

**ETHIOPIA  
INSTITUTIONAL GOVERNANCE REVIEW**

**GRASSROOTS EMPOWERMENT  
REVIEW OF PROGRESS AND PROSPECTS -- PHASE I**

**(DRAFT REPORT)**

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## ACRONYMS

AAA	Analytical and Advisory Activities
ANRS	Amhara National Regional State
BMS	Bench Marking Study
BoA	Bureau of Agriculture
BoARD	Bureau of Agriculture and Rural Development
BoCB	Bureau of Capacity Building
BoFED	Bureau of Finance and Economic Development
BoPPO	Bureau of People Participation and Organization
BoWRD	Bureau of Water Resources Development
BoWUD	Bureau of Works and Urban Development
CBOs	Community Based Organizations
CSCBP	Civil Society Capacity Building Program
CSOs	Civil Society Organizations
CSRP	Civil Service Reform Programme
DLDP	District Level Decentralization Programme
DSA	Decentralization Support Activity
EPDRF	Ethiopian Peoples Democratic Revolutionary Front
EF	Ethiopian Federation
FDRE	Federal Democratic Republic of Ethiopia
FEDO	Finance and Economic Development Office
GE	Grassroots Empowerment
GER	Grassroots Empowerment Review (Phase I)
GOE	Government of Ethiopia
IER	Institute of Educational Research
IFA	Intergovernmental Fiduciary Assessment
IGR	Institutional Governance Review
JBSM	Joint Budget Support Mission
MoCB	Ministry of Capacity Building
MOFED	Ministry of Finance and Economic Development
NGO	Non Government Organization
ORS	Office of Regional Government
PPD	Purified Protein Derivative
PSCAP	Public Sector Capacity Building Program
PTAs	Parent-Teacher Associations
SDPRP	Sustainable Development and Poverty Reduction Program
SMCs	School Management Committees
SNNP	Southern Nations Nationalities and Peoples
TOR	Terms of Reference
TPC	Transitional Period Charter
TNRS	Tigray National Regional State
WAO	Women's Affairs Office
WDF	Woreda Development Fund

## **PART ONE: EXECUTIVE SUMMARY**

## 1.0 EXECUTIVE SUMMARY

*Grassroots Empowerment (GE) must be seen as very long-term transformations of government, governance and community behaviour, of which only the first but important steps are underway. Thus far, Phase I Grassroots Empowerment Review (GER) indications are that the woreda governments have increased in scale and capacities, have more discretionary funds, and increasingly consult communities. Nonetheless, these innovations appear much too recent, and too limited, to assure the sustainable GE results being targeted, in terms of: Citizens' Voice, government and governance planning, budgeting and accountability. Phase II GER studies must confirm and extend these indicative findings.*

This document reports on the first of a planned two-phase review of progress on Grassroots Empowerment (GE), as demonstrated in four regional states of Ethiopia: Tigray, Amhara, Oromiya and the Southern Nations, as well as the Nationalities and Peoples State. It was prepared as one input to an overall IGR/IFA report, and to inform discussions at a meeting of the IGR scheduled for November 2005.

A more in-depth study was originally planned, but succumbed to situations preceding and following the recent elections. Phase I was limited to two cursory field visits to the Amhara and Tigray regions, as well as a limited review of the most pertinent available documentation and some initial interviews. While the Reviewers are confident of most of the results presented below, they must be treated as indicative until confirmed and nuanced in a subsequent phase.

This Review primarily looks at progress over the most recent two and a half year period in the GE process; since the woreda governments were fortified with increased authority, personnel and increased discretionary funding:

- Indications are that progress has been made in major facets of Grassroots Empowerment; that governments are aware of GE and its importance given its role in the Nation's planning for sustainable development. Furthermore, governments in the regions studied have taken initial steps to build and capacitate woreda governments and to consult more widely with their constituents.
- The institutionalization of mature, effective and responsive woreda and kebele governments at the political, bureaucratic and service delivery levels is a long-term, complex and difficult undertaking. Similarly, the challenges of empowering local and often traditional communities to participate effectively in their own governance are equally difficult and long-term; but again, progress is being attempted and demonstrated.

