

Sectoral associations combine with individual enterprises from the trading and service sectors to form Chambers of Commerce and Sectoral Associations at every stage of the chamber hierarchy there is a belief by members of Sectoral Associations that they are not adequately represented in the chambers’ voting systems. Due to this, there is a very wide spread feeling amongst all sectoral associations that the chamber system unduly favors commercial enterprises and marginalizes manufacturing businesses. This feeling is consistently expressed during the interviews, the FGD, and the validation workshop. On the other hand, enterprises from the trading and service sectors have also a resentment that they quickly reflect. They say that members of sectoral associations have a privilege for dual membership while they do not have the right to organize themselves as a BMO the same way the sectoral associations are entitled to. Given the above perception of a Chamber directive²⁰ as being the more prevalent one, there are many interpretations of the proclamation leading to perpetual conflicts and tug of war.

Membership size of most ECCSA members is growing overtime. The growth in membership size is most pronounced in Amhara (85%) and Tigray (65%) Regions CCSAs. In few cases, membership size either stagnated (Benishangul, Gambella, and Afar Regions CCSAs) or even declined (Dire Dawa CCCSA).

The study also found that members’ engagement is very loose at every stage of the chamber system. Probing interviews held with Chamber leadership and management have revealed that members have a very limited relationship with their associations. This is chiefly exemplified by a

²⁰ Directive No..... is derived from Proclamation no 341/2003 and meant to help implement the law.

low level meeting attendance, high arrears of dues, low visit to Chamber offices, etc. Often, the relationship is at best non-existent and at worst dysfunctional. Members write off the associations as being irrelevant and the leadership as being not subject to accountability.

7.2. Membership Services

The study made a detailed inventory of services and found out that 31 major services are currently being offered by ECCSA and its members. Annex 4 depicts the services being offered by ECCSA and each of its members either on payment basis or free of charges.

With the exception of AACCSA, Textile and Garment Manufacturers SA, and EPOSPEA, ECCSA members did not discriminate against non-members in service provision. AACCSA offers its members a 10% discount to all services except those services related to legal advisory. Textile and Garment Manufacturers SA provide capacity building activities only to its members while EPOSPEA provide any kind of services only to its members. Non-members must first register as members if they wish to get EPOSPEA's services.

7.2.1. Services with High Demand

An exercise in prioritization is made to identify the BMO services that could meet the highest demand and the various discussions and triangulations made reveal that the following are the ten most demanded Membership Services by ECCSA members and members' members.

The order in which the services are listed probably represents the strength of the demand.

- i. Training
- ii. Business information (Business opportunities alerts, different up to date business info)
- iii. Business advisory (on rules and regulations, tax, export, manufacturing, foreign market)
- iv. B2B (inbound and outbound missions)
- v. Business networking (conferences and symposiums, business forums, business luncheons, sector specific platforms, international visits)
- vi. Trade and investment promotion
 - Trade fairs
 - Exhibitions
- vii. Document authentication and certificate of origin
- viii. Sale of publications – booklets (manuals)
- ix. Secretarial services (including in offices secured (free of charge) in key government
- x. Writing support letters to embassies and other organizations

7.2.2. Low Hanging Fruits

Our starting point for this section is that BMOs are in a low revenue trap situation. As can be seen from Table 4 below, all BMOs, except for AACCSA, have low annual revenue. This actually

provides a strong case for strengthening and diversifying revenue. In short, the total revenue of BMOs (aside from project finance from donors) is insubstantial.

Table 4: Annual Revenue of ECCSA members from Services Rendered & Membership Fee, 2008EFY

No	BMO's name	Annual Revenue in Birr	No	BMO's name	Annual Revenue in Birr
1	Oromia	256,142	10	Dire Dawa	Nil
2	SNNP	703,000	11	ECSCA	2, 584, 202
3	Amhara	1,200,000	12	Textile & Garment	351,453
4	Tigray	706,000	13	Sugar and Sweet	415,000
5	Benishangul Gumuz	989,000	14	Horticulture	2,330,361
6	Gambella	40,000	15	EPOSPEA	4,633,290
7	Somali	8,500	16	Meat Producers/Exporters	1,028,290
8	Harari	500,000	17	Leather Industries	No Information
9	Afar	100,000	18	AACCSA	65,122,855

Source: Compiled from questionnaires filled by ECCSA members during phase one of the study

We can further consolidate the ten services into eight and elaborate more as follows:

a) Training

Any 'training' can be looked at in three ways. There are **'regular' trainings** that are offered based on *a priori* announced schedule by the institutions undertaking the training (*Chambers, Training Institute or a Higher Learning Institution*). These trainings, if conducted by the BMOs, are offered directly by the BMO under consideration. If we take AACCSA, there are over 50 planned training courses for which annual Calendar is announced ahead of the particular year. Regular trainings follow standard formats and time schedule. Members would know ahead of time of the existence of the courses, the content (*if they are so interested*), the time table and the venue. The course instructors are also usually unchanging.

The other genre of training is regular training delivered at the clients'/members' premises. This means the member (or client) has a good number of trainees from its own workforce to be trained. The comfort of receiving the training at own venue coupled with a real opportunity of adhering to stories, examples and experiences generated in the company/institution under training makes this modality an attractive one. The BMO could also charge more for this modality of training.

The third type of training is a **customized** one and, for that reason, not a regular one. Irrespective of the venue of the training, the **training is tailor-made** to the specific needs of the client. The BMO undertakes a discussion, usually a long one, to define the exact needs of the member/client,

objectives of the training, profile of the trainees and content of the training in view of the defined needs and objectives. This type of training requires creativity and a backup of experience from those engaged in designing training.

In terms of objectives and contents, the courses that ECCSA members may deliver could be seen in light of the following classification. We benchmark AACCSA to inform our discussion below. We do not lose sight of the fact that the mere title of courses does not lend a guarantee to classifying a course into one or another category. The same course, under the same name, could be put on a higher or lower level of sophistication. Besides, the same course could well be classified into at least two categories. It is not, therefore, a clean cut classification. For our purpose here in this document, it suffices to say that we are using commonly understood content of a course as are given by BMOs, TVETs, private training institutions or universities.

Technical courses

Technical courses have specific goals of raising the efficiency of mostly staff/manpower in the lower hierarchy of the institution. They are meant to beef up the dexterity, agility and flexibility of staff as well to help them master the basics of doing or operating daily tasks. Courses below are examples of technical ones.

- Effective Report Writing and Presentation Skills
- Secretarial Science & Office Operations Management
- Records Management for Executive Secretaries
- Office Operations Management
- International Banking Service (L/C)
- Export/Import Practice
- Customs Procedure
- Valuation and Commodity Tariff Classification
- Basic Managerial Skills
- Marketing and Customer Service
- Salesmanship
- Business Plan Preparation

The challenge with Technical Courses is the fact that these courses are given by many institutions; almost all training institutions including BMO institutions, whatever their nature and size, do give these courses. And, when other institutions apart from BMOs deliver them, it is easy to assume that they are hands-on and have a comparative advantage. Add to this, the certificates and attestation letters that these non-BMO institutions confer on the trainees at the end may have more recognition and acceptability.

Professional and Managerial

Professional and Managerial training courses are notches higher than technical training courses in terms of sophistication. They are essentially meant to raise the capacity of the trainees to conceptualize, and understand the relationship between the various facets of a function of management or profession. They may not necessarily dig deeper into a subject but are at least more attuned in to looking wider. They help trainees understand the relationships among various variables and develop the ability to bring about result under a challenging circumstance. The courses under this rubric are not essentially about dexterity, agility and skill development. On the contrary, they are more about capacitating the trainee to endure difficult circumstance, understand realities fairly quickly and propose solutions. The courses could be the following:

- Organizational Development
- Financial Management and Accounting
- Introduction to International Financial Reporting Standards
- Taxation in Ethiopia
- Budgeting and Cost Control
- Tax Accounting, An Ethiopian Perspective
- Finance for Non-Finance Managers
- Management and Human Resource Development
- Team Building
- Human Resource Management
- Labor Relations Management
- Employee Performance Management
- Logistics and Procurement Management
- Customer Relationship Management (CRM)
- Marketing Management
- Project and Program Management
- Project Monitoring & Evaluation

Leadership

Leadership in simple terms could be defined as ‘*the action of leading a group of people or an organization to attain mission and vision*’. Peter Drucker laid it out in a strikingly simple and powerful language. ‘Management is doing things right, while leadership is doing the right thing’. In another instance, Drucker says management is about efficiency while leadership is about effectiveness. Hence, Leadership is long term in effect and far beyond technicality or mastery of a specific subject. It is about character and integrity, and the innate knack to lead people in a specific (*however broad*) direction.

The courses for leaders are personality builders and emphasize the ability and magnetism to build a focused ‘followership’, faithful to the mission and vision of an organization or a long term idea. The leader, as commonly agreed nowadays, works towards rendering himself redundant and building a strong institutional drive to ensure continuity and sustainability. Generally, the training

approach in ‘leadership’ is supposed to be broad and inspiring. And, the courses could be the following:

- Executive and Leadership Development
- Transformational Leadership
- Strategic Planning and Management
- Auditing
- Change Management
- Balanced Score Card (BSC)

The differing BMOs which are members of ECCSA have differing capacities to conduct and manage training. At least awareness creation events, which could somehow be considered as first stage training, are delivered by all. Even though all BMOs are somehow engaged in training²¹ currently, it is not an important source of revenue for the Chamber system. Except for AACCSA, no BMO collects meaningful revenue from training.

The shortcoming identified earlier in Phase I is that virtually all training courses are given to members for free. The leaderships and Secretariats of the BMOs are captives of a generally held wrong notion that members are not ready to pay for training. However, when the same people are approached with the direct question of whether individual members could pay a small amount of training fee, which is to be calculated based on a cost incurred and a small percentage of profit, most of them agreed members would pay. Hence, it is more a matter of attitude and inertia than a well-researched position.

For us to proceed further, let us make the following assumptions:

- BMOs will fully focus on their members as receivers of training.
- There is a ripe/latent demand for training in each BMO catchment area. The problem is that the BMOs are not cashing in on the demand by flexibly and astutely approaching the market.
- BMOs could make use of professionals and consultants in each catchment area for delivery of training. For this reason, there would be situation where benefit sharing between the BMOs and professional trainers occur. A symbiosis could be created here in that both are substantially benefiting from the collaboration, for none of them could undertake the task all by themselves.
- The number of training courses to be conducted per year is made to respond to the existing capacity of the particular BMOs and infrastructure for training.

From the discussions held with Chamber leaderships and Secretariats, there are three findings standing out from the rest:

²¹ 16 of the BMOs under discussion have been engaged in training at different levels in 2015.

- Training courses given to members are on ad-hoc basis, contingent upon the availability of a sponsoring third party institution.
- Courses are usually supply driven, dependent on consultations with sponsoring organizations and trainers.
- There is a widely held assumption about what is readily demanded by the business community: *marketing, taxation in Ethiopia, customer service, procurement management, and project monitoring and evaluation.*

Because of these combined reasons and others, trainings commissioned or given by BMO shave no continuity and contributes almost nothing to the revenue of the BMOs in question.

We can now work out a very simple cost benefit exercise for the BMOs in respect of training service. Generally, the BMOs covered in this study, except for AACCSA, do not allocate budget for training. For training, as put earlier, they are dependent on ad hoc financing by third party supporters or sponsors. We just base ourselves on an assumption where a training budget would cover for the following:

- Trainer salaries paid to internal training staff members
- Seminars and conferences related to preparation for the training
- Hardware, such as audiovisual equipment, computers, copiers, etc.
- Off-the-shelf materials, including books and manuals, customized materials tailored to meet a designated training program
- Facilities and overhead, such as costs for leasing a classroom/building

The above materials could be had by the BMOs either on full ownership basis or on a rental basis. There are BMOs, in B category, who owns overhead project and some training aides, while a majority of them are deprived of even of such a possibility.

The fee rate for training in AACCSA does range from Birr 1,570 to Birr 2,100 for five half days per trainee. The modal point is Birr 1,750 per five half days. Taking an average class size of 30 trainees, AACCSA may already be earning Birr 52,500 per course, which is completed within one week. In terms of training fee per person per hour, it is calculated to be Birr 87.5. There is no much doubt that many in the private sector, employed or self-employed, could afford this amount for a selected course that substantially contributes for the advancement of their career or their business result.

Our major premise is the finding we have had in the first phase study, which is that members are ready to pay for any service as long as the service has clear and tangible value addition to their business. Let us assume the BMOs could charge three levels of rates: the rate of AACCSA (*AACCSA as a benchmark*), 1/2 the rate of AACCSA and one-third the rate of AACCSA.

AACCSA Rate: Birr 87.5 per hour

AACCSA Rate X 0.5	Birr 43.75 per hour
AACCSA Rate X 0.33	Birr 28.88 per hour

Let us take Category B (medium capacity) BMO members, who have normally significant membership and business community in their catchment area, to extrapolate in a simple way. Besides, let us assume that they can plan to conduct eight training courses per year. This should be feasible at any rate, as it only means they can give two training courses every three months. The same model of half days training is to be followed, as that has proved very effective in terms of effective use of time for organizations sending their staff for training, self-employed business people as well as the individual trainers themselves. The result of the exercise is given in Table 5 below.

Table 5: Revenue Generation from Training (For BMO 'B')

Rate Assumption (Per Hour)	Training Courses per year	No of Trainees per week ²²	Total No of Trainee Hours per Year (8 X 30X20hrs)	Gross Annual Training Revenue (in Birr)
100% of AACCSA= Birr 87.5	8	30	4,800	420,000
50% of AACCSA= Birr 43.75	8	30	4,800	210,000
33% of AACCSA= Birr 28.88	8	30	4,800	138,624

Even on the basis of conservative assumptions that we made, category 'B' BMOs could generate revenue from Birr 138,624 to Birr 420,000 annually. Dropping out the two limits, we can safely project that same **BMOs could annually generate training revenue** of Birr 210,000 from their members only.

The major cost components of training are trainers' fee, venue cost and cost of stationary. The overhead cost would be minimal as there is already employed staff at the BMOs and other costs such as office rent are already paid for. Even venue cost is not to be exaggerated as some members such as hotel owners could give a discounted rate for venue renting to the BMO of which they are members. This can be analyzed and provided for in the annual BMO plan, or even better in the Strategic Plan of the BMO.²³

From assessments made with some trainers, variable cost could range, depending on the volume of the training given per year, which is from 30% to 40%. All taken together, a 40% variable cost and a 10% of overhead cost impels us to believe that a 'B' category BMO could generate a surplus of Birr 105,000 from training on the first year of operation. This will improve continually as experience is gained and cost management improves. This is not to speak of the various indirect

²² The assumption is that the no of trainees per event will be the same as the average for AACCSA which is 30.

²³ Most BMOs have strategic plan document. The BMOs should be bold enough to cater for such a venturesome undertaking such as to consider Training as a realistic revenue center.

benefits of training that are not quantifiable but are there for everyone to see and savor. These are in brief; attracting members, improving image of the BMO, codifying and internalizing experiential knowledge of the BMO, and putting local experts and scholars to best use such as those serving as university professors and heads of business organizations in the locality.

Category ‘C’ BMOs have not got a well-functioning secretariat or a good number of them do not even have offices. Therefore, it would be far-fetched to expect them to deliver full-fledged training to their members except to conduct orientation and awareness events for members in collaboration with government institutions and non-governmental organizations.

In the case of category ‘A’ BMOs, they are already giving ample training to their members. ECCSA would do well to draw on their experiences and leverage their capacity and experience to create positive impact on the weaker BMOs.

From the above and interview conducted with BMOs, the summary of recommendations regarding training is put in detail in Annex 7:

Role of ECCSA

ECCSA is hosting the PSD Hub and is supposed to be the prime mover of business development services either directly or indirectly. The **role of ECCSA** should therefore be fashioned out carefully with the aim of **adding value to the entire BMO endeavor to improve membership services.** For this reason, it is recommended that ECCSA concentrate on the following in the process of supporting its members BMOs in training service.

- a. **Carry out high level leadership trainings through its affiliate organ, the Chamber Academy.**²⁴ For the undertaking of this, it will encourage its members to send trainees, mostly at leadership level, to the Academy. In doing so, **the PSD Hub** will finance part of the cost of travelling and allowances of the trainees coming to the Academy for training.
- b. **Solicit support and facilitate trainings abroad on selected high impact issues.** The PSD Hub could co-share cost in this respect.
- c. **Arrange training of trainer’s course for the ‘B’ category members to capacitate them to design and organize trainings on their own.**
- d. **Undertake training assessment exercise for its members** on those training courses it involved itself in some capacity.

b) Trade and investment promotion

Most ECCSA members are accustomed to undertaking trade fairs and bazaars. They regard it as a stable and predictable source of income. Some even have a regular annual calendar for trade fairs

²⁴ The academy is not limited to high level trainings such as on leadership. Based on the demand of members, it can still give other trainings even though the focus should be on areas for which it has a comparative advantage.

and bazaars, while others conduct the events on ad-hoc basis taking advantage of national holidays or community cultural events (*such as Chembelala in Hawassa and Ashenda in Mekele*). Relatively speaking though, BMOs find organizing trade fairs and bazaars a simple task to undertake and they use their membership base to organize these events without much difficulty. All the same, same BMOs are complaining about the inherent difficulties they are facing in conducting trade fairs and bazaars. Generally speaking, the luster and attractiveness of these events have gone down dramatically such that the revenue from the events has reportedly declined. The challenges are as stated below:

- **The inherent objective of trade fairs and bazaars has fallen hostage to a short term objective of amassing profit.** This has substantially impaired the capacity of these events to bring about far reaching long term objectives of promoting trade, technology and experience. Ultimately, short-termism is also hurting the business resulting in a fall of revenue.
- **There is duplication of trade fair and bazaar events in most of the regions.** This is not helping the maximization of revenue and profit from the events.
- **A good number of the BMOs organize trade fairs and bazaars in conjunction with private promoters.** In theory, this should be a good approach to maximizing benefits and conducting high quality event. In actual fact, this is said to have diminished the revenue share of the BMOs, as a good chunk of the profit has to go to the account of the promoters.
- **With careful planning, smart negotiation and transparency, BMOs should be able to derive a higher amount of revenue with private promoters involved.** The idea is that BMOs should optimize the use of promotion firms in such a way that the latter could be delegated to carry out some of the selected tasks in a trade fair and, thereby minimize overhead costs. It could also mean the BMOs will be able to give a full package service instead of the current limited package service.
- **Trade fairs and bazaars are conducted in the most unsuitable physical environment** which is resulting in unsafe and unhealthy products and services being traded and peddled.
- Trade fairs and bazaars are being organized by development associations, civil societies and religious institutions in unprofessional manager as add-ons to their regular events. This has substantially detracted trade fairs and bazaars from the generally accepted objectives, leading to a **less than salutary image for the events.**

It is against the above cited backdrop that BMOs are making the endeavor to firmly establish themselves as authentic institutions in organizing these events. Even under the current circumstance of low public esteem towards trade fairs and bazaars, BMOs earn more revenue from these events than from membership fees. The SNNP CCSA has, in a telephone interview, given us an estimate that a surplus of at least Birr 500,000 could be obtained from one annual event organized by it. This is under a situation when the Chamber is not employing any promoter to collaborate with. There are other CCSAs, such as the Amhara CCSA which organize more than

one event per year, and presumed to generate more surplus than the one cited above for SNNP CCSA.

One hastens to add; therefore, that trade fairs and bazaars will continue to be a solid source of income for BMOs and is already a low hanging fruit to reap benefit from. There are, however, important considerations to make in order to ensure that trade fairs and bazaars will give higher revenue and would at the same time contribute towards the attainment of overarching economic objectives for which they are generally designed for.

- A smart regulation²⁵ is necessary to ensure that trade fairs and bazaars are not abused for short term benefit, ruining their luster and image. Already, the number of visitors to trade fairs has fallen over the years.²⁶ The Ministry of Trade and Regional Bureaus of Trade need to work out, in consultation with BMOs and promotion agencies, a legal framework to regulate the licensing and conduct of trade fairs and bazaars.
- It is true bazaars, which have the advantage of supplying a range of choice of goods and low prices, are famous for attracting a swath of visitors. They have, however, a limited contribution to the promotion of technology, knowhow and networking. BMOs should use Bazaars as a complement to specialized trade fairs and general trade fairs and not be carried away by the ease of organization of Bazaars. The BMOs should work towards attaining their goal of contributing to economic growth and competitiveness and ensuring long term financial sustainability of the service.
- The trade fairs that BMOs plan to organize should be multi-faceted in attraction: touristic and entertainment programs, and symposiums to leverage the interest of participants for a range of and diverse experiences.
- BMOs should coordinate among themselves on the scheduling and organization of trade fairs and bazaars in order not to schedule overlapping events leading to failed events or diminished visitors.

Role of ECCSA

ECCSA has a big event of its own that it organized for the ninth round this year. The event is a trade fairs/exhibition²⁷ and concentrates on local manufacturers under the overarching theme of '*Buy Ethiopian*'. ECCSA is believed to have garnered sufficient experience from the series of events it held year after year. Hence, one asks what the role of ECCSA should be, given that its BMO members are at a cross road of either to professionally re-think trade fair events and bazaars

²⁵ 'Smart Regulation' is the approach to regulation that carefully weighs up benefits and costs of a regulation in such a way that in the end the benefits outweigh the cost by a good margin. In particular, regulations are analyzed objectively with due regard to all interests involved.

²⁶ Information from AACCSA corroborates this situation.

²⁷ No goods are peddled at the event; hence, it is not a bazaar event.

or fully succumb to short term goal of quick revenue and surplus. The interventions for ECCSA are the following:

- Prepare a draft framework document that could serve as a working document for the Government and an advocacy tool for ECCSA. The framework will set standard of organizing trade fair/exhibition.
- Prepare checklists and tips on the standards of quality trade fairs, bazaars and exhibitions. The document will also discuss on how to make sure these standards are maintained and sustainably upheld.
- Write a ‘Code of Conduct’ document for trade promotion events and get the rounds of discussion and feedback from members. In an iterative procedure of revision, the document can be developed and signed by all members. As the document should be prepared in a participatory manner, validation workshops have to be organized and this has cost implications. Thus, PSD Hub has, therefore, to consider supporting the project.
- ECCSA/PSD Hub has to consider supporting the participation of small and medium enterprises owned by women and youth in trade fairs, exhibitions, business to business meetings and other events to provide opportunities for creation and strengthening business partnership with large enterprises.
- Solicit international companies to participate in trade fairs and exhibition of its members. The Ethiopian Investment Commission is currently very active in soliciting foreign direct investment. It has stepped up its visibility with invigorated energy. ECCSA should tap into the new capabilities of EIC by setting up a common platform to discuss and collaborate on inviting, and receiving investment delegations; and sending delegations to selected investment sources abroad. The Chamber system is accustomed to working with the Ministry of Foreign Affairs, Ministry of Trade and Ministry of Industry. It should now broaden its scope of relationship to include the Investment Commission.
- Advocate for its BMO members with the government, for the former to be given the privilege of well-located land for exhibition centers at a low lease value via allotment method of acquiring land.

Support of the PSD Hub

PSD Hub in this respect will garner its own funding the capacity of Swedish BMOs and other sources in order to support ECCSA fulfill the roles identified above. It is shown in Table 6 below.