- This progress was shaped by the devolution of power to the woreda governments, but has gained significant momentum since the unrestricted Block Grants and the major decentralization of public service staff in 2002-03 (1995 Eth. Cal).
- Despite this deployment of personnel and funds, the main impediments to the pace and depth of GE continue to be that: (i) the scale, skill and experience of the public service staff is limited, and (ii) the Block Grants are so limited that they primarily cover recurrent/operating expenses of government agencies (teachers, etc), with very little remaining for use on social infrastructure and service delivery (schools, water, etc). Priorities for the use of even the small amounts of discretionary capital funds still tend to be set at the Regional rather than local levels.
- These limitations are said to be exacerbated by a continuation of traditional hierarchical and “command” behaviour of service deliverers and elected representatives, combined with limited leadership and capacity of citizens to engage in effective participation and oversight of government performance.
- The woreda governments have instituted and are using guidelines for GE planning and budgeting processes beginning at the kebeles and sub-kebeles and ending with the woreda cabinet and council. The latter approve the resulting woreda plans and budgets.
- Although through the planning process, woreda governments are increasingly consulting with communities and their organizations, a well-articulated Civil Society engagement strategy or process was not encountered. (i.e. a strategy designed to build a two-way and equal “empowerment dialogue” with communities in terms of discussing and incorporating community priorities, budgeting, and being accountable for performance results).
- Despite these constraints, citizen participation and Voice is said to be improving due to (albeit limited) technical assistance from the woreda sector offices. In addition, citizens continue to participate through various traditional committees: Parent-Teacher Associations, Kebele Education and Trainings Boards, Water User and Irrigation Groups, Health Teams, Social Courts, Cooperative Societies. Many of these committees are long standing and contribute skills, labour, and often material to development activities such as the building of schools and clinics.
- Formal public service or elected-representative accountability mechanisms were not encountered by Reviewers, nor were well-articulated strategies and plans for these. It is likely too early in the GE process to expect these to have been conceptualized, let alone implemented. Nonetheless, the traditional community “Gingams,” democratizing electoral processes, some new planning and grievance mechanisms, and community committees represent the building blocks of more institutionalized accountability mechanisms.
- Local elections in the coming year, and promised electoral reforms, could provide the basis of an improved elected-representative accountability process.

- Communities, their civil society instruments, government officials, and elected representatives could benefit from an accountability capacity-building program.
- Government actions resulting from the recent election could affect the speed, form, and perhaps the substance of future GE initiatives, including: rethinking of resource distributions to rural areas, tax reductions, reconsideration and redeployment of decentralized staffing, agricultural policy reforms, and changes in educational policies.

## **PART TWO: INTRODUCTION**

## 2.0 INTRODUCTION

### 2.1 Background and Objectives of Grassroots Empowerment (GE)

As the World Bank suggests, Grassroots Empowerment (GE) is "the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives."<sup>1</sup>

The poverty reduction program of the Government of Ethiopian (GoE), the Sustainable Development and Poverty Reduction Program (SDPRP), endorses effective decentralization power and empowerment as necessary conditions "for tackling poverty directly at the grassroots level."<sup>2</sup>

Devolution of power to regional and local (woreda) governments, introduction of democratic principles and practices across the board, and transformation of local level public institutions, particularly woredas, are deemed crucial for the creation of necessary conditions in the effort towards enhancing Grassroots Empowerment. The establishment of self-administering municipal towns is viewed as an integral part of these conditions.

The SDPRP aims to empower local communities and their institutions in a manner that enables them to participate in processes that affect local livelihoods and well being; to ensure that communities in general, and the poor in particular, "are empowered to take full advantage of the opportunities that decentralization provides, *inter alia*, through participating in, negotiating with, influencing, controlling, and holding to account the institutions and representatives of the woreda and municipal governments."<sup>3</sup>

The decentralization/empowerment agenda of the federal government has been incorporated in regional development plans that provide the policy framework of its realization. Similarly, the woreda and municipal governments were mandated to make autonomous plans and budgets.

Although formal decentralization of federal power to the Regions began some time ago (1991), further devolution to woreda governments commenced in 2001 and became effective as of the 2002 fiscal year. Two major features that accompanied "woreda devolution" were the introduction of what came to be known as the "Block Grant" formula, and the reassignment of public employees to the woredas.

Block Grants are transfers from Regional to the woreda governments, according to a predetermined formula and with minimal conditionality. The Grants allow the woreda governments to implement their own administrative and development plans without undue interference from higher tiers. Locally raised internal "own resources" are now retained by the woredas to complement the Block Grants.

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<sup>1</sup> World Bank. Empowerment and Poverty Reduction, a Source Book. Washington, D.C. pp xviii. 2002.

<sup>2</sup> MoFED, GoE, Ethiopia: Sustainable Development and Poverty Reduction Program. 2002.

<sup>3</sup> World Bank, Empowerment Source Book. Cited in Embassy Abridged Contract.

Redeployment of experts and other relevant personnel from regions and zones to woredas are aimed at creating an overall enabling environment for effective, equitable, and efficient service delivery at decentralized levels; and to add substance and momentum to development activities undertaken at local levels.<sup>4</sup>

At this juncture, woreda decentralization is being implemented mainly in four major regions of the country: Tigray, Amhara, Oromiya and the Southern Nations, Nationalities and Peoples State (SNPPR). Similar processes will be rolled out in the remaining regions of the country.

In order to monitor progress in achieving the institutional transformation objectives of the SDPRP, the Government established a Public Institutions Working Group, composed of Government and Donor representatives. The Group is mandated to review key elements of state transformation such as woreda and municipal decentralization as well as civil service reforms. It has established periodic Institutional Governance Reviews (IGR) as one of its operating mechanisms. The IGR is to serve as an input to the Government's Annual Progress Report on the SDPRP. One of the main themes of the 2005 IGR is "the degree to which decentralization is beginning to support 'Grassroots' Empowerment in woredas and municipalities, and specifically, the actual mechanisms by which communities are able--under this newly decentralized system - to voice their preferences, hold government accountable, seek redress, and ultimately, be more centrally involved in shaping their own development." This GER was formulated in order to inform IGR discussion on this theme.

All parties to this transformation process recognize that decentralization of government in the service of Grassroots Empowerment is an ambitious, complex and a very long-term undertaking. This GER will only look at what amounts to the first steps in the process; progress over the past two and a half years.

## **2.2 Scope of Work and GER Phase I Limitations**

Initially, the GER was intended to review the degree to which Grassroots Empowerment has been institutionalized in the four reforming regions. A report based on an extensive literature review, four regional case studies, and an overall comparative analysis was to be produced for the Joint Government-Donor Team as a background paper to the final IGR report (see the initial TOR in Appendix I).<sup>5</sup>

The work program planned in compliance with the initial TOR was begun, but proved impossible to complete. It began during the second half of April, just prior to the recent 2005 elections. The Canadian and other donor embassies restricted travel, and the prevailing political situation was judged as: (i) not conducive to the compilation of unbiased and detached views, opinions, and information on such sensitive issue as government-citizen relations or interactions, and; (ii) not secure for field level researchers exploring potentially sensitive and controversial issues. The situation after the election (and to this writing) has not improved. As a result, the work was suspended.

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<sup>4</sup> Ibid.

<sup>5</sup> See TORs.

When reconsidered in early September 2005, it was found that the whole range of the activities that were previously foreseen could not be undertaken if the late October IGR report deadline was to be met. Thus, it was decided to divide the Review into two phases. Phase I was to draw together and report on the material already collected prior to the “election-based shutdown,” and a Phase II would later be designed to add depth and breadth to Phase I, as well as extend its perspectives/recommendations for possible future GE programming, and for possible inclusion under the SDPRP II.

As agreed, the scope of Phase I was limited to the following:

1. Review of a limited number of the most pertinent and papers gathered to date.
2. Review of the most recent survey material from the Woreda Benchmarking Study, etc.
3. Results of the April planning field-trips to two regional capitals and two woreda offices in ANRS and TNRS (See Appendix II and Appendix III for list of persons contacted and questionnaire respectively), and
4. Current understanding of the implications to Grassroots Empowerment of post-election changes being contemplated/implemented by the Government.

The result would be a construction of findings/perceptions on progress being made on Grassroots Empowerment, based on the very limited primary and secondary evidences.

Although the Reviewers were able to compile and scan several documents, there were gaps in a number of pertinent areas, such as studies on public, representative accountability, and civil society organization and interface. These gaps need to be overcome in the subsequent phase of study.

Furthermore, during the field trips, there was reluctance in giving interviews or responding to the questionnaire. Some pertinent agencies like the Bureau of Capacity Building in Tigray, for example, totally refused to interact with the Reviewers. The officials of this and other bodies claimed that similar studies had already been undertaken in the recent past. They felt it was not worth spending additional time on the subject matter. They were not forthcoming in specifying/identifying the set prior studies.

The accuracy of the views, opinions and perceptions of officials and officers of the Government need to be validated through the triangulation of responses to be obtained from communities and their organizations by a well-executed research/field work, as well as by the inspection of corroborative materials within the government offices themselves. These latter tasks are left to Phase II of the project.