Table 6: PSD Hub’s Support to the Initiatives of ECCSA

No	Role of ECCSA	Role of the PSD Hub (Complementary Role)
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- | | |
|--|--|
| i. Prepare a draft framework that could serve as a working document for the Government and an advocacy tool for ECCSA. | PSD finances the study of ECCSA to draw an effective and objective draft model directive for the licensing and conduct of trade fairs and bazaars. |
| ii. Prepare checklists and tips on the standards of quality trade fairs, bazaars and exhibitions. The manual will elaborate on how to make sure these standards are maintained and sustainably upheld. | The PSD Hub will finance the hiring of a consultant/s (national or international) to undertake the task. |
| iii. Write a ‘ Code of Conduct ’ document for trade promotion events and after getting the rounds of discussion and feedback from members | The PSD Hub will access international reviewers to comment on the developed ‘Code of Conduct’. |
| iv. Solicit international companies to participate in trade fairs and exhibition of its members. | No particular contribution of the PSD Hub is envisaged here. |
| v. Advocate for its members with the government, for the latter to be given the privilege of well-located land for exhibition centers at a low lease value via allotment method of acquiring land. | No particular contribution of the PSD Hub is envisaged here. |

c) Networking Events

When we say networking events, we are talking about a broad spectrum of events that bring businesses together for a number of reasons. If the event has the sole or a major purpose of creating a business relationship, we handle this category of service in the next section under ‘inbound and outbound missions’.

There is almost endless combination of events that one can imagine of in business networking. We can think of conferences, symposiums, business forums, business luncheons, sector specific platforms and others. The prime objective of networking events is to assist members have better business information, create business contacts, and understand government policies (*by inviting*

speakers for instance) and generating income to the BMOs. A typical networking event will be conducted in the following fashion.

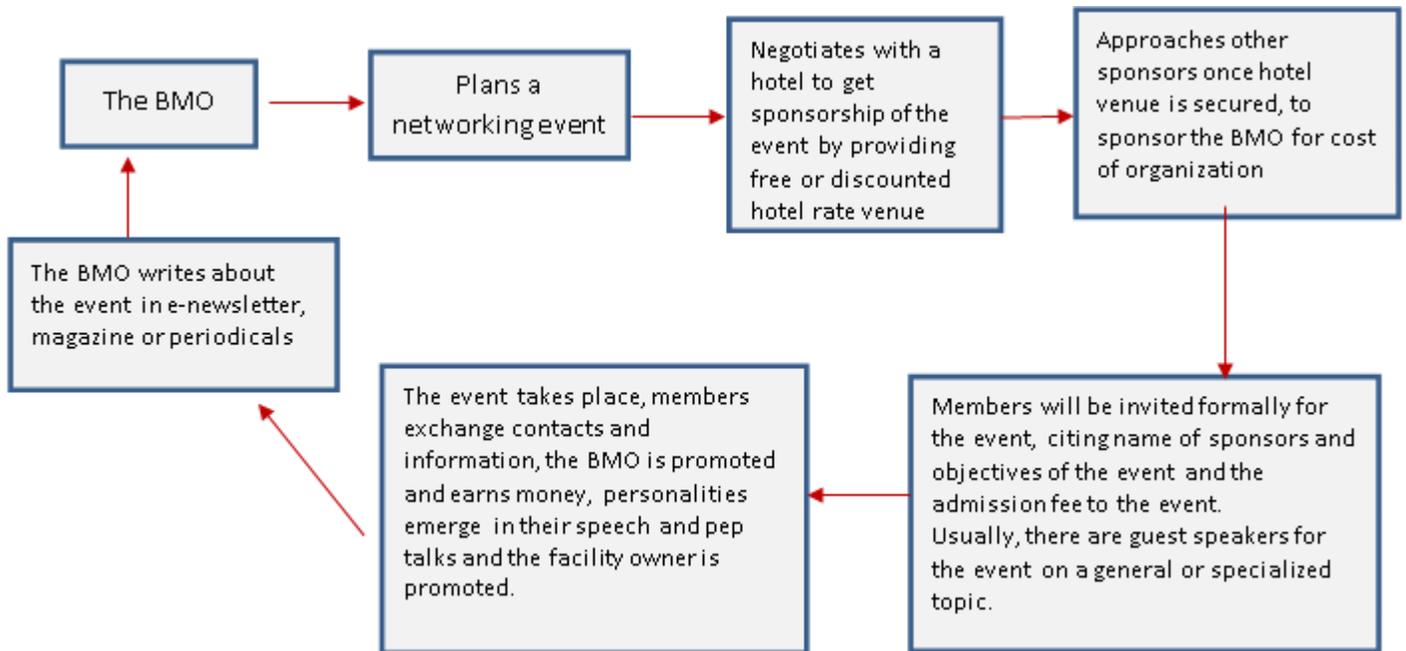


Figure 6: Flowchart of a preparation of a typical networking event the following networking events could be considered as potentially realizable events for the BMOs at whatever stage they find themselves

Breakfast Networking

This event is for early risers and helps business people interact with influencers before a potentially stressful workday hits. BMOs in many countries have breakfast networking session. The networking event is also to be used for brainstorming in advocacy work as much as for business networking among members.

Industry-Specific Speaking Engagements

Whether one is in marketing, retail, accounting, or another field, there are always people around to learn from. Members could take advantage of networking events from a speaker or speakers on a topic directly related to their business activity. The attending members will learn from the experts themselves and ask questions they might not be able in online Q&A.

Roundtable Events

Similar to speaking engagements, roundtables are beneficial to those looking to advance their knowledge by communicating with their peers. Roundtables allow for open forums and discussions that, more often than not, lead to creative ideas and new directions. If one is stuck on a project,

story, or proposal, these could be the right events to get out of a deadlock and make some new connections in the meantime.

Happy Hour Networking Meetups

Many have “roller coaster” type of anxiety about events. Happy hour is a tried-and-true tradition in the networking world. It allows for more of a relaxed atmosphere- making small talk and approaching strangers is simpler in a casual environment.

Networking events do not necessarily result in expenditure from the BMO. Nor are they overly complex to organize and conduct. However, AACCSA is the only membership in the ECCSA eco system that has regular and well established networking events.

As has been indicated above, new hotels, in particular, can be enthusiastic to sponsor BMO events in a bid to promote their new facility. Other facility owners could as well come in to sponsor an event. The task of the BMO would only be to organize the event professionally and with due regard to the objectives of the event.

EPOSPEA has a trademark event once in a year in Addis Ababa. It is an international conference of businesses, researchers, advocate groups and others. In addition to the various benefits accruing to the sector and the BMO, EPOSPEA earns a good deal of revenue (over 1 million) from this particular event.

Member BMOs could draw up plans for networking events in their respective areas of operations. The regional towns are fast growing and are set to reach the stage of ‘cities’ by international standard. The time is therefore ripe enough to consider networking events in the major towns/cities out of Addis Ababa. In an interview conducted with the Chamber Secretariats, most have expressed skepticism on the possibility of readiness to pay for the service. We would imagine though that charging a small amount for an event should not be hard to accept for a person seriously in the affairs of business and investment, and is routinely paying out for food and drinks in one-to-one business discussion in restaurants and hotels.

We propose the following number of events to be organized by the BMOs under our study.²⁸The number of events is contingent on capacity building work to be carried out by ECCSA and the PSD Hub. The capacity building works envisaged under this theme are the following:

- Give training on how to organize effective networking events by BMOs to secretariats and staff of BMOs.
- Conduct models of networking events at selected BMOs with a view to demonstrating how networking events could be effectively and efficiently organized.

Table 7: Assumption of Networking Events for BMOs

²⁸We leave out AACCSA here as it is already engaged in business networking events.

BMO	Town/City (Early Adopters)	No of Events Per Year	Fee per Event (Birr)	Estimated Revenue from Events ²⁹ (Birr)
Oromia	Adama	2-4	150	21,000 - 48,000
SNNP	Hawassa	2-4	150	21,000 - 48,000
Amhara	Bahir Dar	2-4	150	21,000-48,000
Tigray	Mekele	2-4	150	21,000 - 48,000
Benishangul Gumuz	---	-	--	
Gambella	--	-	--	
Somali	Jigjiga	1-2	100	7,000 – 14,000
Harari	Harar	1-2	100	7,000 – 14,000
Afar	---	--	--	
Dire Dawa	Dire Dawa	2-4	150	21,000 - 48,000
ECSA	Addis Ababa	2-4	200	28,000 - 56,000
Textile & Garment	Addis Ababa	1	200	14,000
Sugar and Sweet	Addis Ababa	1	200	14,000
Horticulture	Addis Ababa	2	200	28,000
EPOSPEA	Addis Ababa	2	200	28,000
Meat Producers/Exporters	Addis Ababa	1	200	14,000
Leather Industries	Addis Ababa	1	200	14,000
AACCSA	Addis Ababa	Over 12	300	At least 250,000

It is important to note that the above rudimentary exercise is for the first year of launching the service. Besides, the revenue to be generated is in addition to what the different BMOs already earn. For instance, the EPOSPEA, as already stated above, already earns about 1 Million Birr from an existing networking event and the amount stated above is only in addition to that figure. It is also important to note that ‘Revenue’ in the following years will certainly increase at a high rate, resulting in this service being one of the champion services that the BMOs could deliver with relative ease and serve as a good revenue source to finance their operations.

Role of ECCSA

The major hindrance for ECCSA, as autonomous institution, to conducting networking events is that it has no its own membership base of enterprises. It cannot reach out to individual members the same way AACCSA is doing routinely. It is very difficult to recommend for double membership as a standard operating system, without the requisite assessment having been undertaken. However, ECCSA should be able to cooperate with its members such as AACCSA to draw subscribing businesses to the events. It is abundantly beneficial for ECCSA to organize

²⁹ The average participants of an event is assumed to be 70 persons.

networking events with AACCSA, both seated as they are in the Capital. What ensues from this collaborative effort is that they will both share the spoils of the events, completely doing away with the possibility of adverse competition internally within the BMO system.

Out of Addis Ababa, it is feasible that ECCSA jointly work with the other BMOs to coordinate networking events. Typically, such events can be organized in the major towns (see Table 7). The regional BMOs are supposed to have a good knowledge of the local business and are expected to leverage their relationship with these businesses for networking purposes. ECCSA is also in a position to leverage its brand and has supposedly better equipped staff to collaborate with and complement the effort of the regional BMOs.

d) Inbound and Outbound Missions/Match Making

Inbound missions or trade delegations, unlike in the developed BMOs, are first initiated on government to government basis in countries like Ethiopia. Based on protocol agreements, Memorandum of Associations, and the visits of Heads of States or other high ranking officials of two countries, trade delegations come and go. Ethiopia has, since recently, become a hot destination for trade delegations from all corners of the world. In a year, an average of 30 to 40 trade delegations officially travel to Ethiopia, mostly led or accompanied by high ranking government officials.

Outbound missions are likewise substantially based on state to state political relationship. There is, however, a degree of independence in the organization of outbound missions as far as BMOs are concerned. There are more outbound missions, in proportional terms, being organized by BMOs independently as compared to inbound missions. AACCSA, ECCSA, ECSA, and Tigray CCSA have developed the trade of sending outbound missions. The sectoral associations; Textile, Leather, Horticulture and Meat associations are even more adept at conducting and managing outbound missions in addition to their members being accorded the privilege of accompanying the Prime Minister or other government officials while travelling to foreign markets.

The government of Ethiopia has taken its partnership with ECCSA notches up in the last few years. On the one hand, a realization has dawned on the government that working only with city Chambers as regards handling business missions is not the most preferred approach, when the counterpart missions represent a country as a whole. On the other hand, many a foreign chambers require that a national association, and not a city level association, be the counterpart for a trade mission engagement. Hence, ECCSA over the last few years has been afforded with the opportunity to organize a number of events domestically between local businesses and missions from abroad. It also, as a departure from the past, organized a number of missions abroad. In 2015/16, ECCSA received 16 inbound missions and organized 10 outbound missions.

For outbound missions, ECCSA charged Birr 15,000 service charge per person and the inbound missions have attracted an average of 25 participants. Even if we assume, ECCSA have expended a third of this tariff for operating expenses, each outbound mission might have enabled ECCSA to

collect Birr 250,000 which is a hefty amount by any standard. The question that one raises is why is that BMOs, including ECCSA, not initiated to charge participants of match making meetings held with inbound missions. It should be possible and there is already the latent demand for it; and it will only take some stroking to cultivate it. In an interview with ECCSA officials in trade and promotion have expressed that there is a plan to charge participants of match making events in Ethiopia and they would be expected to register for the events and pay in advance. ECCSA is already piloting this with incoming businesses for match making events.

The major limitation of conducting inbound and outbound missions is that none of the BMOs undertake assessment of effectiveness of missions. It is the firm belief of the consultants that mission participants be approached systematically and results on the missions are elicited at two levels; on the organization quality of match making events and the contribution of the missions to the business of the counterparts. In the latter case, it can only be done after a stretch of time as meaningful business relationship takes time to materialize. ECCSA has recently started making follow-ups to assess outcomes of missions through distributing questionnaires to participants.

In ideal situation, BMOs have to screen requests for inbound or outbound missions based on specified parameters and criteria. It should not be as a matter of course that a BMO receives a mission from abroad or sends its members abroad. A case in point is the Swedish Chamber of Commerce (SCC)³⁰. It has a dedicated department dealing with international relations, chiefly inbound and outbound missions. The Department acts independently in the selection and invitation of foreign business delegations to Stockholm. In other words, it doesn't wait for information or instruction from other external bodies like government offices to do the selection and extend the invitation. It has set some parameters to decide whether or not a certain foreign BMO, or any institution for that matter, is worth contacting. Prior to arranging visitors' program, the Department ensures that the;

- Business delegation's goal is in line with the Chamber's broad objectives
- Visit has some value to the Chamber's members;
- Chamber could generate income from the business delegation's visit; and
- Products and services of the incoming delegation have a demand in Swedish market.

If the incoming delegation or the visit does not meet the aforementioned requirements, the Department takes it upon itself to decline the request of a delegation to come to Sweden and to meet with members of the Swedish business community.

We do not think it is easy to calculate the potential income for ECCSA and its members out of inbound and outbound missions. The exercise could turn out to be tricky under a circumstance of too many assumptions. However, given that some BMOs are already giving the service and earning

³⁰ Information obtained first hand from personal relationship of the consultants with the Swedish Chamber of Commerce and a visit to the Chamber of Commerce.

revenue, it is possible to forecast that medium sized BMOs could earn from this service. In particular, they should be able to recover event organization costs.

We can suggest approaches of how to ensure that support by the PSD Hub can be matched to actual progress made by the BMOs. We already know, for that matter, that ECCSA, ECSA and AACCSA and some of the sectoral associations have the potential to generate revenue running into few thousands from inbound missions. At the same time, The weaker sectoral associations and major chambers in the Regions (Amhara, Oromia, Tigray and SNNP) may be able to organize up to two missions for outbound visits to countries of export destination and to conferences, trade fairs and similar. The prominent BMOs (ECCSA, ECSA, AACCSA and a couple of Sectoral Associations) can organize several outbound missions in a year. A great complement to the physical match making can be had through electronic matchmaking. This is being facilitated by AACCSA to its members. It is an area where BMOs could earn a modest revenue by allowing access to non-members. The access would be on subscription basis. Both AACCSA and ECCSA should work out it how they can complement each other on this service considering the fact that they both have their own sources of information services while they serve essentially the same target group domestically.

Support of the PSD Hub

The PSD Hub, in close collaboration with ECCSA should be able to prepare a kit of tips, checklists and approaches on how to effectively handle incoming and outbound missions. The act of organizing missions is in itself a professional endeavor which no BMO, except to some extent AACCSA and ECCSA, are well prepared to undertake effectively. It is an open window of opportunity for the PSD Hub to help the BMOs work documents to a great level of detail and prepare standard document/s for mission management. Experiences are to be garnered internationally, such as from Swedish Chamber of Commerce and Dubai Chamber of Commerce and Industry, in order to prepare a well thought out standard document and training. The document or the series of documents should include a guide on how to manage events as they take place and the advance preparation towards effective outcome. These chambers, the Swedish and the Dubai one³¹, are chambers to learn from a lot since they entertain a number of missions a year and are also accessible for experience.³²In terms of quality of missions Dubai chamber of Commerce and Industry is known for organizing different types of trade missions, coinciding with trade promotion events and high level business seminars.

e) Business information (Business opportunities alerts, different up to date business info)

ECCSA has set up information center on international trade and business. The center is well stocked with books, periodicals, newsletters and magazines. The initial donation came from the

³¹ Please visit the respective websites.

³² We can get information on these chambers easily. For the Swedish Chamber, SIDA can facilitate the relationship while for the Dubai Chamber of Commerce and Industry, the existing relationship with AACCSA can be tapped into for experience sharing.

International Trade Center (ITC), which is headquartered in Geneva, Switzerland. UNDP and ECA also contributed to the stockpiling of the resource center. Unfortunately, the center is found at an unassuming location, making it difficult for researchers, business people and students to make use of the center.

The Website of ECCSA lists business development publications ready for sale. These are reproduced below. Many of these are developed, as part of HKW project³³. The HKW project was a highly focused intervention with clear cut output and outcomes. The list of publications is as listed below.

- How to prepare business plan (English/Amharic)
- How to start and improve your business (English/Amharic)
- Taxation in Ethiopia (English/Amharic)
- Financing business in Ethiopia (English/Amharic)
- How to calculate and record cost (English/Amharic)
- Marketing strategy (English/Amharic)
- Book Keeping (English/Amharic)
- Investment Guide To Ethiopia (English/Amharic)
- Ethiopian Technical & Vocational Education & Training Directory (TVET) 2010/11
- Export Guide 2011/12
- Ethiopian Business Directory 2nd Edition 2015-16
- Ethiopian Code of Business Ethics (English/Amharic)

AACCSA has a weekly business alert message to the emails of its members. It comprises of business opportunities that are communicated to the Chamber by international bodies and those extracted from websites which AACCSA has subscribed to. It is a selection of information usable by members, especially exporters. The service is given to members as a free service. Mere membership entitles to the regular sending of the message. AACCSA also disseminates information on trade opportunities in its monthly newspaper reaching the majority of its members by means of the same.

From the annual reports of AACCSA, it is not possible to find out to what extent members cashed in on the information released to them as regards business opportunities. It looks as if AACCSA does not have a tracking system on the extent to which members have used the disseminated information.

AACCSA for a long time has leased air time in one of the FM radios in Addis Ababa and broadcast business related program to members and the public, while a few years ago it started its own TV program on government run TV station. It also, in its website, publishes trading opportunities, training opportunities and trade fair information, which are up to date in their timing.

³³ A project set up by a partner Chamber in Frankfurt Main, Germany and now fully phased out.

Apart from AACCSA and ECCSA, regional BMOs are striving to give service of business information through the Business Directory. The process of convincing companies to sponsor and buy advertisement pages, and collecting and collating data as well as rendering it in a print ready format is a pain staking undertaking, surpassing the capacity of individual BMOs to do it as a profitable venture. The Amhara CCSA has recently launched a Business Directory, while the Oromia CCSA is advertising one in a bid to solicit business from companies for advertisement space and sponsorship. Business Directories are nowadays easier done as on-line document than as hard copy document. Furthermore, many private promotion companies are doing it already and with a high degree of professionalism.

Role of ECCSA

As it stands, the proliferation of Business Directories may do more harm than good. The harm may come in the following ways.

- i. Sponsors and companies willing to buy ad space are being pulled by too many demands from many BMOs, potentially leading to a zero sum game and ultimately to a fatigue.
- ii. As the Business Directories are done on a small volume and scale basis by each BMO, it will naturally lead to a compromise of quality.
- iii. Businesses addresses are to be found scattered in so many Business Directories.

The role of ECCSA should, therefore, be to help members minimize wastage and duplication. The surest way of doing this is to bring together BMOs willing to work in collusion and publish comprehensive and state of the art Business Directories. The BMO members would contribute the profile of their members, while ECCSA could lobby for sponsors and companies to advertise products and services (or their brand). The long process of preparing a Business Directory from designing the idea up to the point of publishing can be handled centrally by ECCSA. ECCSA and its members (*partners in this case*) could share the revenue and expense in some pre-agreed proportion.

Apart from publications and business directories, the Chamber system is not accustomed to information, be it on a retail basis or packaged in bundle. It should be noted that it takes a higher level of institutional sophistication, and staff capacity to retail or wholesale information. At the stage BMOs find themselves currently, the balance of evidence is that they are not yet sophisticated enough to commercialize information. For this reason, BMOs should in the short run remain content with providing business information to their members as stated above.

- i. Strengthen and continue on the initiative it has taken on so far in preparing and publishing books for sale. It has been a bold initiative and it must be continued.
- ii. Coordinate its members to work in unison to publish Business Directories on-line and in hard copies. The Business Directories should have far more greater coverage of businesses than they have today and be state-of-the-art in their quality. At the same time, online directories

could be launched by all those BMOs which are already publishing or in the process of publishing business directories. Actually, the trend now fast catching up internationally is the graduation to online directory and the decline of paper based directory.

Support of the PSD Hub

The question now is how creative we can be with a view to finding a niche for the PSD Hub to add value under this service. The contribution of the PSD Hub can be both technical and financial. As a precondition for success, this activity requires coordination and change of attitude – from the attitude of ‘I have to do it all by myself’ to a one which is ‘we have to do it together’. In light of this, the following is suggested:

The PSD Hub, under this program of support, should use part of its fund in the way a ‘Grant Scheme’ would operate, chiefly on a competitive basis. Individual BMOs either alone or in group would be expected to write a proposal document for submission and defending later on. They are expected to have their own internal fund to match the requested Grant money. The higher their own contribution, the easier it becomes to support them. A lesson can be drawn from the activities of the Ethiopian Competitiveness Facility, previously finance by the World Bank. The facility is known for having given grant money on a competitive basis.

f) Business Advisory Services (On rules and regulations, tax, export, manufacturing, foreign market)

Business advisory services can have many forms and contents. Globally, advisory service targets small and medium sized enterprises (SMEs), which typically have 10-500 employees, rather than larger ones. A usually cited reason for supporting these smaller firms is the assumption that they have more growth potential and are more restricted in their access to commercial advisory services as compared to larger firms.

Economic theory is also supportive of the policy that subsidized advisory services should be provided to firms that are constrained in their growth through lack of such support. The reasons for this constraint are that advisory services are either not available or not affordable. Most studies also narrate about business support that should be provided for free or nearly for free. The assumption made is that SME’s are not capable of paying market prices for advisory services. McKenzie and Woodruff (2014) summarized these key arguments.

- Firstly, it might be that entrepreneurs do not adequately understand the potential value of advisory services and are hence not willing to pay market prices.
- Entrepreneurs might be unwilling to take the risk that the advice ‘does not pay off’, especially when they are not familiar with the potential benefits of such services.
- Entrepreneurs may have a limited resource to implement the advices; particularly because banks are reluctant to provide them with loans.

If we take big businesses, on the other hand, they have their own established system of tracking information and advices, in addition to the cadre of lawyers that they can tap into for advice. BMOs in Ethiopia do not seem to be in a position to serve the advisory needs of their big sized members in any case.

AACCSA and ECCSA are the only BMO in the ECCSA system to have a sustained system of advisory system of its own. The advisory system in place in the AACCSA focuses on manufacturing. Members are encouraged to visit the Chamber and meet BDS advisors to have a chat on issues that they are intrigued with or around which they need information. Members would come either on a scheduled or unscheduled basis. The advisory service is supported by a website of the Chamber (*mau.addischamber.com*). The website gives information on ‘how to export’, ‘investment regulation’ and ‘how to prepare a business plan’. From a discussion with the Chamber, most members come for advisory service in the areas of tax, entering foreign market and starting business.