**PART THREE: DECENTRALIZATION, GRASSROOTS EMPOWERMENT AND  
CITIZENS' VOICE**

### 3.0 DECENTRALIZATION, GRASSROOTS EMPOWERMENT AND CITIZENS' VOICE

*As a general and contextual observation, experience has suggested that the devolution of power and responsibility in governments is not a simple or speedy process, nor should it be. It takes time and much testing. Senior levels of government are reluctant to give up parts of their mandate and lower levels are unsure of how to use the parts of mandates that are devolved to them. In these circumstances, both levels of government tend to retain past behaviours until they can evolve appropriate modes for changing. Review findings, thus far would seem to reflect this situation.*

The section will cover findings on GE aspects of decentralization to the woreda governments in terms of power and resources. Part Four will deal with aspects of accountability.

#### 3.1 Devolution of Authority to Woreda Government

The Constitution of the Federal Democratic Republic of Ethiopia (FDRE) provides the legal basis for ensuring Citizens' Voice and participation in socio-economic and political processes. Legal and institutional arrangements aimed at ensuring interface between the government and Ethiopians are enshrined in the Constitution.<sup>6</sup> Article 43 (sub-article 2) explains that citizens have the right to "participate in national development and, in particular, to be consulted with respect to policies and projects affecting their community."

As well, GE is entrenched in national and regional planning and policy development. These include the SDPRP, in general, and the Justice and Civil Service Reform Program, Public Sector Capacity Building Program, Regional and Woreda Decentralization, and the more recent Civil Society Capacity Building Program, among others.

With the 2002 (1994 Eth. Cal.) constitutional amendments, and other pertinent laws, TNRS and ANRS devolved political, fiscal and administrative powers to the woreda level. More specifically, "political will" has been the driving force behind this decentralization.

This devolution included:

- The separation of power between levels and branches of government.
- The organizational strengthening of woreda-level public institutions.
- The major transfer of staff from the regional and zonal levels to the woreda levels.

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<sup>6</sup> FDRE. The Constitution of FDRE. 1995.

- The introduction of appropriate operational rules and procedures.
- The holding of a number of capacity-building training and orientation seminars/workshops for staff managers.
- The introduction of the Block Grant system that gave the woredas power to allocate the distribution of public funds among the various operational activities and the development projects/programs.

In the regional and woreda governments visited in the ANRS and TNRS, all levels of government were cognizant of GE and its importance in planning for sustainable development. It is embodied in the mandates and policy of both the regional and woreda-level government offices.

As might be expected, regional and woreda governments will each interpret decentralization and empowerment in different ways and “take ownership” of it differently. At the region and woredas level in Tigray, for example, officials interpret the nature and scope of the "empowerment" mandate in a variety of ways:

- The Bureau and offices of Finance and Economic Development view the empowerment mandate as citizens’ consultation in a new bottom-up planning and budgeting process: in planning, resource allocation, monitoring and evaluation of development programs.
- The Bureau of Education seeks to create “communities of learners” through the empowerment of principals, teachers, students (particularly female students) and parents.
- The Regional Council views its empowerment mandate in terms of legislating pertinent laws and overseeing proper implementation, but continues to feel it must mandate the main priorities for the woreda governments.
- The Women's Association of Tigray's empowerment mandate calls for building the capacity of women leaders at the grassroots level in leadership, management, protection and promotion of rights, as well as effective participation in development decisions.
- The Mass Organization and Participation Office of the TNRS contends that, aside from those noted above, most other agencies have not yet assigned their GE mandates to specific departments or individuals, as their capacity is severely limited -- often comprising only the head and one assistant.
- Despite the progress that has been made to date, a number common themes have emerged from recent documentation, observations and interviews as limitations to GE progress:
- Foremost is that it will likely take considerable time to mobilize local government and to create and instigate the transformations required to make GE tools work.
- Local authorities are still very limited in funds and in their pool of capable personnel.