The advisory service is being given for free. BMOs think the service is not yet mature enough to be eligible to be set a tariff for. For members or non-members to be charged for advisory services, the advice to be given to businesses should be of such a degree that the businesses believe there has been adequate value for money. As has been stated in Phase I, charging members would be feasible only when a specialized expert is sourced to advise a member. No doubt, the service could be commercially viable in the medium term and must be eyed for the modest income that it can generate.

ECCSA also launched advisory services program on Taxation. It was started with the support of the HWK support from Germany BMO in the Frankfurt Main area ECCSA embedded special BDS advisors in the major cities; Mekele, Hawassa, Bahir Dar, Harar, Adama with the task of advising members on tax related matters. However, the service could not resume once donor support came to an end. This has an implication that some of the services are not sustainable at this stage, without third party assistance, unless the BMOs approach them with a fresh sense of service and strategy.

The topics/issues that are, on preliminary reasoning, ripe for advisory in the Ethiopian BMO context are the following:

- Business startup advisory
- Business plan development
- Cash-flow analysis and projections
- Staffing and labor cost analysis
- Pricing and fee structure analysis
- Cost segregation
- Internal controls
- Business valuation
- Strategic planning

- Financial planning

Role of ECCSA

At this stage, ECCSA should start laying the foundation for quality advisory services. The readily demanded service is around business regulation and rules set by the government. Regulations are not necessarily easy to understand and, many a time, they require some elaboration on how they are to be applied. ECCSA, we reckon, could within a short period of time strengthen the capacity of its members by helping them take stock of major business regulations such as on licensing, taxation, and customs, both federal and regional, and putting them in a resource center³⁴. At the same time, on how important it is to ECCSA could help its member BMOs internalize the need for educating their individual members understand relevant laws and administrative decisions. That is a kind of service that members would surely appreciate.

ECCSA and AACCSA, in collaboration, have to seize an important opportunity in telecom accessibility. They can establish a dedicated short digit telephone line for direct phone-in service to members and non-members. It is akin to the phone-in service for health related queries that is relatively common nowadays. The public would simply pose simple questions such as where to look for a licensing regulation. The answer would be to cite the proclamation number and where to access it (either website or the place to buy the relevant proclamation). It could also be asking for the date a certain delegation from a certain country is coming to Ethiopia. The answer would be straightforward in such a case.

There is a limited amount of finance that ECCSA/AACCSA could gain financially by giving this service. More importantly though, it helps to improve image and add value on the critical requests of members for information.

g) Certificate of Origin and Document Authentication

A Certificate of Origin (CO) is a vital international trade document which helps ascertain that goods, in particular export shipment, are wholly obtained, produced, manufactured or processed in a particular country. It also constitutes a declaration by the exporter in a certain country that the product is related to that particular country. In most countries, a Chamber of Commerce is the key agent in the delivery of certificates of origin. However, in some countries, this privilege may also be extended to other bodies such as ministries or customs authorities. There are also two major types of Certificates of Origin globally: **Non-Preferential COs**, i.e. "ordinary COs" or **Preferential COs**. The former certifies is an ordinary document relating to goods that are not afforded with any special privilege of access; while the latter refers to COs which enable products to enjoy tariff reduction or exemption when they have to be exported to countries extending these privileges such as GSP, Common Wealth, and AGOA. The challenge is that Preferential Cos requires a permission from Customs authorities for non-governmental organization to engage in

³⁴ It could be a reference room or a fully-fledged resource center.

issuing it. Given that Ethiopia is a beneficiary of a number of market access privileges, the issuance of this type of CO is quite timely for the issuance of which ECCSA should build its capacity and approach the necessary government organ.

The 1923 Geneva Convention and the Kyoto Convention area have compelled governments to formally recognize the important role chambers play in this, referring to them as competent and credible trusted third-parties in the issuance of COs. If one goes back to history though, Chambers of Commerce have been issuing non-preferential COs since 1898. Nowadays, they have been issuing preferential COs closely working with Customs authorities.

Virtually every country in the world considers the origin of imported goods when determining the duty that will be applied to the goods or, in some cases, whether the goods may be legally imported at all. In addition, COs may be needed to comply with letters of credit, foreign customs requirements or a buyer's request.

ECCSA's Role

The International Chamber of Commerce (ICC) has established an International Certificates of Origin Accreditation Chain, which is based on the International Certificate of Origin Guidelines setting out international best practice for issuance procedures: to give assurance to businesses, traders, banks and Customs administrations of the integrity, transparency, independence, responsibility and accountability of the issuance of the document. ECCSA should enlist itself to be part of this process and benefit from a series of international training programs to enhance and raise the level of Chambers' professionalism and competency in CO issuance. Membership in ICC and working closely with it could help ECCSA in the identification and use of advanced technologies in the delivery of COs and trade documents. ECCSA may gradually upgrade its system to electronic CO. Meantime; it is incumbent on ECCSA to empower other BMOs in its ecosystem to help them learn the skill involved in the issuance of CO and the necessary sophistication that should accompany it. The basis for this statement is that export and import activities will go out of the monopoly of Addis Ababa as regional towns munch their share of the cake.

Another service of the Chamber System, which ECCSA is already undertaking is authentication of documents to exporters and importers. The task involves verifying the authenticity and legality of signatories with the written permission of the parties in the contract. Documents that need verifying are:

- Shipment documents
- Freight documents
- Health certificate
- Food & Medicine Certificate
- Other documents requested by the importer (if it is appropriate)
- Trade agreement documents between importers and exporters

ECCSA charges Birr 250 for members and Birr 400 for non-members for document authentication. The same service could also be given by the other BMOs and the way to maximizing revenue is for the BMOs to cooperate and work together.

The total amount of revenue collected by ECCSA from issuance of Certificate of Origin and document authentication in 2008 EFY was Birr 2,449,820.

Apart from ECCSA, Dire Dawa CCSA is the only BMO in Ethiopia currently providing this service. Dire Dawa CCSA is delegated by ECCSA to provide the service. Out of the 100 birr it charges for the service, it transfer 80 birr to ECCSA and use the balance 20 Birr as its own revenue. Provided that ECCSA trains the BMOs located out of Addis to issue Certificate of Origin and use some kind of scheme to co-share revenue, it can be a win-win service for everyone to be able to earn some income. All Federal government offices required to facilitate the provision of CO are expected to be represented in the major towns shortly. Southern Regional CCSA or Hawassa City and Dire Dawa CCSA can issue COs in cooperation with ECCSA as the Federal government has made due delegation of authority.

PSD Hub's Role

The role of the PSD Hub will be in the funding of the necessary cost of ECCSA to link up to the international network of Certificate of Origin and the necessary training to capacitate ECCSA and its BMO members to adequately take up the task.

h) Direct Professional and Secretarial services

A few BMOs provide secretarial services to support their revenue generation effort. In particular, the city based BMOs indulge in the service. As to the tariff, there are differential rates to members and non-members. The major challenge of this service is that members of BMOs are engaged in these services and would be tantamount to competing with own members.

The service types under this category are the following:

- Typing service
- Printing
- Photocopying
- Internet Service
- Binding etc.

Other services, which are relatively high value adding, are 'translation' service, website development, hosting website on the BMO's leased server, posting logos for members in website, linking websites, and hosting advertisement on the website of the BMOs.

The argument for these services is predicated on the knowledge that small enterprises find it difficult to have their own website or advertise in commercial websites. BMOs are, therefore, well positioned to give this service at a reasonable price to their members. These services are also

thought to be relatively easy to promote given that they are visual and amenable to demonstration. In as much as the services referred to above as ‘high value adding’ seem manageable and within the capacity of several BMOs, none except AACCSA&ECCSA are taking advantage.

There are several advantages to a BMO from giving direct professional and secretarial services:

- It is relatively easy to organize and launch.
- They help the particular BMO earn revenue on a day to day basis, helping it improve its cash flow.
- It would generate a high traffic of visitors to the BMO’s office, helping it to foster awareness among members and potential members of the work and services of the BMO.
- The ability of the BMO to give these services as high standard creates enhanced image about the BMO in the minds of members.

There are, however, three potential drawbacks of indulging in these types of services:

- Members of the BMO may feel threatened, with a fear of being crowded out. This will also unnecessarily drive the regional BMOs into competing with their city based CCSAs, affecting the potential of working collaboratively in many other areas of member services.
- It is a low volume business under any circumstance and may not be worth the scarce resource available at the regional, sectoral association and national BMOs level.
- The BMO could get easily carried out by this service at the expense of other high value and more profitable services as well as policy advocacy.

However, there may be niches that ECCSA and its members could concentrate on without attracting resentment from members. These are services that the BMOs could collaborate with private sector service providers with a win-win arrangement. Same to what was said earlier regarding trade promotion; services along professional and secretarial services could be handled jointly with a clear cut division of labor. The services identified under this category are: website hosting, translation of high level business related documents and renting out halls. In doing so, the BMOs must draw up a clear exit strategy and look upon these services as an effort to fill up existing gap or to complement businesses. For instance, in the case of translation service, the BMO could enlist the services of its members by recruiting them as partners or associates to collaboratively undertake the work of translation.

PSD Hub’s Role

The PSD Hub should procure and install for different BMOs, on the advice and stewardship of ECCSA, different hardware, hardware upgrades and software systems. This is already identified in the PSD Hub project document as an intervention of the PSD Hub project. Which BMOs to support to capacitate IT infrastructure should depend on clear cut criteria. In order to ensure

sustainability, cost benefit analysis and sustainability issues should be handled carefully before the support for donor fund is solicited. The following are suggested for application:

- The hiring and deployment of capable staff working for the BMO
- The existence of an up and running office
- The willingness of the BMO to match the funding of the PSD Hub, to the extent of 10%-15%. Matching of fund can be one way of building incentive for utilization of the project finance judiciously.

As indicated at the Project Document for PSD Hub, developing a satisfactory and reliable IT structure for the Chamber system and creating a modern IT environment to help ECCSA and its members perform their tasks in an efficient manner is one of the support windows of the PSD Hub identified early on. This will go mileages in building the institutional capacity of ECCSA and improving its relationship with its members.

One of the unsettled issues in the Chamber system is the exact membership size and list of members under each BMO members. The IT system, among others, will solve the capacity limitation that tied up the hands of ECCSA from verifying membership and using membership database for different networking events and services. Once the IT system is in place, in the long run, the Chamber could mine its database to prepare sector and membership based information to avail to researchers and other users of information. This can be availed to members and the public on a fee basis.

7.2.3. High Hanging Fruits

Depending on the level of competency and strength of a BMO a few of the high hanging fruits (non-generic services) can be envisaged to be accomplished in three years time. A certain level of experience building should start early on. From the analysis in Phase I and Annex 8 incorporated in the same, which captures a lot of material on the services, we can forward recommendations. Four services are selected as being feasible to undertake in the short term. The criteria for choosing them from a dozen of non-generic services are the following:

- a) The service being rendered already at some level in one or another BMO
- b) The opportunity it affords to expand on the service – to scale it up.
- c) The ripeness of the service in view of the demands of member enterprises.

Based on the above criterion, we have selected the following high hanging services to be expounded on in future studies:

- a) Export support to members –Facilitate the provision of market information on import market and secure markets for export.
- b) Arbitration
- c) Create the need for and support members on ‘Quality Certification
- d) Furnish information to specific users; on a whole sale and retail basis.

e) Facilitate sector specific technical assistance.

The full description is as stated in the next page.

Table 8: Selected High Hanging Fruits (Non-Generic Services)

No	Type of Service	Brief Description	Who Collaborates with Whom	PSD Hub Support	Budget Implication (Rough Estimate) In Birr
1	Export support to members	<p>Enterprise members find it difficult to access and market their products. The supply constraint is so formidable it cannot match the access given to Ethiopian products in the developed markets. Preferential access to markets could not be exploited by exporters in Ethiopia owing to operating on low volume basis, low branding; and certification and research in product development and packaging being undeveloped.</p> <p>Member BMOs will subscribe to the service to be given by ECCSA/AACCSA and pay annual dues for it, which they in turn will charge individual members.</p>	<p>ECCSA and ACCSA should work closely together and draw on international market information such as the CBE of EU and access and document all information on access requirement to market such as phytosanitary information and training on exporting to the various markets in the globe.</p>	<ul style="list-style-type: none"> • Broaden the resources of the ECCSA information center to focus on export principally. Subscribe materials internationally. • Hire export BDS specialists and cover the salary and benefits for one year. • Facilitate Export Portal in the website of ECCSA, accessible by subscription by BMO members. 	<p>1st year = 44,600 USD 2nd year = 44,600 USD 3rd year = 44,600 USD</p>

No	Type of Service	Brief Description	Who Collaborates with Whom	PSD Hub Support	Budget Implication (Rough Estimate) In Birr
2	Arbitration	Arbitration is being handled as a service by AACCSA. There is a room for working together and strengthening national arbitration endeavor.	<p>ECCSA duly channels those demanding arbitration service to AACCSA so that latter will broaden its clientele.</p> <p>The BMOs, apart from AACCSA, will encourage their members to sign contracts which contain a provision or two to submit to the Arbitration Institute of AACCSA in case of dispute.</p> <p>For every business that BMOs including ECCSA channel to AACCSA, AACCSA pays out a certain amount of pre-agreed commission to the BMO initiating the business.</p>	<p>Link up AACCSA with one or two renowned Arbitration Institutes for partnership and working together on international arbitration.</p> <p>Train BMOs about arbitration and ADR.</p>	8,920 USD (first year)
3	Create the need for and support members on 'Quality Certification	One of the limiting factors affecting Ethiopian exporters is the low product, process and management certification. In international trade, certification has become not only necessary but mandatory. Certain effort has been made by AACCSA to help businesses certify themselves on Management system. This should extend to product certification and human resource certification. The current number of businesses that are being certified which is only in few hundreds must be scaled up to thousands. There is undoubtedly ample room for that.	The big chambers could well do this by collaborating with the Ethiopian Conformity Assessment Enterprise (ECAE), Quality Trainers and Auditors.	<p>Training of BMO leadership and Secretariat on Quality Infrastructure.</p> <p>Setting up matching up grant for the BMOs to start up the service.</p>	<p>1st year = 44,600 USD</p> <p>2nd year = 22,300 USD</p> <p>3rd year = 22,300 USD</p>

No	Type of Service	Brief Description	Who Collaborates with Whom	PSD Hub Support	Budget Implication (Rough Estimate) In Birr
4	Furnish Information to specific users	Authentic information is in scarce supply. And, the major advantage of BMOs is their ability to organize and disseminate information. Information related to their membership in itself has a huge value for investors eyeing the Ethiopian market. It is true it is not an easy type of service as confidentiality and information protection is vital and non-negotiable. Subject to this limitation, the BMOs could consolidate information and, at times, retail it as appropriate and sell it. The business directories do this as a matter of fact. However, the directories come out at long intervals and are not flexible.	Ethiopian missions abroad are important partners in this regard. BMOs could as well work strategically as one whole unit to bring together information they have at their disposal.	Training on how to organize and market information. This is advanced BDS service that BMOs would need to be trained on.	3 rd Year= 5,000 USD
5	Facilitate sector specific technical assistance.	This service pertains more to the Sectoral Associations, who are already giving the service. It includes supporting specific members on the requirements for export and on market characteristics at importing countries. It should also include support on purchase of common inputs for similar industries.	ECCSA's role will be coordinating the sectoral associations and availing its resource center for reference and borrowing.	Initial support on hiring staff to give technical support, including bringing in veterans from abroad who volunteer to support technically.	1 st year = 13,380 USD 2 nd year = 8,920 USD 3 rd year = 8,920 USD

In addition to the above, high hanging fruits along business match making and dissemination of information could be explored. The following are some of the commonest services in developed BMOs in the world.

- Match Making
 - Internet based match making services;
 - Business contact and Partner Identification Service;
 - Buyer-Seller Meetings;
 - Services on promotion of linkages between big and small companies;
 - Market Selection services;
 - Joint venture & business collaboration & etc.
- Business Information
 - Online business catalogue

8. PRIORITIZATION AND ENGAGEMENT OF SUPPORT

The overall goal of the PSD Hub project, as stated in the project Document is to “contribute to economic growth of Ethiopia by creating an enabling environment for the private sector development”. In order to realize this overarching goal, two outcomes are identified, which as the document rightly states are ‘interlinked’. Outcome I is “strengthened Ethiopian Chamber system that functions as strategic representative and viable entity facilitating consultation with the government on private sector needs for inclusive growth”, while Outcome II relates to creating a financially sustainable chamber system, which is apt to respond to the needs and demands of its members. While talking of the second outcome, a simple figure picked up from ECCSA shows a yawning deficit. In 2014/15, ECCSA was able to finance only 35% of its operating cost from self-generated revenue. Its total income has been Birr 16.2 million, a good percentage of which (45.6%) is contributed by rental income.

Based on the principles and guides of the PSD Hub project, and the findings of this document, a prioritization of action is recommended. The prioritization is a simple method developed by the University of Wisconsin – Madison and the application is shown below. The criteria selected for our analysis are six. They are screened for their significance for the Chamber system in general and their responsiveness to the PSD Hub project document in particular. The weight is just a judgmental point given to the significance of the criterion as compared to the other five criteria in the method. A scoring value is given, which is a discreet measurement of four numbers uniformly applied to all the criteria. The scoring value is just the product of the weight and the particular rating given to that service in relation to the criteria.

All services discussed above (*the eight that came out forcefully*) are low hanging fruits. The prioritization will give some order to our thinking on how to rank the low hanging services of the BMOs. It is meant to rank them for support as they have to be sequenced in time and prioritized in budget allocation. The detail is shown in Annex 9.

The maximum scoring value as a product of the weight and the scoring value as can be inferred from the annex 1 **The scored values can be bunched into three; the high priority services for support; Certificate of Origin and Document Authentication (174), Trade and Investment (173), and Inbound and Outbound Missions (156). We can also classify three services as medium priority, which are Business Information Service (141) Networking Events (135) and Training (129). Two services have a low scoring value and should be accorded low priority; Business Advisory Services (108) and Direct Professional and Secretarial Services (61).** It should be noted that the scoring is made from the perspective of ensuring long term financial sustainability of the Chamber system and the support of ECCSA BMOs to the economic development of the country

The PSD Hub’s objective and support is to enhance the capacity of ECCSA and its members to deliver demand based services to their respective members. No BMO could provide effective

service and advocacy unless it has financially and professionally capacitated itself. Financial capacity is relative in that the full guarantee for financial sustainability is to be found in matured membership service. Hence, the delivery of services to expectation is about developing adequate institutional capacity. To indicate areas of intervention for PSD Hub, we have resorted to using the same classification of BMOs we derived in Phase I and ECCSA as a separate entity.

Table 9: PSD Hub Support Areas in Low Hanging Fruits

Category ‘A’ BMO

	Type of Service (Low Hanging Fruits)	2017	2018	2019
1	Training	<p>a) PSD hub hires the services of these BMOs in areas of designing training syllabus and curriculum and selection of trainers for the benefit of the other categories of BMOs.</p> <p>b) ECCSA and PSD Hub will establish ECCSA led Lateral Learning Council (TLC), and BMOs in ‘A’ category will be members.</p> <p>c) The leadership of these BMOs will be given the opportunity of leadership training in ‘<i>Chamber Academy</i>’.</p>	Training facilities will be upgraded with state of the art technology. For this, a standard concept paper and project proposal to be developed and submitted.	
2	Trade Investment and Promotion	<p>a) Finance the preparation of guiding documents (tips, tricks and procedures) about the standard of quality trade fairs, bazaars and exhibitions.</p> <p>b) Support the preparation of a ‘Code of Conduct’ document for all BMOs to subscribe to.</p>	Support not envisaged	Support not envisaged.
3	Business Networking Events	Prepare a thorough checklist and guide line on how to organize networking events with a description of the nature and use of the various networking events and style.	Adapt the experience of EPSOPEA and EHPEA. The former is for instance well-placed to organize an international event around the sub sector. PSD Hub will grant seed money to help BMOs organize such an event.	No support envisaged

	Type of Service (Low Hanging Fruits)	2017	2018	2019
4	Inbound and Outbound Missions	Finance the preparation of standardizing documents and guide lines on how to organize inbound and outbound missions with a description of the nature and use of the various types of missions. One of the creative inputs to give to BMOs is how to tie in missions with trade fairs and exhibitions. ³⁵ In particular, it is important to train BMOs on how to combine outbound and inbound missions with the conduct of trade fairs and bazaars.	Give on-going and practical advices for BMOs willing to be assisted on organizing and managing missions. This will be carried out using a staff at the PSD Hub who will give authentic assessment report on actual inbound and outbound missions to the Secretariat of each BMO in the support program.	Give on-going and practical advices for BMOs willing to be assisted on organizing and managing missions. This will be carried out using a staff at the PSD Hub who will give authentic assessment report on actual inbound and outbound missions to the Secretariat of each BMO in the support program.
5	Business information (<i>Business opportunities alerts, different up to date business info</i>)	Design a robust IT architecture with aspects for storing, sifting, manipulating and dissemination of business information to all BMO members.	The development of IT system financed by PSD Hub.	The development and launching of an IT system financed by the PSD Hub.
6	Business Advisory Services	No support envisaged.	a) On need basis and their willingness to cost share, arrange international training on Business Advisory Services for the BMOs b) Help recruit seasoned business advisors in starting business, taxation, regulation, export and deploy at the offices of the BMOs for certain no of hours per week. Co-share the financing of the hourly/weekly fee of the advisors. Employ members for this purpose; using them as advisors in the list of consultants of the BMOs.	No support envisaged.
7	Certificate of Origin and Document Authentication	Support all BMOs to form a common ground and understanding on how to collaborate on revenue generation and sharing of income from this service. PSD Hub finances the necessary consultation. The BMOs under ECCSA will have developed a common charter on how to approach the service and benefit collectively.	a) Integrate the BMOs with international organizations such as ICC for accreditation and recognition. Finance the necessary cost involved in it. b) Advise and support the BMOs to scale up their services to high value adding services such as ATA Carnet, digital Signature and Electronic Authentication, and custodianship of vital documents.	Advise and support the BMOs to scale up their services to high value adding services such as ATA Carnet, digital Signature and Electronic Authentication, and custodianship of vital documents. Give trainings to BMOs in this regard

³⁵ Assume a French trade delegation arriving in Addis sometime within a year. ECCSA could approach the Association of European Union Businesses in Ethiopia to jointly organize a trade fair/Exhibition of Ethio-French companies to coincide with the mission calendar)

	Type of Service (Low Hanging Fruits)	2017	2018	2019
8	Direct Professional and Secretarial services	No support envisaged	No support envisaged	No support envisaged.