- As well, the prevalence of patronage appointments renders officials more responsive to government/political preferences than to Grassroots Voice.
- Regional priorities still persist and dictate how resources are used. Specifically, many officials continue to operate in a hierarchical and paternalistic manner, which discourages Voice.<sup>7</sup>
- Grassroots Communities are not well led.
- Many people at the grassroots level have not yet perceived the potential benefits of governmental decentralization. Despite the capacitating initiatives of Government, several groups -- especially poor and isolated grassroots groups -- have little or no information regarding new policies, processes and their rights associated with measures of empowerment.<sup>8</sup>
- The mechanisms and interface between government and Civil Society are not well worked out. These are expected to emerge soon from the Government's new Civil Society Capacity Building Program (CSCBP). This minimal or absence of interface and mutual engagement, constrains a potentially significant means of GE<sup>9</sup>. Especially in urban areas, there are a number of Civil Society Organizations that could provide production channels for Voice and empowerment. These include CBOs/NGOs, commercial and trade groups, and professional societies.
- Womens' needs and inputs are poorly reflected in community planning processes.
- The same observation applies to traditionally marginalized groups like pastoralists and youth

Recent studies have confirmed and extended these observations:

- A 2004 study of GE progress reported that although there have been significant improvements. The empowerment exercise is confronted by a plethora of drawbacks with respect to inadequate resources, the availability of skilled manpower and management, as well technical competence. Moreover, bringing about far-reaching changes associated with local and grassroots empowerment, as in the case of Ethiopia, is time-consuming and limited.<sup>10</sup>
- According to the most recent survey, newly empowered local units of government, as well as representatives of grassroots communities, are limited in discretionary expenditure decisions. This has resulted from budget guidelines required by regional authorities. In the worst cases, the woredas do not plan their budgets. Instead, they wait for the release of disbursements. There is a need for improved woreda budget planning capabilities, as well as closer adherence to Block Grant principles by regional officials.

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<sup>7</sup> Kuray, Bryan, and R. Alsop. Empowerment in Ethiopia: Issues and Options. 2005.

<sup>8</sup> Tegegne and Kassahun. The Role of Decentralized Governance... 2004.

<sup>9</sup> Ministry of Capacity Building, GOE. Civil Society Organizations Capacity Building Program Design. July 2004.

<sup>10</sup> Kurey, Bryan, and Ruth Alsop. Empowerment in Ethiopia: A Status Review. 2004.

- The survey also uncovered problems relating to the loan/grant portion of budgeted revenue, attributed to lack of awareness on the part of the woredas.
- A reasonable level of consultation was recorded between the woredas and communities in the surveyed samples, on such issues as: strategic plans, budgets, and changes in service delivery. Clearly, quality consultations without some discretion in the use of resources constrains undermines Citizens' Voice.<sup>11</sup>
- Another 2004 study argues that the new empowerment reforms have brought about numerous improvements, such as an increase in imaginative and feasible planning, a modest gain in the quantity and quality of service delivery, and greater efficiency with respect to expenditures. And indeed, some decentralized areas have begun to see progress despite multiple challenges.<sup>12</sup>

In sum, decentralization has thus far set GE in motion; however, the improvements thus far have only been minor in both government and community behaviour. There appears to be a considerable time and distance to go before GE and the resulting Citizens' Voice can be fully institutionalized.

### **3.2 Bottom-up Planning in the Woredas**

Governments have formally begun the process of inserting Citizens' Voice into their planning processes. Woreda governments use new bottom-up guidelines for GE planning and budgeting processes throughout the kebeles, sub-kebeles, woreda cabinets and councils.

Progress is evidenced in two comparative studies conducted in 2002 and 2004:

- At the beginning of the woreda decentralization processes in 2002, the World Bank Woreda Studies noted the exclusion of communities from participating in planning and budgeting processes. The study further showed that priorities were subordinated to national and regional sectoral plans, and had diminished the effectiveness of citizens' agency. It stated, "no indicative budget is taken into discussions with communities, which are in effect asked to list their wishes rather than determine their priorities. The reconciliation of such wishes with the woreda budgets takes place far from the frontline."<sup>13</sup>
- The more recent 2004 study found that, on the basis of the indicative guidelines provided by the woreda governments, kebeles prepare plans in consultation with sub-kebeles and government teams, the outcomes of which are consolidated kebele plans. Budgeted activities to be undertaken in a given fiscal year specify the amount to be covered through government allocations and community contributions (finance, labour, material). Kebele cabinets and councils approve these plans and budgets. Woreda cabinets and councils finally decide on these by considering the availability of budget, and often according primacy to national and

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<sup>11</sup> MOFED. *Woreda City Government Benchmarking Survey*. Part II, Draft Report, June 2005.

<sup>12</sup> Kassahun and Tegegn. *Citizen Participation*. Kurey, B., and R. Alsop, 2004.