**PSD Hub Support Area
Category 'B' BMO**

	Type of Service (Low Hanging Fruit)	2017	2018	2019
1	Training	<p>a) Syllabus and Curriculum to be developed based on need assessment study.</p> <p>b) Facilitate and organize a Training of Trainers for local trainers that could work collaboratively with the BMOs in question.</p> <p>c) The leadership of these BMOs will be given the opportunity of leadership training in '<i>Chamber Academy</i>'.</p>	Basic training equipment and facilities to be financed directly as a Grant as long as they fulfill grant criterion and conditions set therein	State-of-the-Art materials to be supplied based on evaluation of gains made in the previous two years.
2	Trade Investment and Promotion	<p>a) Finance the preparation of tips, tricks and approaches about the standard of quality trade fairs, exhibitions, and bazaars.</p> <p>c) Support the preparation of a 'Code of Conduct' document for all BMOs to subscribe to.</p>	Take a select group of people from the leadership and secretariat for exposure visit to well-known international trade fairs and exhibitions ex; Hanover, Milano, Dubai, Hong Kong.	Co-finance or (avail matching fund) the design of Exhibition Centers for the initiated BMOs.
3	Business Networking Events	Prepare a standardized document and guide line on how to organize networking events with a description of the nature and use of the various networking events and style.	Support technically and financially (to a limited extent) the launching of two events per year.	Support technically the launching of four events per year.
4	Inbound and Outbound Missions	Finance the preparation of standardization documents and guide lines on how to organize inbound and outbound missions with a description of the nature and use of the various types of missions.	Give on-going and practical advices for BMOs willing to be assisted on organizing and managing missions. This will be carried out using a staff at the PSD Hub who will give authentic assessment report on actual inbound and outbound missions to the Secretariat of each BMO in the support program.	Give on-going and practical advices for BMOs willing to be assisted on organizing and managing missions. This will be carried out using a staff at the PSD Hub who will give authentic assessment report on actual inbound and outbound missions to the Secretariat of each BMO in the support program.

	Type of Service (Low Hanging Fruit)	2017	2018	2019
5	Business information (<i>Business opportunities alerts, different up to date business info</i>)	a) Subscribe to information Websites with a wealth of information on behalf of the BMO.	a) Subscribe information Websites with a wealth of resources on behalf of the BMO. b) Organize a Resource Center and pay the initial cost based on the proposal of the BMO and willingness to share cost.	a) Subscribe information Websites with a wealth of resources on behalf of the BMO. b) Give trainings on how to generate, organize and ‘sell’ information to members and the public.
6	Business Advisory Services	No support envisaged.	Twining arrangement with category ‘A’ BMOs for advisors to be sent to the major town(s) where the BMO/Sector is located.	a) Twining arrangement with category ‘A’ BMOs for advisors to be sent to the major town(s) where the BMO/Sector is located. b) On need basis arrange international training on Business Advisory Services for the BMOs c) Help recruit seasoned business advisors in starting business, taxation, regulation, export and deploy at the offices of the BMOs for certain no of hours per week. Co-share the financing of the hourly/weekly fee of the advisors.
7	Certificate of Origin Document Authentication	Support all BMOs to form a common ground and understanding on how to collaborate on revenue generation and sharing of income from this service. PSD Hub finances the necessary consultation. The BMOs under ECCSA will have developed a common charter on how to approach the service and benefit collectively.	Integrate the BMOs with international organizations such as ICO for accreditation and recognition. Finance the necessary cost involved in it.	No support envisaged.
8	Direct Professional and Secretarial services	Undertake a study on how to complement the local businesses and which types of services to go for with a view to generating revenue and yet not replacing the local private sector.	Help the BMOs roll out the services that are critically selected and bear a high potential for growth and profitability.	No service envisaged.

PSD Hub Support Area

Category 'C' BMO

	Type of Service (Low Hanging Fruit)	2017	2018	2019
1	Training	<p>a) Finances consultancy fee for the BMOs to write proposal to third parties to solicit funding.</p> <p>b) Co-finance the trainings with third parties on the condition that the trainees also pay a subsidized fee (about 50% of the rate).</p> <p>C) The leadership of these BMOs will be given the opportunity of leadership training in '<i>Chamber Academy</i>'.</p>	<p>a) Syllabus and Curriculum to be developed based on need assessment study.</p> <p>b) Help recruit local trainers to give training in collaboration with the BMO and give Training of Trainers.</p>	<p>a) Assess the effectiveness of trainings given collaboratively with third party trainers</p> <p>c) Support basic training equipment on the condition that training costs are fully paid by training fee and the result of the assessment of effectiveness.</p>
2	Trade Investment and Promotion	<p>a) Finance the preparation of standardized documents on approaches and standard of quality trade fairs, bazaars and exhibitions.</p> <p>d) Support the preparation of a 'Code of Conduct' document for all BMOs to subscribe to.</p>	Support technically (by giving advice in collaboration with ECCSA) to the BMOs in order for them to carry out successful trade fairs and exhibitions.	Support technically (by giving advice in collaboration with ECCSA) to the BMOs in order for them to carry out successful trade fairs and exhibitions.
3	Business Networking Events	Support not envisaged.	Support not envisaged.	Prepare a manual and guide line on how to organize networking events with a description of the nature and use of the various networking events and style.
4	Inbound and Outbound Missions	Finance the preparation of standardized document and guide lines on how to organize inbound and outbound missions with a description of the nature and use of the various types of missions.	Training to be given on how to handle inbound and outbound missions.	Through the coordination of ECCSA, members of these BMOs will join the other stronger BMOs in outbound missions. The PSD Hub will cover a portion of the cost.
5	Business information (<i>Business opportunities alerts, different up to date business info</i>)	<p>a) Give training to the Secretariat and leadership on the value of information in business and how to reach it out</p> <p>B) Finance purchase of computers and accessories, pay for internet subscription and train staff on how to search usable information for members.</p>	Finance internet subscription for the second year and ensure members are visiting the facility.	a) Subscribe information Websites with a wealth of resources on behalf of the BMO.

	Type of Service (Low Hanging Fruit)	2017	2018	2019
6	Business Advisory Services	No support envisaged	Twining arrangement with category 'A' BMOs for advisors to be sent to the major town(s) where the BMO/Sector is located.	Twining arrangement with category 'A' BMOs for advisors to be sent to the major town(s) where the BMO/Sector is located.
7	Certificate of Origin and Document Authentication	No support envisaged	No support envisaged.	No support envisaged.
8	Direct Professional and Secretarial Services	Undertake a study on how to complement the local businesses and which types of services to go for with a view to generating revenue and yet not replacing the local private sector.	Help the BMOs roll out the services that are critically selected and bear a high potential for growth and profitability.	

9. **ADVOCACY, COMMUNICATION AND MEDIA**

Background

Advocacy and lobbying is the most important service of any member based organization. It is true the results of Advocacy are shared by everyone, whether a member or not. This is what economists refer to as 'free riding'. The one that avoids membership and stays on the sideline benefits from the result of advocacy while at the same time having relieved himself from obligations of membership.

ECCSA and almost all its members have scheduled/unscheduled dialogue sessions with the government to discuss on various issues affecting the business community while the dialogue fora are organized at different levels: National, Regional, Zonal, Cluster (multiple zones), and City levels. In some cases, issues which cannot be solved at lower administrative structures are referred to higher levels of administrative structures³⁶.

As a backdrop to the commencement of a structured policy consultation in Ethiopia, there were a series of changes in the government quarter in respect of service delivery. One of the long running reform projects, which was civil service delivery, gathered momentum in the years 2001-2002. The initiative ripened to bear fruits of change with the realization that government service delivery fell short of what the private sector actors had wished to have.

It is also important to note that two principal documents explicitly recognizing the private sector as an 'Engine of Economic Growth' came out later in 2003. The first is Ethiopia's overall strategy

³⁶ There is experience along this in the SNNPR Chamber of Commerce and Sectoral Associations.

for poverty reduction known as SDPRP (Sustainable Development and Poverty Reduction Program, GoE, August 2003), and the strategy paper on Private Sector (Industrial Development Strategy, GoE, August 2003). The engagement of the private sector with the public sector is, therefore, from the outset predicted on the recognition by the government of the potential role of the private sector as ‘engine of economic growth’.

These documents do not merely lend recognition to the private sector for its potential role in economic development. They also indicate the specific ways in which the private sector could support economic development in addition to showing the way in which the private sector could help achieve the Millennium Development Goals.

Hence, public private consultation forum was officially launched in 2002. In a space of two years, seven consultation fora were conducted. The agreed time interval was one forum every quarter of a year. The official named lent to such engagements was ‘Government and Business Community Joint Consultation Forum’. To all intents and purposes, the forum, by whatever name it went, was essentially a dialogue forum short of the full backing of the law. This meant that it was easier to revoke the concession as compared to a legally supported initiative. But, looking at the interest of the government to introduce changes in all walks of life and its blunt self-criticism of past behavior, one tends to believe that the government genuinely sought to engage.

If we, for instance, take the fourth forum, which was conducted on December 23, 2003, with the Minister of Trade and Industry chairing the meeting, the agenda items and the Minutes of the meeting belie a business-like engagement. The agenda items for the meeting were amendment on service provision to the business community, tax issues, problems encountered in the construction sector, telecommunication related problems, problems encountered in export trade, market related problems, lack of financing and capacity building of Chambers of Commerce. The issues and the agreed points are very much in line with what one calls ‘Policy Reform’.

A major and extensive study was undertaken by a host of institutions and published in December 2003: the authors were the ministry of Trade and Industry, the Ethiopian and Addis Ababa Chambers of Commerce, UNDP, Economic Commission for Africa, Government of Finland and Dalberg Development. The title of the work was ‘Options and Possible Strategies for Expanding the Public Private Partnership Forum and Secretariat in Ethiopia’.

As stated above, the most critical success factors for any consultation initiative is the degree of belief of governments in the vitality of the initiative for policy reform and their commitments thereto. In short, the political will of governments is a break or make factor in the literature of policy consultation. It helps, therefore, to flashback on how the previous and the first wave of consultations (2002-2004) was brought to an abrupt ending. Increasingly, the government gave dismissive statement of the ability of the private sector organizations, the Chambers in particular,

to take objective positions based on verifiable and well researched facts. It underlined the point that the private sector was not prepared for a sophisticated and well-meaning process such as policy consultation. Later in 2004, one of the English language business newspapers came out with the headline ‘Chamber Officials Disgraced’ with a story of the Chamber leadership having been lambasted by the government for ill-preparedness and anecdote mongering. It was the last nail on the coffin and the consultation initiative was closed with what looked to be the final blow.

In subsequent years, the shadow of the incidents leading up to the demise of the structured consultation was all along heavy on both parties. The private sector learned too well to appreciate that it cannot rush it unless a thorough soul searching was first undertaken and a genuine readiness existed to win the trust of the government. As a way out of this problem, the Metropolitan chamber, with the full financial support and full involvement in the design of the project of SIDA established a private sector think tank named ‘Private Sector Development Hub’. The government also blessed the initiative. The hub produced and published over twenty studies, in the course of seven years, on many issues related to private sector development and business environment. We surmise that the idea of establishing the hub was quite original and need-based.

Since 2007, the process of negotiation with the government as to what type of set up the dialogue process should take was very taxing and at times uncertain. The process had its ebb and flows and sapped the energy of two successive leaderships of the national chamber before the final seal of agreement was affixed. The Ethiopian government showed a clear gesture of commitment by signing a Memorandum of Understanding (MoU) on July 8, 2010.

Policymaking Process

Policymaking is supposed to follow an orderly sequence where problems are identified, solutions devised, policies adopted, implemented and evaluated. Effective advocacy therefore requires research to map out the policy terrain, the principal actors, the political relations and the interests at stake.

Policy change rarely happens overnight and is often linked to broader change in the political environment. Effective advocacy requires long-term as well as short-term thinking, an understanding of the points of resistance and the means to gain traction, the readiness to form alliances, and the flexibility to seize windows of opportunity. In reality, the policy process is more fluid, where policies are formed through the struggle of ideas of various advocacy coalitions.

From the discussion we had in previous sections, we can certainly state that a critical plank of coalition building for policy advocacy is seriously lacking. The BMOs’ relationship and collaboration with the various stakeholders is somewhat haphazard and not strategically guided. Whatever relationship there has been is only intermittent and are event triggered. It is true that the BMOs, mainly ECCSA and AACCSA, have inked their signature in a number of Memoranda of Understanding. The problem, however, is that these pieces of documents have not become

instrumental for strategic relationship and coalition building. It is also worth noting that the stakeholders analyzed above have also their own capacity limitations that are akin to those one finds in the quarters of the BMOs. It is instructive to reason along the same line of logic for the non-BMOs as well, which is the capacity trap we discussed earlier. In particular, membership based organization, whatever their basis of membership, are trapped in the egg chicken type of vicious circle. Members expect some immediate benefits to accrue for them to trust that the particular association has tangible value propositions. The association, on the other hand, cannot offer to its members if members do not contribute finance upfront.

It is this vicious circle situation that development partners should try to break and help membership organizations show their members immediate and direct benefits. With this conceptualization of the issue in the background, certain areas of cooperation between ECCSA (*and member BMOs*) and the major stakeholders are recommended in the ‘recommendation section’.

Advocacy Assessed

It is also observed that there is an open-door policy of government for manufacturers and exporters. All Sectoral associations have regular consultations with Sector Ministries. Even practical utility problems of individual manufacturers are handled by government ministries.

The government also invites ECCSA and members for discussion on draft legislations even though many in the Chamber System do not make effective use of opportunity afforded to them to comment on draft legislations.

There are many success stories in advocacy to be showcased, a few examples of which are presented in Table 10 below:

Table 10: Examples of success stories of the advocacy efforts of ECCSA and members

No	ECCSA/Member organization	Example of success stories
1	ECCSA	<ul style="list-style-type: none"> ▪ Tax on reinvested dividend is removed, ▪ The requirement to pay interest and penalty before filing tax appeals is improved, ▪ The 3.5% commission used to be paid to banks by exporter is reduced to 0.5%
2	Sugar and Sweet Manufacturers Sectoral Association	<ul style="list-style-type: none"> ▪ Sur tax on their products is removed ▪ Double taxation is removed ▪ Sugar quota to members streamlined; and hence some measure of success was secured in aligning sugar quota to level of production.
3	Dire Dawa CCCSA	<ul style="list-style-type: none"> ▪ The requirement to travel to Addis Ababa to register trade names is removed and members can now register their trade names in Dire Dawa.
4	Tigray Region CCSA	<ul style="list-style-type: none"> ▪ Unfair assessment of rental price by authorities is corrected – hence now assessment is based on declaration ▪ Unfair calculation of capital gain on sale of property is corrected; hence now it is based on declaration. ▪ A market cluster for producers of jewelry is established in the region.
5	SNNPR CCSA	<ul style="list-style-type: none"> ▪ Investors' applications to get electric power line and land requests for urban investment are getting quicker responses ▪ Problems related to sugar and oil distribution are now solved.

Members believe ECCSA is not responsive in terms of quality and variety of services. They lament that there is no well-coordinated service system from ECCSA side. Services tend to be sporadic and routine. Equally lamentable, according to members, is that the Chamber system is very weak in communicating to individual membership and the wider public about the gains and successes of the Chamber system.

The following shortcomings are observed in the advocacy and lobbying work which are expected to have compromised the effectiveness of the advocacy and lobbying efforts:

- Well-structured and evidence based dialogue is not common; but there is universal appreciation for it.
- There is very little coordination between ECCSA and its members for effective advocacy and coalition building around advocacy agenda.

- The preparedness to engage the government and contribute for the enrichment of draft laws is below desired.

The needs of manufactures and other business are different. Manufacturers are interested in technology transfer, input sourcing, availability of foreign currency, environment standards and implementation of incentives. Traders and service providers are more interested in licensing process, taxation, document authentication and access to finance. A good example of conflict of interest between the two has been also mentioned by many leaders of sectoral associations. Manufacturers are worried about importers getting commodities to the country on under-invoiced documents, being taxed low and pushing them out of the market, while importers are bent on getting the lowest possible customs dues through whatever means including under invoicing. What has come out starkly clear from individual discussions, FGD and document review is that Sectoral Associations believe ECCSA is essentially a Chamber of Commerce and does not have the inherent disposition to serve manufacturers and not even exporters

Triangulation of views of members gives clear cut result that ECCSA member organizations expect ECCSA to strengthen the Chamber system in the following ways:

- Leverage its unique position at the federal level to advocate for more. In particular, it should be more proactive and clearly pitch the agenda of the private sector for a constructive engagement with the government. For this, ECCSA must be able to extract, analyze and synthesize advocacy materials from the entire private sector and form a common position paper to advance. Besides, ECCSA is expected to fill up a yawning gap, which is absence of advocacy coalition for specific agenda. It could easily have built coalition of its members to create synergy and drive to advocate for reform. As it stands, the effort of BMOs are fragmented and not feeding into each other as it were.
- Disseminate knowledge and information gained and collected from international experiences on membership services, advocacy and organizational styles. There is no doubting that ECCSA is in a better position to build up stocks of knowledge as it is afforded with umpteen opportunities for learning. In particular, information and knowledge harnessed from exchange of missions, subscribed websites, participation in international conferences (such as the International Chamber Congress) and resources at its library should be selectively availed to its members.
- Prepare special events to bring members together and facilitate business deals, and exchange of information³⁷ should strengthen networking. Visit members to see what they are doing, what challenges they are facing, etc.
- Jointly design projects to get supports for strengthen members' capacity and benefit individual members in the pursuit of efficiency, productivity and competitiveness. The low hanging fruit

³⁷ ECCSA holds annual events such as the General Assembly. The events we refer here are just networking events up to get members familiarize with each other and each other's field of business.

here is that ECCSA can design projects with sectoral associations, which are engaged in manufacturing. The associations are well placed to attract attention of the government and development partners for support, while ECCSA could have a potential capacity to come up with overarching ideas and apply methodologies for project design.

- Develop standards for services and make sure these standards are met by members. This includes criteria to be met to organize trade fairs at international, local, or city levels and check lists for quality B2B.
- Preparation of manuals in operation areas such as HR, Finance and communication. For its service, ECCSA could charge its members on a cost recovery basis.

As regards communication, ECCSA and all members have no communication strategy in place. For this reason, achievements and success stories of the Chamber system are under-reported. Outreach to individual members, let alone the public, is poor. Only few BMOs have weekly newsletters, constantly updated websites and periodicals. The great majority of them depend on words of mouth and event news in the form of press releases and conferences.

Besides, ECCSA members state that information from ECCSA on Business Opportunities are far in between, un systematized and are late in dispatch.

Largely true to what transpires in reality, news about ECCSA is dominated by conflict and leadership feuds. ECCSA's lack of a well thought effort at public communication is not helping this perception. As a result of a weakening internal conflict and poor communication, ECCSA suffers from a significant dilution of its reputation and image.

Policy making in Ethiopia is evolving through a process of change. There is recognition in the government circle that the involvement of stakeholders in policy making is very important.

Stakeholder Analysis

A description of who the major stakeholders are for the BMOs (ECCSA in particular) and how intense/relevant the relationship is becomes crucial for analysis of 'coalition'. In particular, we can use stakeholders mapping analysis to find out who will readily collaborate with ECCSA and its members. We use the most often used and simple approach which is the Power-Interest Grid developed by Mendelow (1981) and Moorhouse Consulting (2007). According to this technique stakeholders are categorized as shown below:

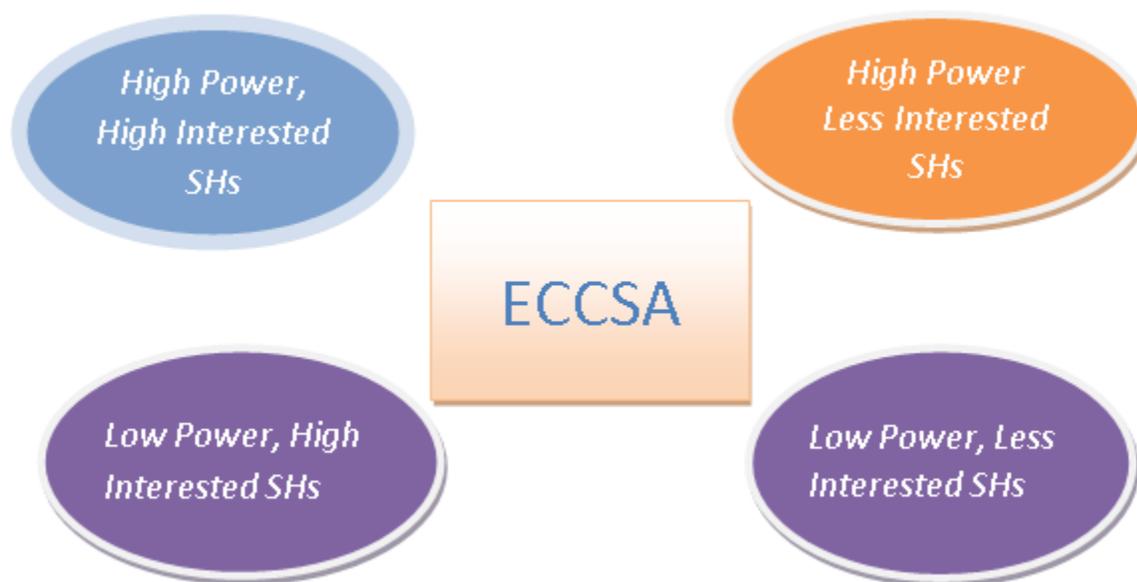


Figure 7: Stakeholder Mapping Technique

Let us now list those who fall into the four quadrants of influence and interest for ECCSA. The classification is made based on available knowledge of the roles of the different stakeholders in influencing advocacy and policy reform, while at the same time looking at the interest of these institutions for the Chambers' activities and work in advocacy.

Group 1: High Power, High Interested Stakeholders (SHs)

National and Regional Governments, Donors, Foreign Diplomatic Missions, Media

Group 2: High Power, Less Interested Stakeholders

Trade Unions, Employers Federation, Universities, Think Tanks

Group 3: Low Power, High Interested Stakeholders

Individual firms, consulting firms

Group 4: Low Power, Less Interested Stakeholders

Professional Associations, cooperatives, EDIRs etc.

The major task of ECCSA should therefore be to sustain the interest of the first group (High Power, High interest) and harness its energy for the best effect of advocacy. The level of influence of these institutions is so high that ECCSA and its members should get close enough and work hand in gloves to bring about significant change in advocacy.

With respect to the second group, the strategy is to fashion out effective communication tools to raise the interest of this group to work with ECCSA. The idea is that the power and influence of this group should not be atrophied only because there is a gap in information. This group is, otherwise, an influential one and wields immense power.

Members of the third group are very close to the BMOs in terms of legal relationship. Taken individually, business firms and consulting houses are not powerful even though they have a high stake and interest. The strategy is to bring these individual disparate members together on a larger platform and use their collective voices to best effect.

There is no point spending time and energy on the fourth group. They have very limited capacity to influence policy dialogue and reform.

Let us now discuss key stakeholders in the context of advocacy and communication.

Media Assessed

The media is important for understanding the political agenda and the framing of decisions about special or sensational issues. Media influence is strongest with sensational issues, and weakest with governmental issues, which are predominantly policy-driven. Likewise, when a policy issue is nonrecurring in terms of media coverage (a sensational issue), media power to influence public opinion (but not necessarily policy outcomes) is greater than with recurring policy coverage (which are more synonymous with governmental issues).

There are three steps to media advocacy:

- a) Setting the Agenda**
- b) Framing or shaping the issue**
- c) Advancing a specific solution or policy**

The power of the Media is the ability to interpret an issue in terms of newsworthiness. Adept media advocates creatively apply the age old tenets of newsworthiness to draw attention to issues that would otherwise go into oblivion. This is very instructive for the Chamber system in general and the major BMOs in particular. **BMOs have to be sophisticated enough to use the tools and unique properties of the media to the advantage of policy advocacy.**

Interviewed ECCSA and ECCSA members' officials recognize the huge importance of Media in advancing advocacy goals. **Media is a very potent instrument to pitch agenda, present findings and provoke discussion.** In the developed countries, Advocacy and Media are intertwined so much that no advocacy group could dream of succeeding in its agenda without using the media as a tool. Experience from the Stockholm Chamber of Commerce indicates that the Department of Media managed to get print media coverage in newspapers for 800 times in the year 2008 alone. In the same year, 40 editorials contributed by the Chamber were published in various newspapers.³⁸

The study found out that, **ECCSA and its members are not strong in using the Media for** advocacy. There are no expert opinions on private sector shadowed by ECCSA and members, no

³⁸ Addis Ababa Chamber of Commerce and Sectoral Associations, 'Report on Benchmarking Tour to Swedish Chambers of Commerce', April 2009.

commissioned articles on policy issues and media debates with government officials. Except for AACCSA and EHPEA, no meaningful use of the MEDIA is reported

There is very strong global evidence to suggest that the media, if properly used, can address many of the problems of Chambers of Commerce and **serve as a tool for policy reform and enhancement of investment climate.**

Among others, we have drawn conclusions from the survey that the media can be used to:

- **Contribute to changing the prevailing prejudices against private sector players as rent seekers and profiteering agents.** Help enhance the role of BMOs to benefits their members by affording the BMOs the opportunity for easy access.
- Create awareness around sectoral and cross sectoral issues affecting the business community.
- Popularize issues preceding the launch of dialogue fora to garner enough supports.

ECCSA members stated that Television and Radio are most effective channels to simultaneously address a wide range of audiences. In some areas, Radio is by far the most preferred means of reaching and influencing the business community and the public. The reason is that the ‘Radio Wave’ is nowadays reachable through more than one means, the traditional gadget, standalone Radio set, Vehicle Radio and mobile apparatus being the most common. The low reading habit of the public renders printed materials less appealing.

If we zoom in on the Media as a major actor for advocacy, there is no doubt that the policies, on which the media focuses can, and often does, could shape the focal issues for policymakers.

We have the following findings from intensive interviews held with Media corps in the country.

- The Chamber system and its leaders are not knowledgeable and skilled enough about how to present a clear case to the media in order to shape the debate around policy.
- BMOs are not in a position to make analysis of polices on their own and contribute to the Media. Either they are shy of issues or they do not have competent professionals to contribute learned articles. Nor do they use their members to have a strong showing in the press columns and others. Even when there are hot issues of great significance to the private sector, the BMOs do not react in time and in adequate measure. The latest example is the price cap that the government introduced in January 2011 and a policy that continued for six months. The media thinks no BMO made any kind of contribution to ameliorate the situation and influence the government to alter the policy; be it using the media or using official channels.
- No BMO has a well-articulated media and communication policy or strategy. ECCSA has recently developed a new communication strategy though it is not yet fully implemented.

- There are no well-established media engagement traditions and practices. For instance, there has never been a common platform whereby the BMOs and the Media Corps would have a discussion on how to work together and pursue policy issues.
- The sectoral associations are more forthcoming in their relationship with the press such as to comment on emerging issues and directives of the government: leather, basic metal and horticulture.
- The BMOs have no experience at all of contributing articles to the Press to influence policy dialogue and policy formulation. Even when members or individuals have picked up on the BMO for bad governance, there is no official response. Official articles or letters are rare to come by. From the last few years, the only tangible example is the official article recently sent by the Gondar Chamber of Commerce and Sectoral Associations to the Reporter newspaper to reflect the stance of the former on the election recently held in the Amhara CCSA.
- There are a good number of positive examples that can be drawn from the performances of the BMOs and some of it has been highlighted already in the news. In spite of that, the public's perception of the Chamber system has dug in with a bias and is negatively skewed already.

Lack of transparent leadership and effective media engagement, and add to that, the media's inherent proclivity to sensationalism, have contributed to the oversized reporting of conflicts and feuds in the Chamber system.

In terms of specific observations, we have the following to say:

- The big BMOs (ECCSA & AACCSA) are proactive in approaching the Press for pre-event Press conference or for interviews and in lobbying the Press for reporting on some achievement they have made. For example ECCSA's CC&PRs gave more than 40 press conferences and press releases last year covering different kinds of events – trade fairs, Board briefings, and election related issues, etc.
- Nowadays, there are rarely press conferences by the BMOs on where they stand on a particular issue and how they want the policy landscape to be reformed to encourage private sector development. Even information on what is going on in BMOs around internal conflicts and other sensitive issues are gotten from unidentified sources within the BMOs.
- When the press desperately needs to take hold of BMO officials or the Secretariat for interview on some issues, they tend to shy away and disappear from the show. When they are ready to give interviews and respond to questions of the press, things get late and the stories become stale. More often than not, elected officials at the BMOs take the initiative to be interviewed when they have personal interest in portraying positive image about themselves and to reverse an image deficit.

- In the long past, Reporters used to flock to Chambers of Commerce when there were events or there were interviews to conduct. This is no more the case now. The BMOs are not perceived by the media as able to provide newsworthy stories. In particular, the media's thirst to get a counter weight story from the private sector associations on information released by the government is not quenched at all.
- TV and Radio appearances of private sector representatives are occurring less and less. The government run TV, for instance, is covering chamber related stories with less frequency. It is reported that many stories from the Chambers do not pass the test of 'newsworthiness'. The government TV (EBC) is as a matter of policy focused on newsworthiness as opposed to its liberal policy in the past of covering the activities of private sector associations profusely.
- In fact the BMOs, except those in the regions, are largely divorced from TV and Radio programs. Of course, AACCSA leased air time from the Radio and Television to broadcast its programs. The Horticulture producers and Exporters Association has also a Radio program on FM 98.1. Chamber leaders and managers are invited in their individual capacity to talk shows on business and investment. For these shows, they do show up. However, the BMOs are not seen organizing their own discussion platforms to be aired on Radio. In other words, they do not set the agenda and shape debates, in spite of their research findings from different chamber commissioned studies. At best, they are reactive and on the receiving end of invitations rather than actively setting the stage for debate on private sector issues. In spite of the proliferation of FM Radios and programs, BMOs are not making a significant dent in the policy space.
- FM Radio Stations devote significant portions of their program to business news, sponsored by major companies such as Banks. In the entire gamut of hot business news and analysis, the opinion of BMO leaders is rarely sought. Nor do BMOs send compiled information that can be used by the Radio hosts as references to beef up their stories. If a BMO leader comes to the stage, it is invariably when the BMO has news of its own to share and the leader is required to share authentic story to enrich the news. Apart from this, there is no a special program worth the name touching on private sector development, business environment and business membership organizations with respect to which BMOs are actively engaged. There is a recently introduced program in Ethiopian Broadcasting Corporations' regular schedule called '*nuroena* business', which could be roughly translated as 'Life and Business'. This is a weekly program dwelling on many facets of business and investment, which has nothing to do with any BMO in its organization. It, however, invites BMO officials to a panel discussion.
- The press (*fortune, Capital and Reporter*) has a business and economy column, but in the form of news than by way of analyzing or spinning an issue with a view to influencing policy. The Press has frequent coverage of what ECCSA and other BMOs (AACCSA in particular) do. There is no shortage of stories about the major BMOs to report on. In the

majority of cases the reporting is about what the BMO carried out, such as an event of some sort (*opening of trade fair, how a trade fair edition fared*) or about the BMO's Annual General Meeting, elections and some kind of irregularities or scandal. In short, governance issues come to the fore in the reporting of the Press. Articles are written by journalists about some investigation they have made on the basis of complaints of members or an 'aggrieved' party from the leadership. Apart from this, policy or administrative bottleneck that has strangled the private sector is reported as a news item quoting a certain institution or personality.

- The BMO's own publications such as Ethio Chamber's bulletin (with a free circulation of 1000 – 2000 copies published quarterly) are **not strong in respect of building up cases for advocacy. They mainly focus on reporting events and activities.**
- Business papers have in the past highlighted issues of policy nature from PSD Hub studies.
- ECCSA's CC&PRs also use the major social media outlets including: twitter, Facebook, Instagram, etc. to disseminate information about different kinds of events.

Think Tank and Research Institutions Assessed

One of the potential areas for successful symbiotic relationship could be found between advocacy groups like Chambers of Commerce and Think Tank/research institutions. The Chambers have specific interests to advance and strive for, while the think tanks are theoretically well armed to undertake primary research and make the necessary analysis to supply the former to make a strong case. This is the customary way of working to buttress advocacy work in many political and legal regimes. The attempt to co-opt a research arm within the Chamber system through the establishment of the PSD Hub had the objective of filling up this gap. It worked to a large degree. It did not intend, however, to replace the potential contribution of think tanks and research institutions. If at all, it was meant to strategize its approach by supplementing the work of these institutions and feed on their studies to establish private sector positions.

- **Existing relationship with research organizations is weak. Formalized and effective relationship is of critical importance.** The few formalized relationship we witnessed are supposedly based on Memorandum of Understanding (MoU) signed with leading research institutions by the major BMOs. The shortcoming is that the implementation follow up is weak and the MoUs remain stacked in paper shelves. The findings from interviews with several interested parties are the basis for the forthcoming **recommendations. The findings were triangulated with the interviews made with ECCSA officials. Higher learning institutions – research and community engagement being one of their areas of responsibilities – are supposed to support BMOs at all levels. ECCSA and other BMOs should take the lead in initiating the relationship.**
- **Government policy research institutions should be approached in order to access their research outputs so that the BMOs could use these research outputs to enhance their arguments.**

- In view of ECCSA's in-house capacity for policy advocacy being not strong enough.³⁹ true ECCSA should not be expected to conduct all research work by own work force and it should be more about augmenting its capacity to identify issues, set agenda and coordinate with other players.
- National business agenda is a very good start for advocacy but revised editions of the agenda book published recently have to come out. For this, one has to involve research institutions and universities at different level apart from validation workshops and for secondary information.

Two most pertinent institutions to work with ECCSA and AACCSA on advocacy are the Ethiopian Economic Association (EEA) and the Forum for Social Studies (FSS), both independent research institutions and think tanks. EEA some years back collaborated with the Chamber System on training around WTO accession, on supply constraints of Ethiopian export products, analysis of enabling environment for businesses in Ethiopia (supported by Sida). The last few years, relations are almost discontinued. Chambers of Commerce, as observed by the association have fallen into the habit of softening research findings to avoid confrontation with government bodies. According to the association officials, the association has a very high interest to work in partnership with ECCSA and members. The association is in fact, ready and eager to work on cost recovery basis. This would give ECCSA the opportunity to benefit from the vast network and partner institutions of the association (training and research institutes). They can collaborate in the areas of conference organization, research, and trainings.

The other institution is the FSS, which is an independent policy think tank membership based organization. The organization is in the business of influencing public policy– informing policy. The major programs of the institution are the following:

- Research – supply as well as demand based
- Public dialogues (on social, economic and environmental issues) – publications
- Capacity building

The organization has a membership of professionals, and the membership pool can be tapped into for building capacity of the private sector in the areas of leadership, strategic management, program management, etc. Already, in the past, the association conducted various research works related to the private sector (public sector delivery, role of private sector, etc.) The organization also consulted private sector members but it never has had any formal relationship with BMOs. As the organization highly values its independence; it has the apprehension of moving in too quickly to work in a partnership with the BMOs or other advocacy entities for that matter. As a matter of pre-condition, FSS requires that partnering organizations are appreciative of the independence and objectivity of research.

³⁹In terms of number, there are only two staff in the research and advocacy wing.

Consulting firms assessed

From the discussion held with consulting firms, the following stood out as reflective of the reality of BMOs and consulting firms.

- Chambers are not effective in their advocacy works and they lack the capacity to effectively advocate. The main factors identified as challenges are the following:
 - Problems related to the structure of chambers
 - Weak Financial capacity and hence weak HR capacity
- Private consultancy firms are members of chambers and as private sector actors, they are affected by what is going on in the business environment.
- Some consulting firms are willing to work with BMOs on pro bono or cost recovery basis;
- A well designed advocacy policy and strategy document should be mandatory. In the document, major goals to attain should be set out. For instance, the BMOs could all subscribe to a certain clear cut goal to work for collaboratively. A readily available example is working for a law that forbids government bodies from tabling bills to the legislative organ without proper consultation with the private sector as long as the bill affects the private sector in one way or another. There is a need to clearly identify stakeholders and design a tailored strategy on how to engage them. Consulting firms can support BMOs develop and harmonize strategic plans and advocacy policy and strategy. There is plenty of resource and capacity which the chamber can tap, which the consulting community could support in doing so.
- BMOs are not even able to respond and act in a rapid fashion when members have a particular acute problem to solve. For that matter, members do not always expect their association to help them change the business and policy environment over the long term. They are in fact more concerned about short term obstacles and bottlenecks. The BMOs have to develop the capacity for a rapid response in the advocacy area.

10. KEY FINDINGS

Members' Engagement

- Members' engagement is very loose at every stage of the chamber system. Often, the relationship is at best non-existent and at worst dysfunctional. Members write off the associations as being irrelevant and the leadership as being not subject to accountability.

Membership Services

- 25 major services are currently being offered by ECCSA and its members.
- The ten most demanded Membership Services by ECCSA members and members' members are: Training, Business information, Business advisory, B2B (inbound and outbound missions), Business networking, Trade and investment promotion (Trade fairs and Exhibitions), Document authentication and certificate of origin, Sale of publications – booklets (manuals), Secretarial services, and Writing support letters to embassies.
- Contrary to widely held belief, members are willing (latently) to pay for quality and relevant services. Though the intention is not to be profitable chambers/associations need to charge for their services to ensure their sustainability. Contrary to widely held belief, members are willing (latently) to pay for quality and relevant services. Members can only pay to services only if they are convinced that the services are beneficial to them and are of good quality. Reputation/brand of the chamber is also important which could be built over time. With a rigorous differentiation of members by size or revenue, annual Membership Dues could be increased through smart pricing.
- With the exception of AACCSA, Textile and Garment Manufacturers SA, and EPOSPEA, ECCSA members did not discriminate against non-members in service provision.

Advocacy and Lobby

- ECCSA's effort for policy advocacy is commendable. 115 issues were tabled to the government over the past 5 years out of which 54% were already successfully solved.
- There is an open-door policy of government for manufacturers and exporters. All Sectoral associations have regular consultations with Sector Ministries.
- There are many success stories in advocacy to be showcased. However, the following shortcomings are observed in the advocacy and lobbying work which are expected to have compromised the effectiveness of the advocacy and lobbying efforts:
 - Well-structured and evidence based dialogue is not common; but there is universal appreciation for it

- There is very little coordination between ECCSA and its members for effective advocacy and coalition building around advocacy agenda.
- The preparedness to engage the government and contribute for the enrichment of draft laws is below desired.

Service Delivery Capacity of ECCSA members

- All ECCSA members, with the exception of Afar and Gambella Regions CCSAs, have strategic plan documents. However, 50% of the members have never monitored and evaluated their strategic plans, and in the majority of cases, actual implementation is well below plans.
- Most Board members of regional chambers do not have adequate understanding of the objectives of BMOs and their services. In the Chambers of the emerging regions, Board members perform the functions of a Secretariat for want of the capacity to pay for full time staff. Generally, Board Members in the Regional Chambers have low leadership acumen and experience and there is a wide disparity in capacity level and background among Board members. Usually, the chair of the Board is far removed from the other Board members in capacity and internalization of membership services.
- Inadequate size and low professional capability of human resource is a serious challenge affecting the service delivery capacity of almost all ECCSA member organizations. The situation is more pronounced in Dire Dawa, Gambella, Afar, Benishangul and Somali CCSAs.

Revenue Generation

- Actual annual revenue generated by ECCSA members in 2015 ranges from the smallest 8,500 Birr (Somali CCSA) to the highest 49,540,581 Birr (AACCSA). Out of the revenue generated by ECCSA members in 2015, 79% is accounted for by AACCSA.
- Some members (such as Dire Dawa, Gambella, and Somali CCSAs) are unable even to pay for basic office consumables (stationery materials, printer tonner, office rent, etc.) and salary and benefits of critical full time secretariat staffs
- For most ECCSA members, the share of members' contribution from the total organizational revenue is low. The situation is more pronounced in Gambella (0%) and Benishangul (1%) Regions CCSAs.
- The support of development partners significantly contribute to the revenue streams of some ECCSA members. The most prominent case is EHPEA for which development partners contribute for 95% of its annual revenue over the past three years.
- Tangible government financial support is observed only in Tigray and Gambella CCSAs, where 12% and 100% of total annual revenue respectively have been contributed by the respective regional governments.

Support and Communication

- Members believe ECCSA is not responsive in terms of quality and variety of services. They lament that there is no well-coordinated service system from ECCSA side. Services tend to be sporadic and routine. Equally lamentable, according to members, is that the Chamber system is very weak in communicating to individual membership and the wider public about the gains and successes of the Chamber system.
- Sectoral Associations believe ECCSA is essentially a Chamber of Commerce and does not have the inherent disposition to serve manufacturers and not even exporters.
- ECCSA member organizations expect ECCSA to strengthen the Chamber system in the following ways:
 - Leverage its unique position at the federal level to advocate for more. In particular, it should be more proactive and clearly pitch the agenda of the private sector for a constructive engagement with the government.
 - Disseminate knowledge and information gained and collected from international experiences on membership services, advocacy and organizational styles.
 - Prepare special events to bring members together and facilitate business deals, exchange of information, and strengthen networking.
 - Jointly design projects to get supports for strengthen members' capacity and benefit individual members in the pursuit of efficiency, productivity and competitiveness.
 - Develop standards for services and make sure these standards are met by members.
 - Preparation of manuals in operation areas such as HR, Finance and communication.

The role of Media in Advocacy and Lobbying

- Though ECCSA and members recognize the huge importance of Media in advancing advocacy goals, they are not strong in using the Media for advocacy. Except for AACCSA and EHPEA, no meaningful use of the MEDIA is reported
- Television and Radio are most effective channels to simultaneously address a wide range of audiences. In some areas, Radio is by far the most preferred means of reaching and influencing the business community and the public. The low reading habit of the public renders printed materials less appealing.

Cross Cutting Issues

ECCSA members' engagement in areas related to Gender, Ethics, Environment, and CSR was found out to be very limited. Generally the BMOs' take up of such crosscutting issues is found to be almost non-existent.

The study looked at ECCSA members' engagement in areas related to Gender, Ethics, Environment, and CSR. It was found out that their engagement is very limited. Generally the BMOs' take up of such crosscutting issues is found to be almost non-existent.

Gender

- Only 22% ECCSA members have organizational gender policy (EHPEA, EPOSPEA, Meat Producers and Exporters and Sugar and Sweet Producers SAs)
- Women involvement in leadership and senior management position is also limited. The highest number of women Board members is three which is observed in Somali Region CCSA. In the other ECCSA members, the number varies from 0 to 2. There are no women Secretary Generals in any of the ECCSA members.
- Few ECCSA members (ECSA and Harari, SNNPR, and Addis Ababa CCSAs) provide special supports to women entrepreneurs.
- EHPEA have a gender department with responsibilities to solve gender related issues of fairness and affirmative support at farm levels. The organization also provided trainings and gender sensitive materials to its members.

Ethics

- Few of ECCSA members, Oromia and SNNP regions CCSAs, organized trainings/awareness raising events regarding ethics. Many ECCSA members are represented in anti-corruption councils that are established at the initiative of the Ethics and Anti-corruption commission in the respective regions. At the councils, issues are deliberated on, annual plans approved and work progress monitored. A major initiative in the Chamber system is the one undertaken by AACCSA some 9 years ago through the support of PSD-Hub, which is establishment of Corporate Governance Institute. The Governance Code binding members to a set of self-enforceable rules was adopted by about 70 members of AACCSA in June 2011 and efforts have been under way to establish the Institute. ECCSA may have to work closely with AACCSA in order to reap the benefit of the Institute and disseminate the knowledge so learned to the wide membership.

Environment

- No direct engagement of ECCSA members in activities related to environment and climate change is noted

Corporate Social Responsibility (CSR)

AACCCSA's pioneer work of "Ethiopian Institute of Corporate Governance (CSR)" is a notable intervention which will have a significant contribution towards the evolution of a dynamic, ethical and responsible business community in the country. Benishangul CCSA is also implementing a project on CSR in partnership with Organization for Social Development (OSD). No other ECCSA member has taken direct initiative in areas related to CSR.

Based on the detailed discussion in the body of this study, we have generated figures that can be put to the use of coalition building in policy advocacy and for cross cutting objectives which is to the tune of USD 189,879 (Table 11).

Table 11: PSD Hub Support to Coalition Building in Policy Advocacy and Cross Cutting Issues

Recommendations		Indicative Budget (USD)	Comment
1	Annual private sector event	46,830	This covers all sub items under this category.
2	Capacity Building of the Media (Business and Economic Training)	22,300	Trainers from abroad can be engaged. Besides, selected journalists could be sent abroad from few weeks of training.
3	Establish a library of audiovisual records of ECCSA with full digitalization	40,140	The audiovisual records will be usable on ad hoc basis and in future TV broadcast of ECCSA.
4	BMOs should hire accomplished writers on economic issues to contribute articles to the press and the	20,070	PSD Hub pays for the first one year only. The assumption is that there will be ten articles being commissioned in a year. The payment to each article in a press/broadcast media will be Birr 15,000. (This is about the fee that donors would pay for one time presentation by a professional).
5	ECCSA and the think tanks to organize special workshops to discuss special and emerging developments.	20,070	On need basis. The estimate is just made on the assumption that one event per year may take place.
6	ECCSA and its close stakeholders will develop bankable proposal documents for financing by development partners, NGOs and member companies for cross cutting issues.	26,760	The fund is just to hire consultants to develop proposal documents.
7	Conduct a rapid study to prioritize areas of interventions on cross cutting issues	13,700	The service of consultants will be used.
Total		189,870	

11. CONCLUSION

The study concludes that:

- i. Existing Members' engagement is very loose at every stage of the chamber system.
- ii. Membership services being offered by ECCSA and members have limited range and are not demand driven. There is little proactive effort to assess demands and design new services based on members' interests.
- iii. If the right type of services with acceptable quality standards are designed and offered, members and others will be willing to pay for the services.
- iv. There is also a very wide room for gradually increasing the contribution of service fees to the total revenue portfolio of ECCSA members.
- v. Though there are many signs of positive results of advocacy efforts of ECCSA and members, there is a very wide room for improving effectiveness and creation of synergy through more coordination.
- vi. Leadership quality is a serious concern and a problem area across all tiers of the chamber system
- vii. ECCSA members have different capacity levels and accordingly different capacity building requirements to improve the quality and diversity of their services.
- viii. There is a clear disconnect between ECCSA and its members and ECCSA has to travel long miles to meet the expectations of its members.
- ix. Communication channels available to ECCSA members with each other and with the wider business community are limited.
- x. With a minimum external assistance to ECCSA members, there is a potential for using the media to strengthen their advocacy efforts.

The last six sections dwelt around two issues. Essentially, the first one was about concretizing action points for quick harvest services of BMOs while the second one dwelt around coalition building for policy advocacy. They both feed on each other; one being service to members for success in business and to keep members interested in the organization, while the second one which is coalition building is the innate reason why members have to organize themselves. At the risk of free riding problem, members setup their own institution to advocate for their interest and private sector development.

The following conclusions stand out from the discussions made above in the various sections:

- i. Our starting point for this section is that BMOs are in a low revenue trap situation. There is a dilemma as to where to start to enable BMOs transform themselves and make quantum leap. The only way of doing it seems to resort to external support initially until such time that the

organizations capacitate themselves and members give them credence for what they accomplish.