<sup>13</sup> Ibid.

regional priorities. What is important to note, here, is that citizens are starting to give voice to their needs and preferences, and are being heard.<sup>14</sup>

The extent to which these bottom-up plans are actually implemented when confronted by the limited resources available and the imposition of regional-based priorities is not clear. In 2004, Tegegne *et al* discovered that various attempts at “transforming citizen empowerment” were not yet effective;<sup>15</sup> and further that the prevalent state of CSOs, their role in resource management, as well as their influence on policy-making and program formulation were not effective.<sup>16</sup>

Aside from formal government initiatives, it is important to recall that there have almost always been modes of GE priority-setting (Voice) in Ethiopia, through traditional and self-help community committees. These include Parent–Teacher Associations/Kebele Education and Training Boards, Water and Irrigation Groups, Health Teams, Social Courts, Cooperative Societies, etc. Thus, a fundamental interface between local government and Civil Society Organizations is there, to be built upon. Since the build-up of the woreda governments, these traditional committees have begun to be fortified by a limited degree of government technical expertise at the disposal of woreda sector offices.

### **3.3 Deployment of Civil Servants to Woreda Governments**

One of the most important assumptions regarding devolution was that new cadres of professionals serving at the woreda level would bolster coordination and technical assistance delivery at the grassroots. Shortage of skilled manpower at the lower levels is rightly viewed as the “greatest challenge in institutionalizing a functioning decentralized system of woreda government in Ethiopia.”<sup>17</sup>

As yet, regional staff decentralization and local government hiring does not appear to have met that challenge. A study of sample woredas in the four development regions found that:<sup>18</sup>

- First, the aggregate numbers of staff deployed was less than required to implement the mandate of woreda sector offices.
- Budgetary constraints are one of the main reasons for the shortfall in required and qualified staff.
- When the budget is available, there is often a shortage of appropriate candidates, especially for more technical posts.
- When both budget and qualified candidates are available, candidates are not attracted to such posts because of low pay-scales and poor incentive packages.

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<sup>14</sup> Ibid.

<sup>15</sup> Tegegne, Assefa, Kassahun, and Meheret. Monitoring Progress Towards Good Governance in Ethiopia. 2004.

<sup>16</sup> Ibid.

<sup>17</sup> Meheret, Ayenew. Decentralization in Ethiopia: Two Case Studies... 2002.

<sup>18</sup> Kassahun and Tegegne, Citizen Participation... 2004.

- For existing civil servants, arbitrary intra and inter-departmental transfers are often a detraction.

Employee turnover is high as a result of better paying positions in other organizations and locations.<sup>19</sup> The Joint Budget Support Mission also noted that turnover and attrition are major issues affecting qualified staff in Ethiopia.<sup>20</sup>

As a result of these problems, local governments continue relying on the zones, and regions, which still command the services of a limited numbers of experts.<sup>21</sup>

Furthermore, it is argued that capacity at the woreda-level will remain weak for some time, given the limited supply of trained and capable human resources nationally, versus the likely demand level as the woreda decentralization program is rolled-out.<sup>22</sup>

Operational budgetary constraints also contribute towards diminished capacity. In the four-region woreda study, many of the woreda sector offices, particularly requiring frequent field visits, are not provided with adequate office supplies or logistical support.

Institutional instability caused by frequent changes in organizational structures is also another factor that negatively affects personnel as they find themselves working for agencies or jobs for which they are not properly qualified. A case in point relates to the separation, remerging, and re-separation of sector offices like those dealing with agriculture, natural resource management, and environmental protection.<sup>23</sup>

Notwithstanding the above, however, it appears that relative improvements in terms of enhanced capacity and institutional development at local levels are taking shape.

### **3.4 Allocation of Regional Resources to Woreda Governments – Block Grants**

As noted, through the Block Grant allocation system adopted by the regional states, local government budgets have been fully transferred to the woreda level. Lower level kebeles and sub-kebele units do not have regional resources allocated specifically to them. Rather, woredas sub-divide their Grant allocations into kebele and sub-kebele budgets.

Most Finance and Economic Development Offices in the woredas still prepare aggregate budgets on a sectoral basis. However, some sector bureaus in the ANRS have attempted to adopt community-based budgeting approaches through the bottom-up planning processes noted above.

As well, a “seed-money” strategy is being used to “multiply” the small amounts of budgetary funding available with local resources. Various community committees provide skills, labour,

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<sup>19</sup> Ibid.

<sup>20</sup> Akalu, Paulos. Study on Community-Driven Approaches in Ethiopia. October, 2005.