- ii. The following are considered low hanging fruits for all chambers in a three years time frame – at varying levels depending on their capacities – **training, trade and investment promotion, business networking events, inbound and outbound missions, business information (Business opportunities alerts, different up to date business info), business advisory services, certificate of origin and document authentication, direct professional and secretarial services.**
- iii. We can summarize the framework of support of the PSD Hub to the three categories of BMO as follows:

Category A:

- *Leverage existing capacity and experience for higher refinement and sustainability.*
- *Require matching fund for all supports to be given to the BMO.*
- *To the extent possible, avoid hardware support and focus on imparting value adding knowledge and experience.*
- *Support other BMOs, at lower level of development, initiate some membership services. Typical case is for these BMOs to give training of trainers to the BMOs in the major regions (Category B ones)*

Category B:

- *Improve existing services in frequency, scale and coverage*
- *Require matching fund for some of the supports to be given to the BMO.*
- *Create opportunities for international experience and attitudinal transformation*
- *Co-finance equipment and facilities for training, trade and investment events etc.;*

Category C:

- *Co-finance the purchase of office equipment and facilities*
- *Finance the hiring of key staff for one year to break the vicious cycle of service delivery in weak membership organizations.*
- *Sow the seeds of a formative organization by financing the preparation of different organizational manuals and guidelines.*
- *Encourage lateral learning from Category 'A' and 'B' BMOs such as twining them for higher collaborative trade fairs, trainings etc.*

- iv. From the list of high hanging fruits given in Phase I, the following seems to be feasible to start implementing in the short run for the strong BMOs: export support to members, arbitration, quality certification support, selling information to specific users and sector specific technical assistance.

- v. Based on some attempt to prioritize support to the different low hanging fruits there are those which are **high priority: certificate of origin and document authentication, trade and investment promotion, and inbound and outbound mission.** There are also those which are **medium priorities; business information service, networking events and training.** Two services have a low scoring value and should be accorded **low priority; business advisory services and professional and secretarial services.** The scoring is made from the perspective of PSD Hub support and not from the strategic and tactical interest of individual BMOs.
- vi. There is roughly from USD \$ **2,310,871** budget requirement on the PSD Hub to strengthen ECCSA and its members in order to help them provide demand based services and to effectively render policy advocacy work. This includes support for IT automation and integration. ECCSA is also expected to contribute mainly in kind such as in providing office space and man hours of experts to the tune of USD \$ 268,000, rendering the total capacity building cost to USD \$ **2,310,871. Please refer to Annex 10 and 11 for full details.**
- vii. The BMOs should not compete with their city based CCSAs in the delivery of services, which would certainly affect the potential of working collaboratively in many areas of members' services.
- viii. Support to the BMOs by the PSD Hub grant must be based on two conditions:
 - a. The BMOs being initiated to contribute matching fund.
 - b. The BMOs being convinced that the services to members must be paid for by individual members, however at subsidized rates initially. In many cases, there must be a discriminatory tariff policy between members and non-members.
- ix. The Media is a very relevant stakeholder to use to promote advocacy work. With the increased intensification of media coverage of issues in the country and the easy access it is giving to the public, the Chamber system could easily use the Media to the best effect. The BMOs should not solely focus on doing the public relations and awareness creation of their work and pitching advocacy issues. They should have a well thought out media relations policy and advocacy policy/strategy and a funding for the most important interventions for the Chamber to implement. So far, the use of the Media, albeit ECCSA and other prominent BMOs being, conscious of its power to a degree is highly sub optimal to say the least.
- x. Coalition building is a serious endeavor that will help ensure success in policy advocacy. The chamber system is all along working solo, focusing almost exclusively on trying to brand itself and churning out news of accomplishment. This has been made sometimes (the success of it being still doubtful) at the expense of advancing private sector issues and sustainably developing the capacity to advocate.

- xi. ECCSA has included representatives of primary stakeholders in the governance of the PSD Hub. The financing of coalition efforts and coordinated projects with same stakeholders should be one of the goals of the PSD Hub fund.

12. RECOMMENDATIONS

Based on the above findings and conclusions, transformative recommendations are made which can broadly be categorized in to five:

i) **Strengthen the Leadership and Governance system of the Chamber System**

• **Build leadership capacity**

The findings of the study showed that there is a significant leadership capacity gap in the Ethiopian Chamber system. We have concluded that, to create strong leadership capacity at every level of the chamber system, the following two strategies are recommended:

- **Build the capacity of Board members and secretariats' leadership staff through need based training programs through ECCSA's chamber academy.**
- **Attract capable persons who have the knowledge, credibility, network, experience, and financial strength to actively involve and assume leadership positions in the chamber system at every level.** Board and secretariat leadership at every tier of the chamber system have to take the strategic lead to identify, approach, and persuade those persons to come to the chamber system.
- **Strengthen the collaboration and coordination between ECCSA and its members**

As concluded earlier, ECCSA and its members are not working collaboratively or synergistically. The end result is that there is a lot of overlap, loss of energy and resource. BMOs, for their common survival and relevance to members should emphasize **complementarity and coordination**. This could happen only if they are seriously cognizant of two pre-conditions:

- A realization of common destiny and a paradigm shift in the **leadership of top leadership to give single-minded focus to private sector development in Ethiopia**. The offshoot of this is a deep awareness that members are clients plus – sources of business and legitimacy.
- **Joint development of Strategic Plans and Work Plans.** As it stands now, the Regional Chambers and Sectoral Associations develop Strategic Plans in isolation; hence duplication and loss of the opportunity to a synergistic growth. The recommendation is that ECCSA should work with its members in developing strategic plans and work plans. Only then could the BMOs integrate their efforts and underpin the grand objective of working collaboratively with a tangible tool.

Some of the more concrete manifestations are the followings:

- **ECCSA** to focus on cross-cutting advocacy issues and sectoral associations to focus on technology transfer, input sourcing, sectoral incentives. Yet both support each other. **Sectoral Associations** have **easy access to government** and ECCSA to use that access **for the benefit of all**. **ECCSA** has also easy access to **international market information and business missions**, which it should avail to the **best benefit of the sectoral associations**.
- Some Sectoral Associations do have high access and credibility with development partners. ECCSA could use that to develop joint projects and partake in the management of project finance.
- **Maximize existing capabilities and avoid duplication of efforts by using available facilities in a collaborative manner**. For example, ECCSA could collaborate with ACCSA to bring the already started **corporate governance initiative** to a higher level to bring a national level impact in building the credibility of the private sector.

- ***Empower members***

The findings of the study showed that members' involvement at every tier of the chamber system is very loose. To improve this situation, a mechanism should be developed starting from ECCSA down to the lower echelon of the chamber system to make the leadership accountable to the private sector. The system should allow members at each level of the chamber hierarchy to provide feedback on performances based on which the **leadership will become accountable and best performers will also be rewarded**.

- ***Develop a chamber accreditation system***

Develop chamber accreditation system with the aim to support all chambers and sectoral associations to achieve the highest possible development. Such a system provides both the incentive and support needed to improve the BMO's capacity.

Under this proposed system all chambers and sectoral associations in Ethiopia will be categorized in to five hierarchical categories based on a detailed analysis of their current capacity level. ECCSA has to assume overall institutionalization of the system. The capacity analysis can be made and regularly updated by the Chamber Academy and the criteria used in this study can be used for categorizing the chambers and sectoral associations.

Incentivize chambers and sectoral associations who are placed at higher level hierarches and provide targeted capacity supports for each group so as to enable them to gradually grow to higher hierarchies. An example of an incentive could be delegating chambers/associations to provide specialized services through which they can generate additional revenues.

ii) **Roll out a chamber platform network infrastructure to deliver demand driven services to the private sector**

Develop IT infrastructure and network to enhance ECCSA's ability to directly communicate with its members and members' ability to communicate with their members. This will enhance ECCSA's ability to coordinate with members and provide services in a **cost and time efficient manner.** As this intervention requires huge investment, it can be implemented in phases. Initially ECCSA and its 18 members could be linked. The system will gradually grow as ECCSA's and members' capacity grows overtime.

The multifaceted benefits of institutionalizing this IT based network system include:

- Holding more regular meetings between ECCSA and its 18 members via video conference. (decrease cost and increase frequency)
- Sharing market information, business opportunities, business related news, educational materials, etc. to a wider group of ECCSA members' members operating throughout the country with reduced cost and time
- A portal of national level business directory to promote members' businesses at the international level.
- Building an online training capacity at ECCSA level but available to the entire membership through BMOs.
- Enhance learning within the chamber system and share best practices
- Coordinating trade show activities of members and coordinate trade missions with a national participation of businesses from all corners
- Engage ECCSA members and members' members in national level dialogue forums through video conferencing without the need for everybody to travel to Addis Ababa.

iii) Raise revenue through smart strategies and bold actions

ECCSA and members should raise revenue through smart strategies and bold actions by taking the following four methods:

- **Undertake identification of services, based on a detailed examination of cost-benefit, and declare to members those services which are free or only payable out of annual dues.** A good example is that Advocacy is considered to be payable out of annual dues.
- **Levy fee on services that are currently free but intrinsically have value. A series of discussions bore out that a service fee could be charged for training, B2B, and market information.** It is possible to **start on a small amount of fee to be adjusted in time.** Almost all trainings given by BMOs are free⁴⁰. A universally accepted finding is that members or clients give less value to a service that is given free. They sub-consciously adjust downwards the worth of the service on

⁴⁰The exceptions here are AACCSA and EHPEA

knowing that it is free. At the same time, this move can jump start the culture of paying and contribute CCSA's aim to be financially sustainable.

- **Differentiate between members and non-members in designing rate structure. A differential rate** is applied in some BMOs and the result is gratifying. On the one hand, the particular BMO creates a room for increase in revenue. On the other hand, members will start to appreciate the benefit of being a member with consequent benefit emanating from this.
- **Improve the relevance and quality of services and expertly tweak membership fee structure to raise more revenue by working on the fee bands.** The bands, whatever the references are⁴¹, likely to have been set some years ago and not much research had gone into them. By doing one, two or three of the following, total revenue could be raised:
 - **Raise the minimum membership fee**
 - **Narrow down the band intervals and move some members to the next higher band intervals.**
 - **Create higher interval bands, which did not exist before,** and charge more.

The criteria used to determine long term and short term allocations are simple and listed below:

- Requirement for regulation to launch service; the more regulated the less the possibility to launch it shortly.
- Potential/actual conflict with individual member organs. Those with heavy conflicting possibility are dropped out.
- Degree of ease to convince members to buy service; degree of demand or to what extent is a service demand driven.
- Degree of support required from Third Parties; the more support is required the more it is deferred.

iv) ECCSA and members have to look at advocacy both as a goal and as means to attract membership

Quantum improvement in advocacy is a pull factor for membership or a tipping scale. This is particularly true for Regional Chambers. Advocacy, as generally low cost area of operation, must be taken on as a life line of our BMOs. If a 'BMO' is expert in business development services but does not deliver on advocacy, it is just a pure business organization like any of its members. In such a situation, there is no need for a BMO as such. The more one is trying to stretch its operations to advocacy area to the disregard of business development services, it will suffer from the effect of free riding fully; hence, no motivation to be a member if at all advocacy would succeed.

⁴¹ The reference could be capital, turnover or size of employment.

The chamber system should play a leading role to break the prevailing negative image on the private sector. To build the image of the private sector, the chamber leadership should take bold steps to condemn illegal/bad practices and highlight good practices of private sector actors. ECCSA with its members should strengthen prioritized business agenda at national, regional, city, and sectoral levels in a more coordinated manner. ECCSA should play key roles in the area of leadership, coordination, capacity building, facilitating learning among members, etc.

“Coalition building” is also a strategy ECCSA and members could employ for effective advocacy efforts. ECCSA and members could systematically identify and regularly engage stakeholders who are likely to be affected by the business agenda they planned to advocate.

v) **Engage influential enterprise members as non-voting members of ECCSA and Regional Chamber and Sectoral Associations**

ECCSA and Regional Chamber and Sectoral Associations should engage influential enterprises as direct non-voting members. This could be a game changer for ECCSA and the Regional Chambers in terms of wielding higher influence and improving their financial situation. Many national institutions such as the Ethiopian Airlines and MIDROC group do not lie within the Circle of Influence of ECCSA. Regional chambers would also be benefited if they can engage big companies like H&M which are coming in to Ethiopia with the expansion of industrial parks in the regions. Their major interest in being associated with the Chamber system is corporate social responsibility and the pride that being a member of an international branded association brings in its wake. Hence, they are highly supportive institutions; and ECCSA and the regional chambers could exploit their experience and reputation for advocacy as they are very close to higher authorities in government. Membership dues can also enhance financial sustainability. ECCSA will also be able to capture more large firms with large employment bases.

In addition to the above, the following recommendations are fashioned out in relation to stakeholder management and coalition:

i) **ECCSA and its member BMOs should establish a permanent network with the media corps.**

The media is guided both by a journalistic duty and a private sector interest. Most of the media organizations are, for that matter, private sector players established by private capital. The point here is that there should be a Media and Private Sector Network. The network is a voluntary one, and essentially restricted to those media outlets that have soft heart for private sector development and wish to advance issues of policy reform. An annual private sector event with the media, which dwells on but not limited to the following items, should be seriously considered:

- Discussion Panel on how private sector associations and the media could collaborate and bring about significant change in the policy terrain.
- Discussion Panel on private sector perspective of economic policies.
- Recognition of best news reporting and feature articles on private sector issues.
- Recognition of journalists for their daring and well informed reporting on issues impinging on the private sector.
- Photo exhibitions of highlights of private sector events.

The number and type of activities to be rolled out is only limited by the imagination of those leading the network. The network will have its own secretariat and membership. All BMOs under ECCSA are entitled to be members of the network paying a reasonable amount of dues. The network is supposed to prepare project proposals and solicit funding from organizations working on private sector development, media freedom and development. This is not to lose sight of the strong possibility to enlist the financial support of member business enterprises.

The major points of caution under this topic are a) the independence of journalists and media houses must not be compromised; b) the government must not be led into thinking that the network has a hidden political agenda the BMO leadership should not take a good shelter in the warmth of the relationship from being transparent and ensuring good governance.

ii) **Capacity Building of the Media is a key intervention to ramp up advocacy (Example: Training on Reporting of Business and Economic matters)**

The media have abundantly recognized that business reporting is a major limitation of staff; and short seminars for catching up could address part of the shortfall. However, Journalists in Ethiopia are mostly generalists and specialized journalism in different disciplines is yet to be introduced and developed. For this reason, much of the reporting in the newspapers and the Radio seem to lack correct context. They are also short on the necessary depth and comprehensiveness of reporting. There is a real gap here towards which the PSD Hub could make a modest contribution; just to set in motion knowledge based reporting. Training journalists and reporters to help them grasp key economic concepts and the manner of reporting business matters is an area for clear value addition. In particular, media professionals should be trained on the inherent objectives of BMOs in advocacy and their potential contribution to societal change.

By so doing, the BMOs are no more handling individual incidents as far media relations are concerned. They are taking on the media affairs full board and influencing the media in the totality rather than tackling individual stories.

iii) **BMOs must initiate partnership (signing MoUs) with private consultancy firms to work together on a pro bono or cost recovery basis.**

It is expected that some consulting firms will be willing to get into the act of working with BMOs on such terms. It is important to remember that it cuts both ways; **private consultancy firms are**

members of the BMOs while at the same time they have issues of their own to pitch to the policy market.

iv) BMOs should hire accomplished writers on economic issues to contribute articles to the press and the broadcast media as appropriate.

For this a certain budget should be earmarked. Engaging external contributors for the Chamber Gazettes and national presses on business related issues fills up the capacity deficit of own staff to write refined and sophisticated articles.

v) Collaborate closely with think tank institutions by organizing joint event and project.

It should be easy for ECCSA to collaborate with think tank institutions such as EEA and FSS. ECCSA and these think tanks may need to organize workshops in order to discuss special and emerging developments. BMOs should also take the lead in initiating a relationship to closely work with higher learning institutions. ECCSA need not labor alone to bring challenges of the private sector and impediments of the business environment to the fore. It can do it by working together with relevant institutions who wield the power of knowledge, network and information.

vi) ECCSA and stakeholders must be able to find a common ground to work on cross cutting issues.

Cross cutting issues relate to poverty reduction, empowerment of the disadvantaged, environmental protection and prevention and control of HIV Aids etc. ECCSA could easily build an overwhelming case for the attainment of lofty social goals, and it is well positioned to coordinate such goals across stakeholders.

ECCSA and stakeholders can develop projects jointly and submit them to development partners and NGOs, with a clear declaration for a contribution of matching fund by the consortium of stakeholders.

About 12 years ago, AACCSA, for instance, formed a coalition private companies and membership based organizations in order to fight HIV. AACCSA was the lead organization spearheading the coalition. It is possible to work along the same track to add value in respect to cross cutting issues.

The role of the PSD Hub is vital here. It must take the initiative to launch a rapid study to prioritize areas of interventions from a long list of cross cutting issues. The study will motivate all stakeholders to get into the act of working together and collectively improve their image with society.

In addition to the above, the following action points are recommended with a view to complementing the collaborative work advocated for above.

- **The corporate communication wing of BMOs should be strengthened.** ECCSA's newly developed communication strategy should become operational. There is no time to spare and no sense to keep this work pending.
- **ECCSA in particular should have a well-developed library of records of Chamber events and stories,** arranged in such a manner that the Chamber could come up with appealing stories at any time in point.

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World Chamber Federation (WCF) – *Best Projects*

ANNEXES

Annex 1. List of individuals interviewed for Phase I

	BMO	Name of the interviewee	Responsibility	Interview Mode
1	Ethiopia Chamber of Commerce and Sectoral Associations	Solomon	Board President	Face to face
		Endalkachew Simie	Secretary General	Face to face
		Awol Shifa	Membership Supports Department Head	Face to face
		Wube Mengistu	Deputy Secretary General	Face to face
2	Addis Ababa Chamber of Commerce & Sectoral Associations	Elias Genete	Board President	Face to face
		Getachew Regassa	Secretary General	Face to face
		Genet Zenebe	Membership Affairs Officer	Face to face
3	Dire Dawa Chamber of Commerce and Sectoral Associations	Wondwosen Zeleke	Board President	Face to face
		Almaz Melese	Secretary General (Acting)	Face to face
		Kebebush Tesema	Membership Affairs (Acting)	Face to face
4	Oromia Region Chamber of Commerce and Sectoral Associations	Eyasu Mosisa	Board Vice President	Face to face
		Waktole Itana	Secretary General	Face to face
		Eyaros Bekele	Membership Affairs and Public Relation Officer	Face to face
5	Harari Region Chamber of Commerce and Sectoral Associations	Nebil Yusuf	Board President	Face to face
		Reshid Abdurahman	Secretary General	Face to face
		Mirtu Mengistie	Membership Affairs Officer	Face to face
6	Somali Region Chamber of Commerce and Sectoral Associations	Dr Tahir Mohamod	Secretary General	Face to face
		Mohamed Wondimu	Membership Affairs Officer	Face to face
7	Amhara Region Chamber of Commerce and Sectoral Associations	Assefa Woretaw	Secretary General	Telephone
8	SNNPR Chamber of Commerce and Sectoral Associations	Ashenafi Bekele	Board President	Face to face
		Esayas Seba	Secretary General	Telephone
9	Tigray Region Chamber of Commerce and Sectoral Associations	Assefa G/Selassie	Board President	Face to face
		Birhanu Legesse	Secretary General	Face to face
		Tsegay Hadish	Membership Affairs	Face to face

10	Benishangul Region Chamber of Commerce and Sectoral Associations	Idris Mohamed	Board President	Telephone
11	Afar Region Chamber of Commerce and Sectoral Associations	Kebede Mohamed	Board V/President and Secretary General	Telephone
13	Ethiopian Chamber of Sectoral Associations	Gebrehiwot Gebregziabher	Board President	Face to face
		Ashenafi Merid	Secretary General	Face to face
		Debebe Bekele	Membership Affairs Officer	Face to face
14	Ethiopian Textile & Garment M. Association	Fasil Tadesse	Board President	Face to face
		Ageazi Hailemariam	Secretary General	Face to face
15	Ethiopian Pulse, Oilseeds & Spices Processors & Exporters Association	Haile Berhe	Board President	Face to face
		Tayech	Networking and Promotion Manager	Face to face
16	Ethiopian Leather Industries Association	Yigzaw Assefa	Board President	Face to face
		Abdisa Adugna	Secretary General	Face to face
17	Ethiopian Meat Exporters Association	Abebaw Mekonnen	Secretary General	Face to face
18	Ethiopian Horticulture Producers & Exporters Association	Tewodros Zewdie	Secretary General	Face to face
19	Ethiopian Sugar and Sweet Producers Association	Gezae Ambaye	Board President	Face to face
		Kasahun G/Ghiorgis	Secretary General	Face to face

Annex 2: List of individuals interviewed in phase II

	Organization	Name of the interviewee	Responsibility
1	ECCSA	Wube Mengistu	Deputy Secretary General
2	ECCSA	Million Feleke	Senior Research and Advocacy Expert
3	ECCSA	Debebe Abebe	Communications and Public Relations (CC&PRs) Directorate Director
4	ECCSA	Biniyam Mesgina	Trade and Investment Promotion Directorate Director
5	ECCSA	Yimrah Mekonnen	International and Regional Trade Expert
6	ECCSA	Fekadu Tasse	Resource Mobilization and Project Director
7	ECCSA	Amha Adege	Chamber Academy
8	Ethiopian Economic Association	Demirew Getachew	Secretariat Head
9	AACCSA	Kasahun Mamo	Manager, External Relations and Media Department
10	Forum for Social Studies (FSS)	Abera Woldekidan	Capacity Building & Communication Manager
11	ICOS Consulting	TewabeYilak	General Manger
12	Zenbaba Development Consultant	Almaw Fenta	General Manager
13	Ethiopia Broadcasting Corporation – FM 104.7	Yodit Admassu	Senior Editor
14	Ethiopia Broadcasting Corporation – FM 104.7	Ermias Girma	Program Host
15	Ethiopia Broadcasting Corporation – Television	BirhanYayew	Business report host
16	Reporter News Paper	Dawit Taye	Senior Reporter
17	Radio Fana	Solomon Alemu	Program Host
18	Capital Newspaper	Muluken Wondewossen	Business Editor

Annex 3: Summary of the logical path from findings/conclusion to recommendations and suggestions on how to implement them

No	Study findings/conclusions	Recommendations	How to implement the recommendation
1	Strengthen the Leadership and Governance system of the Chamber System		
1.1	There is a significant leadership capacity gap in the chamber system	Build the capacity of Board members and secretariats' leadership staff through need based training programs Attract capable persons who have the knowledge, credibility, network, experience, and financial strength to actively involve and assume leadership positions in the chamber system at every level.	Through ECCSA's chamber academy Board and secretariat leadership at every tier of the chamber system have to take the strategic lead to identify, approach, and persuade those persons to come to the chamber system.
1.2	ECCSA and its members are not working collaboratively or synergistically	Strengthen the collaboration and coordination between ECCSA and its members	ECCSA to focus on cross-cutting advocacy issues and sectoral associations to focus on technology transfer, input sourcing, sectoral incentives. Yet both support each other. Some Sectoral Associations do have high access and credibility with development partners. ECCSA could leverage this to develop joint projects and partake in the management of project finance. Maximize existing capabilities and avoid duplication of efforts by using available facilities in a collaborative manner
1.3	Members' involvement at every tier of the chamber system is very loose.	Empower members starting from ECCSA down to the lower echelon of the chamber system to make the leadership accountable to the private sector	Develop a system which will allow members at each level of the chamber hierarchy to provide feedback on performances, based on which the leadership will become accountable and best performers will also be rewarded.