<sup>21</sup> Joint Budget Support Mission. Aide Memoire. April, 2005.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

materials and sometimes small amounts of money that are matched by equipment, materials and technical assistance through the Block Grants (i.e. school and clinic building are often constructed using this participatory approach). In this way, the community and its various committees are said to be gaining ever-increasing Voice in the use of both the woredas' and their own resources.

It has also been noted that communities exercise Voice with respect to resource allocation through their elected representatives in the Woreda Council, who, in turn, approve the final budget. These elected individuals often represent community interest groups, such as farmers, women, youth, and teacher groups. In addition, council meetings often include non-elected representatives of farmers, youth, women, etc. who are invited to participate in council discussions, particularly regarding budgets.

However, despite these positive measures, the budget decentralization process has not yet brought about the level citizens' participation hoped:

- This is in part because the process is only just beginning. The council members and the non-elected representatives have a limited understanding of budgeting. To compound matters, the budget hearing sessions are brief and further impede the meaningful participation of citizens.
- Decentralization of personnel is accompanied by decentralization of the costs associated with organizing, supporting and maintaining that staff.
- Thus the woredas' funds are still very limited and they cannot channel much needed resources to their communities. The bulk of the revenue obtained from Block Grants (estimated at least 90 per cent) is used primarily to cover salaries of civil servants (such as teachers) and other recurrent costs.
- Very little money remains to be allocated for capital expenditures.<sup>24</sup> This situation severely restricts bottom-up planning and budgeting and often undermines the credibility of local government.
- Although attempts have been made to inform citizens of funding policies through the *Negarete Gazette* (the medium for issuing proclamations), limited literacy and numeracy prevent many from understanding the issues and participating in council discussions around budgets. As a result of their limited capacity, resource allocation and the final budget preparation are expected to remain in the hands of the woreda sector offices until the communities are able to participate effectively in such initiatives.
- Finally, on a positive note, significant resources have been flowing to communities through NGOs and/or various community credit and saving schemes for community development. These organizations are improving the capacity of citizens and encouraging them to play a major role in resource allocation.

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<sup>24</sup> Muir, Ann. Action Learning for Improved Service Delivery... January-February 2005.

### **3.5 Special Groups**

Attempts are being made to involve historically disenfranchised groups such as women, youth, and pastoralists in the planning and budgeting process by inviting their representatives to woreda council meetings. These representatives are also included in relevant evaluation conferences and meetings. In past elections, women and youth representatives were also nominated by the ruling party and won representation on woreda councils.

To the extent that resources permit, efforts are being made to attend to the needs of the elderly, orphaned, disabled, and unemployed.

However, in terms of mainstreaming their interests and needs, and truly giving them Voice, these traditionally marginalized groups are severely limited at the grassroots level.

- Their inputs are seldom sought and their needs are poorly reflected in community planning processes.
- They have little or no information regarding their legal rights, new policies and programs meant to benefit them.

## **PART FOUR: ACCOUNTABILITY**

## 4.0 ACCOUNTABILITY

Article 8 of the Constitution affirms that sovereignty resides in Ethiopians who exercise this power through their elected representatives. Citizens are also legally empowered to recall their elected representatives if the latter's behaviours and actions are contrary to their responsibilities and mandates.<sup>25</sup>

### 4.1 Woreda Accountability

The Woreda government has two layers of accountability that are key elements of Grassroots Empowerment: Representative Accountability and Administrative/Service Delivery Accountability:

- i) *Representative Accountability* refers to woreda councils and cabinet members, who are constituted following periodic elections. These representatives are accountable to their constituencies, and citizens at the grassroots in specific geographically delimited areas.
- ii) *Administrative/Service Delivery Accountability* refers mainly to woreda-sector officers (health, education, agriculture, etc), and their outreach branches at the kebele-level who are not elected. Rather, they are professional "line" civil servants through whom government services are provided to the grassroots. These outreach branches are comprised of non-elected civil servants who provide government services at the grassroots level.

Through the national and regional constitutions, both these bodies are legally responsible to the their grassroots constituencies -- council members for representing the interests of the communities that elected them, and the administration for efficiently and effectively delivering and maintaining the quality of social, economic and infrastructure services that the community requires.