No	Study findings/conclusions	Recommendations	How to implement the recommendation
1.4	Very wide gap in service delivery capacity of chambers/associations at the various hierarchical levels. Based on their capacity level they can be classified in to different groups and depending on the group they are categorized they have different capacity building requirements to improve the quality and diversity of their services.	Develop chamber accreditation system with the aim to support all chambers and sectoral associations to achieve the highest possible development.	Categorize all chambers and sectoral associations in Ethiopia in to five hierarchical categories based on a detailed analysis of their current capacity level <hr/> Incentivize chambers and sectoral associations who are placed at higher level hierarches and provide targeted capacity supports for each group so as to enable them to gradually grow to higher hierarchies.
2	<ul style="list-style-type: none"> ECCSA and its members are not working collaboratively or synergistically Communication channels available to ECCSA members with each other and with the wider business community are limited. There is a clear disconnect between ECCSA and its members. Members believe ECCSA is not responsive in terms of quality and variety of services. 	Rolling a chamber platform network infrastructure to deliver demand driven services to the private sector	Implement the intervention in phases. Initially ECCSA and its 18 members could be linked and the system will gradually grow as ECCSA's and members' capacity grows overtime.
3	<ul style="list-style-type: none"> Contrary to widely held belief, members are willing (latently) to pay for quality and relevant services. Lack of sustainable revenue sources is a major impediment for almost all ECCSA members to design and deliver more and good quality services Most ECCSA members did not discriminate against non-members in service provision 	Raise revenue through smart strategies and bold actions	<p>Identification of services based on a detailed examination of cost-benefit</p> <hr/> <p>Levy fee on services that are currently free but intrinsically have value.</p> <hr/> <p>Differentiate between members and non-members in designing rate structure</p> <hr/> <p>Improve the relevance and quality of services and expertly tweak membership fee structure to raise more revenue by working on the fee bands</p>

No	Study findings/conclusions	Recommendations	How to implement the recommendation
4	Though there are many signs of positive results of advocacy efforts of ECCSA and members, there is a very wide room for improving effectiveness and creation of synergy through more coordination.	ECCSA and members have to look at advocacy both as a goal and as means to attract membership	<p>To build the image of the private sector, the chamber leadership should take bold steps to condemn illegal/bad practices and highlight good practices of private sector actors.</p> <hr/> <p>ECCSA with its members should strengthen prioritized business agenda at national, regional, city, and sectoral levels in a more coordinated manner.</p> <p>ECCSA should play key roles in the area of leadership, coordination, capacity building, facilitating learning among members, etc.</p> <hr/> <p>Coalition building - ECCSA and members should systematically identify and regularly engage stakeholders who are likely to be affected by the business agenda they planned to advocate.</p>
5	<ul style="list-style-type: none"> • Lack of sustainable revenue sources is a major impediment for almost all ECCSA members • There is a very wide room for improving effectiveness of advocacy efforts. 	Engage influential enterprise members as non-voting members of ECCSA and Regional Chamber and Sectoral Associations	Advocate for policy changes at national and regional government levels

Annex 4: Types of Services Being Provided By ECCSA and its Members

☑ = Services being provided on payment

⊙ Services being provided free of charge

No	Service	ECCSA	AA CCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang. CCSA
1	Training	☑	☑		⊙	⊙	⊙	⊙	⊙	⊙	☑	⊙		⊙	☑	⊙	⊙	⊙	⊙	
2	Business information (Business opportunities alert, up to date business information delivered via mass mail, SMS, newsletter, & face to face)		⊙	⊙		⊙		⊙		⊙	⊙		⊙	⊙		⊙	⊙			
2.1	Publication of Business Directory (hard copy, CD ROM, and uploaded in websites)	⊙	⊙					☑					⊙							
2.2	Resource Center service (laws, regulations, studies, project profiles, business contacts, etc.)		⊙																	
3	Business advisory (on rules & regulations related to tax, export,	⊙	⊙	⊙		⊙	⊙													

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSA	Amhara CCSA	Tigray CCSA	SNINPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang-CCSA
	incentives for manufacturing, foreign market access, etc.)																			
4	B2B (inbound & outbound missions)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>				<input type="radio"/>								
5	Business match making	<input type="radio"/>																		
6	Facilitation of Joint Venture formation	<input type="radio"/>						<input type="radio"/>												
7	Market study	<input type="radio"/>																		
8	Business networking (conferences and symposiums, business forums, business luncheons, sector specific platforms, international visits)		<input type="radio"/>					<input type="radio"/>		<input type="radio"/>		<input type="radio"/>				<input type="radio"/>	<input type="radio"/>			
9	Trade and investment promotion <ul style="list-style-type: none"> • Trade fairs • Exhibitions 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input type="radio"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>
10	Arbitration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>													

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSSA	Amhara CCSA	Tigray CCSA	SNINPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang-CCSA
11	Quality management services		<input checked="" type="checkbox"/>																	
12	Value Chain integration		<input type="radio"/>					<input type="radio"/>								<input type="radio"/>				
13	Corporate Governance		<input type="radio"/>																	
14	Document authentication		<input type="radio"/>																	
15	Writing support letters to embassies	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>									
16	Website (Posting logos), Website development, Link, and hosting		<input type="radio"/>					<input type="radio"/>					<input type="radio"/>							
17	Sale of publications – booklets and manuals	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>																
18	Organizing experience sharing events between members				<input type="radio"/>			<input type="radio"/>								<input type="radio"/>				
19	Coordinating and supporting members' (city chambers) activities (ex. organizing								<input type="radio"/>		<input type="radio"/>									

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSSA	Amhara CCSA	Tigray CCSA	SNINPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang-CCSA
	bazaars/trade fairs, election processes)																			
20	Secretarial services (including by locating in buildings of key service providing government institutions).			<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>													
21	Representing the business community in Tax Appeal/tax assessment committees						<input type="radio"/>				<input type="radio"/>							<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
22	Provision of Certificate of Origin (representing ECCSA)	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>																
23	Strengthening chamber secretariats' capacity (infrastructure and human power)	<input type="radio"/>																		
24	Sector specific technical assistance											<input type="radio"/>			<input checked="" type="checkbox"/>					

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSCA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang-CCSA
25	Finding markets/buyers for members' members products													⊙			⊙			
26	Market promotion													⊙	☑					
27	Sustainability gap assessment											⊙								
28	Input import												⊙							
29	Mediation															⊙				
30	Travel facilitation															⊙				
31	Advocacy	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙	⊙

Annex 5: Current Capacity level of ECCSA and members to deliver existing services

• H: High • M: Medium •L: Low

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSSA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang, CCSA
1	Training	H	H		M	L	M	M	M	M	M	M		H	H	L	M	L	L	
2	Business information (Business opportunities alert, different up to date business information delivered through mass mail, SMS, newsletter, and face to face)		M	L		L		M		M	M		L	M		M	H			
2.1	Publication of Business Directory (hard copy, CD ROM, and uploaded in websites)	H	H					M					L							
2.2	Resource Center service (laws, regulations, studies, project profiles,		H																	

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSSA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang. CCSA
	business contacts, etc.)																			
3	Business advisory (on rules and regulations regarding tax, export, incentives for manufacturing, foreign market access, etc.)	M	H	L		L	L													
4	B2B (inbound & outbound missions)	H	H	L	L	L	M	M				M								
5	Business match making	M																		
6	Facilitation of Joint Venture formation	M						M												
7	Market study	M																		
8	Business networking (conferences and symposiums, business forums, business luncheons, sector specific		H					M		M		M				M	H			

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSSA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang. CCSA
	platforms, international visits)																			
9	Trade and investment promotion <ul style="list-style-type: none"> • Trade fairs • Exhibitions 	H	H	M			H	M				M	M		M	L				L
10	Arbitration	H	H				L													
11	Quality management services		M																	
12	Value Chain integration		M					M								L				
13	Corporate Governance		M																	
14	Document authentication		M																	
15	Writing support letters to embassies	H	H	H	H	M	H	H			H									
16	Website (Posting logos), Website development, Link, and hosting		M					M					L							

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSSA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang. CCSA
17	Sale of publications – booklets and manuals	H	H	M																
18	Organizing experience sharing events between members				H			M								M				
19	Coordinating and supporting members' (city chambers) activities (ex. organizing bazaars/trade fairs, election processes)								M		M									
20	Secretarial services (including by locating in buildings of key service providing government institutions).			L			H													
21	Representing the business community in Tax Appeal/tax						H				M							L	L	M

Demand Study for BMO Services of ECCSA and its members

No	Service	ECCSA	AACCSA	Dire D. CCCSA	Oromia CCSA	Somali CCSA	Harari CCSA	ECSA	Amhara CCSA	Tigray CCSA	SNNPR CCSA	Textile & Gar SA	Leather SA	MPEA SA	EHPEA	Sugar & Sweet SA	EPOSPEA	Gambella CCSA	Afar CCSA	Benishang. CCSA
	assessment committees																			
22	Provision of Certificate of Origin (representing ECCSA)	H		M																
23	Strengthening chamber secretariats' capacity (infrastructure and human power)	M																		
24	Sector specific technical assistance											M			H					
25	Finding markets/buyers for members' products													M			M			
26	Market promotion													M	M					
27	Sustainability gap assessment											M								
28	Input import												H							
29	Mediation															L				
30	Travel facilitation															M				
31	Advocacy	H	M	L	M	L	H	M	H	H	H	H	H	H	H	M	H	L	L	L

Annex 6: Capacity Calculation of BMOs

	Criteria Used	Max Score	Chamber of Comm. & Sectoral Associations											Sectoral Associations						
			Oromia	SNIP	Amhara	Tigray	Benishangul	Gambela	Somali	Harari	Afar	A. Ababa	D. Dawa	ECSA	Textile & Garment	Sugar & Sweet	Horticulture	EPOSPEA	Meat Exporters	Leather Industries
1	Capacity Borad and Governance	15	12	10	11	10	11	8	10	13	10	15	3	11	12	13	14	13	14	14
1.1	Regularity of Board meetings	5	5	3	4	3	5	2	3	5	4	5	1	4	3	5	5	4	5	5
1.3	Board members' professional composition	5	2	2	2	1	1	2	3	1	5	1	2	4	3	4	4	4	4	4
1.4	Regularity of General Assemblies	5	5	5	5	5	5	5	5	5	5	1	5	5	5	5	5	5	5	5
2	Secretariat staff	20	8	9	10	8	4	0	1	8	0	20	3	16	3	7	20	11	4	6
2.1	Total Staff	5	4	5	5	5	4	0	1	5	0	5	3	5	2	5	5	5	2	4
2.2	Professional staff	15	4	4	5	3	0	0	0	3	0	15	0	11	1	2	15	6	2	2
3	Office space and facilities	10	7	7	7	7	5	3	6	7	3	10	7	7	7	4	10	10	7	7
4	Availability of organizational manuals/policies	10	10	7.5	10	10	5	0	5	7.5	0	10	7.5	7.5	10	7.5	10	7.5	7.5	10
4.1	HR	2.5	2.5	2.5	2.5	2.5	0	0	2.5	2.5	0	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
4.2	Financial,	2.5	2.5	2.5	2.5	2.5	0	0	2.5	2.5	0	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
4.3	Procurement	2.5	2.5	0	2.5	2.5	0	0	2.5	0	0	2.5	2.5	2.5	2.5	2.5	2.5	2.5	0	2.5
4.4	Audit	2.5	2.5	2.5	2.5	2.5	0	0	0	0	0	2.5	0	0	2.5	0	2.5	0	2.5	2.5
5	Planning and reporting	10	7	7	8	8	7	7	7	7	2	10	7	7	9	8	9	9	9	9
5.1	Strategic plan (availability of the document as well as implementation and M&E of the plan)	6	3	3	4	4	3	3	3	3	0	5	3	3	5	4	5	5	5	5
5.2	Annual plan	2	2	2	2	2	2	2	2	2	1	2	2	2	2	2	2	2	2	2
5.3	Annual report	2	2	2	2	2	2	2	2	2	1	2	2	2	2	2	2	2	2	2
6	International networking experience	5	0	2	2	0	0	0	0	3	0	5	0	3	5	3	5	5	5	5
7	The size, scope, scale and dynamism of the economy in the catchment area/sector	10	9	9	9	8	5	5	6	6	5	5	8	9	9	7	9	9	9	9
8	Revenue generation	10	2	5	7	6	7	1	4	5	1	10	2	6	2	2	5	8	3	0
8.1	Total generated amount	5	1	2	3	2	2	1	1	2	1	5	1	3	1	1	3	4	3	
8.2	Evidence of services with financial returns	5	1	3	4	4	5	0	3	3	0	5	1	3	1	1	2	4	3	0
9	Experience in organizing dialogue forums	5	3	4	3	3	1	1	1	3	1	2	2	1	3	3	4	4	3	3
10	Experience in implementating Partnership interventions	5	2	3	3	3	3	1	2	3	1	5	1	4	3	2	3	3	3	3
		100	60	64	70	63	48	26	42	63	23	92	41	72	63	57	89	80	65	66
	Category Assigned		2	2	2	2	3	3	3	2	3	1	3	2	2	3	1	1	2	2

Annex 7: Recommendation of Training for BMOs at different level of capacities

Category 'A' BMOs			Category 'B' BMOs			Category 'C' BMOs		
Type of Trainings ⁴²	Institutional Arrangement ⁴³	PSD Hub Support	Type of Trainings	Institutional Arrangement	PSD Hub support	Type of Trainings	Institutional Arrangement	PSD Hub support
<p>Technical</p> <p>Professional and Management</p> <p>Leadership</p> <p>Demand Based and on annual schedule</p>	<p>Through own facility or institute but leveraging the wider capacity of the market for synergized collaboration</p>	<p>PSD hub will draw lessons from this category of BMOs and encourage lessons to be disseminated to the others. In particular, these BMOs could be asked to give support to the other BMOs in areas of designing training syllabus and curriculum and selection of trainers. They can as well second their trainers for these BMOs. For this purpose, ECCSA and PSD Hub will establish ECCSA led Lateral Learning Council (TLIC).</p>	<p>More emphasis on technical, and professional and management training. Leadership related training will be given in collaboration with Chamber Academy and other high level training institutions.</p>	<p>In the majority of cases, on the premise of volunteer members, rented premises and hotels.</p> <p>In some cases, for low no of trainees (fifteen or less) and members' staff, at own premise/office</p> <p>Schedule of training to be announced 3-6 months ahead of time.</p>	<p>PSD Hub will ensure that basic training equipment and facilities are financed directly as a grant.</p> <p>PSD Hub will facilitate and organize a Training of Trainers for local trainers that could work collaboratively with the BMOs in question.</p>	<p>Basic technical trainings initially to address critical skill gaps. In time, these BMOs could evolve to give professional and management training as well as leadership training.</p>	<p>Trainings to be sponsored and designed by Third parties. The role of the BMO is to solicit support for training, to co-design the training and to handle logistics including invitation to members.</p> <p>Slowly, the BMO will commence organizing trainings on its own, with the support of other BMOs and third parties – in 3 years time and to be included in the strategic plan document of the BMO.</p> <p>All costs will be paid by the Sponsoring organization. However, trainees/members will commence paying contribution for the training. They will start paying 50% of the cost which will be to the account of the BMO (and not to the sponsoring organization)</p>	<p>PSD Hub will help the BoD of 'C' category of BMOs to write training proposals to third parties.</p> <p>It will also share the financing of the trainings on the condition that the trainees also pay a subsidized fee (about 50% of the rate).</p>

⁴² This pertains to the objectives of the training, trainee profile and the types of courses

⁴³ Involvement of the Chambers in Training differs from one to the other: Own Training Institute, Using call-on trainers, collaborating with existing training institutions etc.;

Annex 8: List of non-generic services which ECCSA members could give to members based on their current service delivery capacity

No	Short-Term 1 -2 Years	Organizations	Long Term 2 – 5 Years	Organizations
1	Common Services/Pooled Services Ex: Input supply, Design facility etc.	ECCSA and Sectoral Associations	In-house Technical Support to members through Volunteer professionals embedded in the BMOs (Expat mostly)	All Chambers
2	Bulk sourcing of info and distributing to members Ex: Subscribed Websites, subscribed newsletter	ECCSA and Sectoral Associations	Off the shelf feasibility study	All Chambers
3	Delegated Services TVET, Professional Services through pool of practitioners	All BMOs	Delegated Services	All Chambers, ex; Business Licensing
4	Compliance Training HACCP, EMS, WRAP	ECCSA & Sectoral Associations	Information dissemination on behalf of government - ex; on industrial park	All Chambers
5	Portal with different modules including Buyer/Seller	ECCSA	Arbitration and Mediation	Regional Chambers
6	Show room displays (on annual fee)	All Chambers	Full-fledged market Intelligence services to members	ECCSA & Sectoral Associations
7	Special Network Events for sub-sectors or demographic group (young or women)	All Chambers	Deposition of Electronic signature for verification.	ECCSA
8	Certificate of Origin and Document Authentication	Regional Chambers & SAs	Chamber Net	ECCSA
9	Tender Alert Service	ECCSA Regional & Chambers	ATA Carnet	Major BMOs
10	Members' Benefit Programs (Exclusive Discounts)	All Chambers, ECCSA to negotiate rate for all.		

Annex 9: Completed Prioritization matrix (Wisconsin – Madison University)

Criteria	Weight	Scoring Value	Training	Trade & Investment	Business Networking	inbound & outbound missions	Business Information	Business Advisory	CO and Document Authentication	Direct Professional and Secretarial Service
1. Potential for high Revenue Some services may have saturated or could grow at a low rate, while others have a high potential to grow.	6	9: High Potential 6:somewhat high potential 3: Low potential 0: It is already saturated.	36 (6X6)	54 (6x9)	18 (6X3)	18 (6X3)	18 (6X3)	18 (6X3)	54 (6x9)	18 (6X3)
2. Existing or New Service for the Chamber System in general. Existing services are easier to build on.	4	9: Almost all BMOs give the service 6: From Half to three quarters of the BMOs do give the service 3: The few strong BMOs are giving the service. 0: It is almost non-existent or nil.	24 (4X6)	36 (4X9)	12 (4X3)	12 (4X3)	12 (4X3)	12 (4X3)	24 (4X6)	24 (4X6)
3. Requirement of investment for the service. Some services require relatively significant amount of initial capital, while others do not need so much.	5	9: Almost no capital is required; just knowledge, skill and brand. 6: Some degree of capital is required but not an amount that breaks the back of the BMOs.	30 (5X6)	45 (5X9)	45 (5X9)	45 (5X9)	30 (5X6)	45 (5X9)	45 (5X9)	15 (5X3)

Criteria	Weight	Scoring Value	Training	Trade & Investment	Business Networking	inbound & outbound missions	Business Information	Business Advisory	CO and Document Authentication	Direct Professional and Secretarial Service
		3: Relatively High Capital is required. 0: Unless external support is obtained, no possibility of pushing it through.								
4. Degree of conflict with existing services given by members. If members already give the service by themselves, there is less urge to indulge in the service.	3	9: No conflict at all. Members will only find it complementary. 6: There will be some conflict but not significant. 3: There will be significant conflict and members will raise eyebrows. 0: It is in direct conflict with members' service.	3X6 18	3x6 18	3X9 27	3X9 27	3X9 27	3X3 9	3X9 27	3X0 0
5. Supporting members to export It is top most urgent for Ethiopia to export and earn significant foreign currency every year. The higher a service's	4	9: The support is critical for export. 6: The support helps members to export. 3: The support may help in some ways but not as such significant.	4X3 12	4x3 12	4X6 24	4X9 36	4X9 36	4X6 24	4X6 24	4X1 4

Criteria	Weight	Scoring Value	Training	Trade & Investment	Business Networking	inbound & outbound missions	Business Information	Business Advisory	CO and Document Authentication	Direct Professional and Secretarial Service
contribution is in creating capacity for export, the more prioritized it should be.		0: The support does not contribute for export at all.								
6. Creation of inter-BMOs synergy. The more the service catalyzes synergy and complementarities, the more preferred it should be.	3	<p>4.9: One can easily bring several BMOs together around the service.</p> <p>6: BMOs can work around the service and bring higher level of synergy.</p> <p>3: Given the BMOs leadership being visionary and positive, the service can be catalytic to work together.</p> <p>0: It is a standalone service that BMOs could tackle it on their own.</p>	9 (3X3)	18 (3X6)	9 (3X3)	18 (3X6)	18 (3X6)	0 (3X0)	9 (3X3)	0 (3X0)
Total Project Score			129	173	135	156	141	108	174	61

Annex 10: Budget Support Detail**A. Service Related**

No	Cost Item Description	BMO Category			2017	2018	2019	Assumptions
		"A"	"B"	"C"				
1	Training							
	Upgrading training venues and equipment	✓	✓			27,000	13,500	3 BMOs (2 in 2018 and 1 in 2019)
	Syllabus and Curriculum development		✓	✓	67,000			5 modules
	Training of Trainers for local trainers		✓		8,700			30 trainees
	Leadership training in ' <i>Chamber Academy</i> '.		✓	✓	8,700			30 trainees
	Consultancy fee for the BMOs to write proposals to solicit funding			✓	14,000			6 BMOs
	Co-finance trainings with third parties			✓	13,100			180 trainees (in six BMOs)
	Assess the effectiveness of trainings given collaboratively with third party trainers			✓	9,000			One round assessment
2	Trade and Investment Promotion							
	Manual development on standard of quality trade fairs, bazaars and exhibitions.	✓	✓	✓	22,300			One document
	Preparation of 'Code of Conduct' document	✓	✓	✓	22,300			One document
	Exposure visit on well-known international trade fairs & exhibitions		✓		22,300			5 participants
	Co-finance design of Exhibition Centers		✓				22,300	
3	Business Networking Events							
	Manual and guide line development on networking	✓	✓	✓	22,300			One document
	Adapt the experience of EPSOPEA to EHPEA	✓				4,500		
	Support the launching of two events per year		✓			9,000	9,000	Two events
4	Inbound and Outbound Missions							
	Preparation of manuals and guidelines on how to organize inbound and outbound missions	✓	✓	✓	22,300			One document
	Training on how to handle inbound and outbound missions.			✓	8,700			30 trainees
	Support BMOs to join outbound missions			✓	26,800			6 BMOs
5	Business information							
	Design a robust IT architecture with aspects for storing, sifting, manipulating and dissemination of business information to all BMO members.	✓			44,600			

Demand Study for BMO Services of ECCSA and its members

No	Cost Item Description	BMO Category			2017	2018	2019	Assumptions
		"A"	"B"	"C"				
	Subscribe information websites with a wealth of information on behalf of the BMOs		✓	✓	13,400			
	Organize a Resource Center and pay the initial cost		✓			26,800		3 BMOs
	Trainings on how to generate, organize and 'sell' information to members and the public.		✓			8,700		30 trainees
	Training on the value of information in business and how to reach it out			✓		8,700		30 trainees
	Purchase of computers and accessories, pay for internet subscription and train staff on how to search usable information for members.			✓	26,800	6,500		6 BMOs
6	Business Advisory Services							
	International training on Business Advisory Services	✓	✓		44,600		44,600	30 trainees
	Help recruit seasoned business advisors in starting business, taxation, regulation, export	✓	✓		24,100		40,200	8 BMOs (3 "A" and 5 "B" categories)
	Twining arrangement with category 'A' BMOs for advisors to be sent to the major town(s) where the BMO/Sector is located.		✓	✓		7,200	7,200	3 experts in both the 2 nd and the 3 rd years
	Resume Tax Advisory Service by ECCSA in the major BMOs				5,000	5,000	5,000	One consultant to be employed in seven BMOs across the country.
7	Certificate of Origin and Document Authentication							
	Consultation to form a common ground and understanding on how to collaborate on revenue generation and sharing of income from this service	✓	✓		22,300			One consultation forum
	Integrate the BMOs with international organizations such as ICO for accreditation and recognition. Finance the necessary cost involved in it.	✓	✓			22,300		One consultation forum
	Commence giving a preferential COs by ECCSA				3,000			Initial support only.
8	Direct Professional and Secretarial Services							
	Match the finance of the BMOs for additional services that they are able to write a concept paper on: Translation services, equipment for secretarial services such as binders, photocopy machine etc.		✓		71,359	35,680		
	Buy equipment and facilities based on the BMOs concrete demands and a projection of income			✓	268,000	178,400		6 BMOs (4 in the 1 st and 2 in the 2 nd years)
	Total Budget Required				790,659	339,780	141,800	

B. IT Related

The PSD Hub project is expected to finance the following items under this activity:

- Prepare IT strategy for ECCSA and its relationship with its members
- Recommend appropriate software application program which suit current and operational activities of ECCSA. Prepare project proposal for the procurement of international or national procurement bid Develop/Adapt IT system that integrates financial management, membership management, projects and programs, human resource management, payroll management, procurement management, property administration for ECCSA and extendable to the BMO members. Examples would be Integrated ERP application, CRM application and MS exchange service or equivalent email server etc. Install the IT system over a period of two years with testing, commissioning time included (298,262 USD)
- Portal development – for all ECCSA members within ECCSA’s main website (43,029 USD)
- Establishing Video Conferencing facility at ECCSA and nine members located outside Addis Ababa (580,622 USD)

The budget estimation for IT related intervention is made based on information compiled by ECCSA.

Annex 11: Budget Support Summary (2017-2020)

No	Service/Intervention	Budget in USD			
		2017	2018	2019	Total
1	Training	120,500	27,000	13,500	161,000
2	Trade and Investment Promotion	66,900	0	22,300	89,200
3	Business Networking Events	22,300	13,500	9,000	44,800
4	Inbound and Outbound Missions	57,800	0	0	57,800
5	Business information	84,800	50,700	0	135,500
6	Business Advisory Services	73,700	12,200	97,000	182,900
7	Certificate of Origin and Document Authentication	25,300	22,300	-	47,600
8	Direct Professional and Secretarial Services	339,359	214,080	-	553,439
9	IT System and Infrastructure for ECCSA		290,311	290,311	580,622
10	Export support to members	44,600	44,600	44,600	133,800
11	Arbitration	8,920			8,920
12	Quality Certification support	44,600	22,300	22,300	89,200
13	Furnish Information to specific users			5,000	5,000
14	Sector specific technical assistance	13,380	8,920	8,920	31,220
15	Annual private sector event	15,610	15,610	15,610	46,830
16	Capacity Building of the Media (Business and Economic Training)	11,150	5,575	5,575	22,300
17	Establish a library of audiovisual records of ECCSA with full digitalization	40,140	-	-	40,140
18	Hire accomplished writers on economic issues to contribute articles to the press	6,690	6,690	6,690	20,070
19	ECCSA and the think tanks to organize special workshops to discuss special and emerging developments.	6,690	6,690	6,690	20,070
20	Develop bankable proposal documents for financing by development partners, NGOs and member companies for cross cutting issues.	8,920	8,920	8,920	26,760
21	Conduct a rapid study to prioritize areas of interventions on cross cutting issues	13,700			13,700
	Total cost	1,005,059	749,396	556,416	2,310,871
	Budget Source				
	Sida's contribution	959,059	675,396	408,416	2,042,871
	ECCSA's direct contribution (from sale of new service products)			50,000	50,000
	ECCSA's contribution in terms of Office space, facilities & administrative support	46,000	74,000	98,000	218,000

Annex 12: Interview Checklist (Phase I)

DEMAND STUDY OF BMO SERVICES OF THE ETHIOPIAN CHAMBER OF COMMERCE AND SECTORAL ASSOCIATIONS (ECCSA) AND ITS MEMBERS

Interview Checklist

I. Organizational Capacity

1. Who were involved in the strategic plan development process of the organization?
2. How the mission, vision, and objectives of the BMO is communicated across the staff, members, the board, and the management?
3. How do you gauge the progress of the strategic plan implementation? Is it evaluated?
4. Please describe board members compositions in terms of their professional experience and skill in business management?
5. What roles the board is currently playing related to the development and delivery of quality services? What additional roles can the board play to expand and improve the quality of services?
6. How do you rate board members understanding of the nature and objectives of BMOs? How many female Board members exist?

II. BMO Services

Members demand and willingness to pay

- i. For which BMO services is there higher demand in your area? Please prioritize services by level of their demand.
- ii. How do you rate your members' willingness and ability to pay for BMO services?" Which services they expect to get with no charges and for which services are they willing to pay?

Capacity of the BMO to deliver services

- iii. How do you rate the capacity of your organization to develop and deliver demand driven services for members? Please list specific areas with significant capacity limitations
- iv. In which of the services do you have high capacities and in which the capacity is weak?

Supports required from ECCSA

- i. What type of targeted capacity building interventions can bring meaningful impacts with reasonable cost and time?
- ii. What services your organization expects to get from ECCSA? Which of these services do you think your organization is entitled to get free by the virtue of being an ECCSA member fulfilling its contribution obligations (10%) and for which services your organization is willing and afford to pay?

- v. How do you rate the quality of “standard” services such as advocacy, networking, generic support your organization recently received from ECCSA?
- vi. Which areas do you think that ECCSA should provide services but does not have the capacity to do so? Where do you suggest (two examples) that ECCSA should increase its capacity to deliver services to members and why?

III. Monitoring and Evaluation

- i. What mechanisms do the BMO employ to monitor and evaluate its activities/results and to generate, exploit and use knowledge?
- ii. To what extent is learning from monitoring and evaluation exercises is ploughed back to the organization?
- iii. What type of knowledge management system you have in place in your organization?
- iv. Does the secretariat of the BMO regularly communicate with its constituents? How and how often? Are there publications and events to raise awareness and transfer information and knowledge?

IV. Dialogue

- i. What type and how many formal consultative meetings did your organization conducted with the government in 2007 and 2008 E.C.? How are the costs of these events covered? Did your organization has a budget earmarked for this purpose?
- ii. To what extent is the goal of the consultative meetings achieved?
- iii. Please cite examples of reforms which came out as a result of the consultative meeting/s?
- iv. What plans do you have to engage the government in 2009 E.C. fiscal year? --

V. External Business Environment

- i. What opportunities and challenges the external business environment offers for expanding BMO services?
- ii. What plans do you have to exploit opportunities and what help (from ECCSA) will you require to achieve this?
- iii. What mechanisms do your organization employ to ensure its services duly address special needs of women and other disadvantaged social groups?
- iv. How do you see trending issues like environment, corporate social responsibility (CSR), ethics, corruption, etc. as potential areas for expanding services?

VI. Media

- i. What roles can the media play to support BMOs efforts in advocacy and lobbying?
- ii. What are the major factors that are constraining the media from effectively playing this role?
- iii. Which media - private, government, newspaper, radio, television, or other media outlets will be suitable for this role?

Annex 13: Questionnaire Administered (Phase I)

**DEMAND STUDY OF BMO SERVICES OF THE ETHIOPIAN CHAMBER OF COMMERCE
AND SECTORAL ASSOCIATIONS (ECCSA) AND ITS MEMBERS**

Questionnaire to be Self-administered by ECCSA Members' Secretariats

- Date: _____
- The BMO's Name: _____
- Address: Region _____ City _____
- Name of the person filling the questionnaire: _____
- Position in the organization _____
- Phone number: _____ email: _____

INTRODUCTION

This study is commissioned by ECCSA with the support of the Swedish International Development Agency (Sida) and aims to better understand the existing demand for services of ECCSA and its members and the capacity of ECCSA and its members to provide these services. The findings and recommendations of the study are expected to lead to the design of a program to support the development of demand driven services and associated strengthening of BMOs capacity and capability. This questionnaire is designed to generate data for the above study and your answers will help to clearly understand the existing situation and to identify the best possible interventions

The questionnaire is expected to be filled by the General Secretary of the BMO in consultation with relevant staffs who are directly responsible in the areas related to the various groups of questions included in the questionnaire (HR, Finance, Membership Affairs, etc.)

The study team members (Teshome Beyene and Tedla Bekele) are available to help and would welcome the opportunity to guide you through the process of filling this questionnaire please contact them through the following address: Teshome: 0930 034 217 and Tedla 0921 775 471

1) GOVERNANCE

- 1.1. How often is election of Board of Directors made? _____
- 1.2. How often the Board meets? _____
- 1.3. How often the General Assembly (GA) meeting conducted? _____
- 1.4. What was the turnout of the recent GA meeting? _____ %
- 1.5. How many Board meetings conducted per a year? _____
- 1.6. Is there a procedure for conducting Board meetings? •Yes •No
- 1.7. Is there code of conduct for the Board? •Yes •No

2) ORGANIZATIONAL STRUCTURE AND STAFFING

- 2.1. Is there a clearly defined organizational structure? •Yes •No
* If there is a schematic organogram please attach a copy
- 2.2. Please list the name of the major work units of the organization

2.3. Please state the number of your organization’s staff working in the areas of:

- Chamber service _____
- Membership affairs _____
- HR _____
- Finance _____
- Internal audit _____

2.4. Number of employees of your organization:

	Males	Females	Total
Permanent employees			
Temporary employees			
Total			

2.5. Distribution of employees by their educational status:

	Grades 1- 6	Grades 7 - 8	Grades 9 - 12	College Diploma	1 st degree & above
Males					
Females					
Total					

2.6. Which of the positions in your organization are currently vacant?

- Why these positions remain vacant? _____

- How do you intend to fill these vacant positions? _____

2.7. Who, in your organization (including your board) has had exposure to international best practice? Please include name, title and how the exposure took place as well as the subject of the exposure _____

2.8. How do you rate the secretariat staff’s relationship with your organization’s members?

- Excellent
- Good
- Satisfactory
- Not good

- Please explain why? _____

2.9. Does your organization conduct staff skill audit? •Yes • No

- If yes, what were the findings from the recent staff skills audit? _____

3) DOCUMENTATION AND ADMINISTRATION

3.1. Which of the following written documents does your organization have?

<ul style="list-style-type: none"> • Financial Management Policy and Procedural Manual •Yes <input type="checkbox"/> • No <input type="checkbox"/> 	<ul style="list-style-type: none"> • Organizational Code of conduct •Yes <input type="checkbox"/> • No <input type="checkbox"/>
<ul style="list-style-type: none"> • HR Manual •Yes <input type="checkbox"/> • No <input type="checkbox"/> 	<ul style="list-style-type: none"> • Procurement Manual •Yes <input type="checkbox"/> • No <input type="checkbox"/>
<ul style="list-style-type: none"> • Audit manual •Yes <input type="checkbox"/> • No <input type="checkbox"/> 	<ul style="list-style-type: none"> • Others. Please list down: _____
<ul style="list-style-type: none"> • Gender policy •Yes <input type="checkbox"/> • No <input type="checkbox"/> 	<ul style="list-style-type: none"> _____

3.2. When was the last time your organization audited by external auditor/s? _____

3.3. Does your organization produce and distribute the following reports to the Board on a quarterly or monthly basis or any other time interval?

<ul style="list-style-type: none"> • Financial report⁴⁴ •Yes <input type="checkbox"/> • No <input type="checkbox"/> 	<ul style="list-style-type: none"> • Plan performance report •Yes <input type="checkbox"/> • No <input type="checkbox"/>
<ul style="list-style-type: none"> • Budget performance report •Yes <input type="checkbox"/> • No <input type="checkbox"/> 	<ul style="list-style-type: none"> • Others. Please list down: _____

3.4. Does your organization has policy of internal control systems? •Yes • No

4) REVENUES&SOURCES OF REVENUE

4.1. Total revenue of your organization in Birr:

•2014 _____ •2015 _____ •2016 (up to the end of July) _____

4.2. Share of different sources of revenue from your organization’s total revenue (use averages estimates of the last 3 years)

⁴⁴Balance sheet, profit and loss statement, cash flow statement, etc.

- Services provided to members ____ %
- Member's contribution _____%
- Other sources (Please specify) _____%
- Services provided to non-members ____%
- Donors support _____%
- Government support _____%
- _____%

4.3. Annual budget of your organization (in Birr) for the periods:

Cost category	2013	2014	2015
1. Fixed costs			
2. Salary payment			
3. Other recurrent costs			
Total Annual Cost			

5) MEMBERSHIP

5.1. Number of direct members of your organization:

• Chambers _____ • Sectoral associations _____ • Individual Enterprises _____

5.2. Total number of individual enterprises represented by your member organizations:

5.3. What proportion (%) of your members lie in each of the following categories (use formal definitions)?

- Large enterprises _____
- Small enterprises _____
- Medium enterprises _____
- Micro enterprises _____

5.4. In which sectors do your organization's members mainly operate? (For example - Agro Industry, Textile and Garment, Leather Products, Chemical and Chemical Products, etc.)

5.5. Do your organization has a database of members? • Yes • No

• If yes, how often is the data base updated? _____

5.6. Is the size of membership growing over time? • Growing • Diminishing • Stagnant

• If it is growing, at what % was it growing on average over the past three years? _____

• If it has stagnated or diminishing, please describe the reason? _____

5.7. What % of your members paid their 2007 fiscal year membership fee? _____

5.8. Total number of licensed businesses in your organization’s catchment area in the periods:

- 2013 _____
- 2014 _____
- 2015 _____
- 2016 _____

5.9. What mechanisms does your organization employ to expand and retain its constituency base?

6) DEMAND FOR QUALITY VALUE SERVICES

6.1. What types of paid services does your organization currently provide?

_____	_____
_____	_____
_____	_____
_____	_____

6.2. Number of individuals and/or organizations which received paid services within the periods:

Type of the Service provided	2014		2015		2016 (up to July 31)	
	Members	Non-members	Members	Non-members	Members	Non-members

6.3. What types of free (unpaid) services does your organization currently provide to members taking in to account the membership contribution fee they are paying?

_____	_____
_____	_____
_____	_____

6.4. Number of individuals and/or organizations which received free (unpaid) services within the periods:

Type of the Service provided	2014		2015		2016 (up to July 31)	
	Members	Non-members	Members	Non-members	Members	Non-members

6.5. What are the factors your organization consider in deciding to provide services free or on payment basis? _____

6.6. Does your organization has established rates of service fees? • Yes • No

- If yes, please kindly attach the list of the rates
- Minimum/ maximum fees per a service?

Type of services	Minimum (Birr)	Maximum (Birr)

6.7. How do you develop the fees charged for your services?

6.8. Do your organization’s members & nonmembers receive equal treatment in service provision?
 • Yes • No

6.9. If no, what preferential treatments are members entitled? _____

6.10. What types of members’ networking events does your organization organized in 2008 E.C.?

6.11. What mechanisms do your organization employ to assess members’ demand for services?

6.12. If you have conducted demand assessment study, in which service areas did you find out unsatisfied demand of members?

6.13. How do you use the findings of your demand assessment study to inform the designing of your services? _____

6.14. What mechanisms does your organization employ to assess members' ability and willingness to pay for services?

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6.15. What mechanisms does your organization employ to assess the quality of its services?

6.16. If you have assessed the quality of your services, how do you rate the quality of each of your services?

Types of services	Quality Rating			
	Very high	High	Satisfactory	Poor

6.17. How do you use the findings of your quality assessment to inform the designing and/improving of your services? _____

6.18. What mechanisms does your organization employ to assess Members' satisfaction of the services they received?

6.19. Are services requested by women and men are the same? • Yes • No

6.20. If not what are the services mostly requested by women?

6.21. What mechanisms do your organization employ to ensure its services duly address special needs of women and other disadvantaged social groups? _____

6.22. If you have conducted satisfaction assessments what were members' feedback?

Types of services	Level of satisfaction			
	Very high	High	Satisfactory	Not satisfied

6.23. How do you use the findings of your satisfaction assessment to inform the designing and/improving of your services? _____

6.24. How do you rate members' willingness and ability to pay for the following services?"

Service type	High	Possible	Low	Not likely
1. Providing business information (on-line, soft copy, hard copy format)				
2. Members profile directory or bulletin				
3. Management and Leadership trainings				
4. Vocational and skill trainings				
5. Trade fairs, Exhibitions and Trade Shows				
6. Networking events with foreign businesses				
7. Networking events of local businesses				
8. Export/ Import Guide				
9. Investment guide				
10. Export/Import documentation services (Certificate of Origin, Invoice Chamberization)				
11. Business advice helpline				
12. Advertising on Chamber website				
13. Room and conference facilities				
14. Language translation, interpretation				
15. Secretarial Services				
16. Internet services				

7) CAPACITY TO DELIVER DEMAND BASED SERVICES

How do you rate your organization’s capacity to provide (whether from internal or external sources) the following services?

Service type	High capacity	Reasonable capacity	Low capacity	No capacity
1) Providing business information (on-line, soft copy, hard copy format)				
2) Members profile directory or bulletin				
3) Management and Leadership trainings				
4) Vocational and skill trainings				
5) Trade fairs, Exhibitions and Trade Shows				
6) Networking events with foreign businesses				
7) Networking events of local businesses				
8) Export/ Import Guide				
9) Investment guide				
10) Export/Import documentation services (Certificate of Origin, Invoice Chamberization)				
11) Business advice helpline				
12) Advertising on Chamber website				
13) Room and conference facilities				
14) Language translation, interpretation				
15) Secretarial Services				
16) Internet services				

8) CAPACITY GAPS

8.1. What are the three most frequently (in order) services that members request but your organization was unable to provide in each case please indicate why your organization is unable to provide the service requested;

Type of service	Reason for not providing it
_____	_____
_____	_____
_____	_____

- If you could provide the service, which would generate the most income for you and why?
- _____
- _____

8.2. What are the three most critical challenges which holdback your organization from expanding its paid services?

- i. _____
- ii. _____
- iii. _____

8.3. What do you recommend to alleviate/solve these challenges? _____

8.4. What external support will you require to improve your service quality level? Can ECCSA provide this? If not, why not? _____

8.5. Are you willing and afford to pay for these services? _____

8.6. What opportunities exist in your area for expanding paid services to your members?

THANK YOU FOR TAKING YOUR TIME!

Annex 14: Interview Checklist – Media Organizations (Phase II)

**DEMAND STUDY OF BMO SERVICES OF THE ETHIOPIAN CHAMBER OF COMMERCE
AND SECTORAL ASSOCIATIONS (ECCSA) AND ITS MEMBERS**

Interview Checklist I

(For Media)

Important Announcements

- a. The discussion could take 45 to 60 minutes
- b. The discussion is meant to be free flowing and open ended; with the interviewer just provoking the interviewee to speak. No investigative approach is allowed. Just create the right environment to discuss.
- c. The discussion/interview should best be conducted in a serene environment, with the lowest level of sound interference and zero telephone interruption
- d. A declaration of CONFIDENTIALITY of discussion, at substance and fact level, is mandatory.

Interview Questions

1. What is the focus of your Media in particular? In terms of Issues it covers and target audience? Do you have programs related to BMOs and private sector activities?
2. What do you think the major objectives of a Chamber of Commerce and Sectoral Associations are?
3. What is your relationship like with BMOs? And, how frequent and intense is the relationship?
4. What is the degree to which you make coverage of news and developments in the Chambers of Commerce/BMO associations? How well received is your coverage by the BMOs? Do they give a feedback or write a response in respect of your coverage?
5. Were there ever a situation where you were made accountable or at least eyebrows raised by a government organ for reporting on Policy issue or for working with a BMO association to promote a certain agenda?
6. On a typical situation, who initiates a relationship, your media or the BMOs?
7. How frequent are the following?
 - Press Release
 - Press Conference
 - Interviews
 - Contribution of Articles
 - Comments on Editorials/Letter to the Editor

And, how do you gauge the effectiveness of these different methods?

8. In your view, how do you assess the image and credibility of BMO associations (more so the Chambers) and the perception on the private sector in the wider readership/audience? What do you think should be done to reverse the widely held negative image on the private sector?
9. What do you think the Chambers could do better to improve any image/credibility deficit?
10. Do you think the associations have a well thought Advocacy and Media communication strategy?
11. Do you think BMO associations have been effective in their advocacy work in the past few years? What do you think are the major problems/obstacles preventing them from achieving in this area?
12. Do you remember of any case/situation where the BMO associations in collaboration with the Media made an impact on policy formulation/regulatory change? What was the process like and what was the specific role of the media in this respect?
13. What aspects of the BMO associations or what news coverage attract the highest amount of attention from the public?
14. Did you ever have a special platform for discussion/dialogue between the Media Corps (yours included) and the Chamber system/BMOs to discuss how to collaborate and work together?
15. Did you develop common agenda and issues with the Chamber (BMOs) and work together for the attainment of a result such as a change or modification of a law or policy?
16. Who are most active in the media communication and advocacy work at the Chambers and BMOs? (Cue: Secretary Generals, Presidents, Board Members, Heads of Media Relations etc. ;)
17. Do you have any particular preference to interact with from the various officials and heads at the Chambers/BMOs for policy advocacy?
18. In your opinion, what should be done to increase the role of the media to support the advocacy efforts of BMOs in Ethiopia?

Thank You!

Annex 15: Interview Checklist II - Civil and Research Associations

**DEMAND STUDY OF BMO SERVICES OF THE ETHIOPIAN CHAMBER OF COMMERCE
AND SECTORAL ASSOCIATIONS (ECCSA) AND ITS MEMBERS**

Interview Checklist II - For Civil and Research Associations

Important Announcements

1. The discussion could take 45 to 60 minutes
2. The discussion is meant to be free flowing and open ended; with the interviewer just provoking the interviewee to speak. No investigative approach is allowed. Just create the right environment to discuss.
3. The discussion/interview should best be conducted in a serene environment, with the lowest level of sound interference and zero telephone interruption
4. A declaration of CONFIDENTIALITY of discussion, at substance and fact level, is mandatory.

Interview Questions

1. The organization's experience in research and advocacy
 - What are the areas of focus for research and advocacy based on organizational mission and mandate?
 - Please, describe, if there are any, your experiences in advocacy research in the area of private sector?
 - Specific examples from the past five years where your organizations had a direct or indirect impact on Policy Change/modification, introduction of a new law, modification of an existing law or a removal of an administrative hurdle?
2. Your organization's relationship with BMOs:
 - What is your relationship like?
 - How frequent and intense is the relationship?
 - On a typical situation, who initiates a relationship with BMO Associations, your organization or the association?
 - Is the relationship Growing, Declining or Stagnating?
3. Perception on BMO's and the private sector
 - How do you assess the perception on BMO associations (more so the Chambers) and the private sector in general by the public and the government?
 - What do you think the Chamber system could do better to improve any image/credibility deficit?
4. Research and Advocacy works of BMOs

- Do you think BMO associations have been effective in their advocacy work in the past few years? What do you think are the major problems/obstacles preventing them from achieving in this area?
- What do you think BMO associations should do in order to improve their effectiveness in policy advocacy?

5. Collaboration with BMO's

- Did you ever develop common agenda and issues with the BMO associations and agreed to work together for the attainment of a result such as a change or modification of a law or policy? Did you ever have a regular platform for discussion/dialogue between your organization and other similar organizations with BMO associations?
- Do you remember of any specific case/situation where BMO associations in collaboration with your organization or similar organizations (such as any research institutions) made an impact on policy formulation/regulatory change? What was the process like and what was the specific role of your organization in this respect?
- In your opinion, what should be done to increase the role of research institutes (including your organizations) to support the advocacy and lobby efforts of BMOs in Ethiopia?

Thank You.