However, in most woredas, there is a blurring of the distinction between the elected and appointed personnel. As well, woreda administrations are a combination of elected and appointed employees who run the various sector offices. Many of the appointment employees have resulted from the decentralization of public servants to woreda governments, whereas the employment of elected representatives to administrative positions is necessitated by the need to use the best available skills in the woredas.<sup>26</sup>

This blurring of the line between elected and appointed administrative personnel is but one of the complexities confronting grassroots accountability. (In other governmental models, there is a clear distinction and division of accountabilities; the administration is accountable directly to the elected body, whose representatives are then accountable to their constituents). Since the woreda

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<sup>25</sup> FDRE. The Constitution of FDRE. 1995.

<sup>26</sup> Kassahun and Tegegne. Citizen Participation.... 2004.

councils formally approve the appointments of their civil service officials, indirect accountability of the administration to the grassroots is implied.

A second area of accountability complexity results from the existence of the kebele-level of government. Several kebeles (and where they exist, the sub-kebeles) constitute a woreda. Kebeles are administrative and representative extensions of the formal governmental hierarchy in the grassroots communities. In effect, they compete for woreda resources, further complicating the division of woreda government accountability/responsibility dimension.

A third area of complexity concerns administrative hierarchies. Woreda officials are subordinate to regional administrations. This results in a “dual accountability” between the higher tiers of government and the grassroots constituencies.<sup>27</sup>

Finally, elected woreda representatives also confront multiple accountabilities. As one study for the Public Sector Capacity Building Program (PSCAP) states, “an elected politician may have simultaneous responsibilities to render account to his political superiors, his cabinet colleagues, and his constituents....”<sup>28</sup>

Thus far, research has uncovered no clear administrative or representative accountability models (although the planning process outlined earlier has the rudiments of such a model imbedded in its structure). Several works that have highlighted the challenges surrounding accountability are worth noting:

- According to a recent study, the majority of respondents among surveyed households and members of an expert panel felt that Civil Society Organizations, like grassroots structures of government, have little or no influence over the formation of government policies and programs.<sup>29</sup>
- A 2004 assessment concluded that governance in Ethiopia remains deeply rooted in a political culture that emphasizes hierarchical decision-making processes.<sup>30</sup> This makes it difficult to change entrenched norms and practices.
- As well, despite several well-intended efforts aimed at promoting empowerment and accountability, some issues continue to undermine prospects for an increased level of locally responsive decision-making.<sup>31</sup> In light of these challenges, “there is a need to improve the capacities of kebele councils and bureaus to build citizen inputs into kebele plans sent to woredas, and advocate for locally appropriate priorities.” Successful realization of this goal could add leverage to grassroots actors and institutions in their bid to hold woreda governments accountable to their constituencies.<sup>32</sup>

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<sup>27</sup> Meheret, Ayenew. Decentralization in Ethiopia: Two Case Studies... 2002.

<sup>28</sup> Vaughan, Sarah. Ethiopia: Public Sector Capacity Building Program (PSCAP), May 2004.

<sup>29</sup> Tegegne, Assefa, Kassahun, and Meheret. Monitoring Progress Towards Good Governance in Ethiopia. 2004.

<sup>30</sup> Kurey, Bryan, and Ruth Alsop. Empowerment in Ethiopia Status Review. 2004.

<sup>31</sup> Ibid.

<sup>32</sup> Ibid.

- The transparency of the woreda institutions is one of the most critical aspects of democratized decentralization and a yardstick by which accountability to citizens and stakeholders is measured. While there is an increase in the public's access to requested documents in the study regions, a number of questions relating to public awareness, the whereabouts of records, and the accessibility of documents for public scrutiny remains.<sup>33</sup>

However, measures aimed at placing accountability on a firmer basis are underway. One of the main objectives of the Civil Service Reform Program is to create mechanisms for entrenching democracy, accountability, and transparency.<sup>34</sup>

Building accountability systems should be viewed as a long-term process that involves gradual and steady progress in awareness, resource availability, institution building, as well as administrative and managerial competencies at all levels.

Despite the above challenges however, accountability mechanisms are not entirely absent from government. For instance, the public periodically and formally assesses the performance of woreda officials and officers through a series of evaluation/assessment sessions (“Gimgams”) throughout the year.

Also, formal grievance-processing mechanisms have been instituted. These include the various grievance-handling tribunals that were established in several sectors and at all levels of government. Through such mechanisms, citizens can further hold woreda administrative officers and elected representatives accountable.

## 4.2 Representative Accountability

Overall, increased political liberalization has broadened the arena of social inclusiveness, and thereby improved political representation and participation.<sup>35</sup> Nevertheless, representational accountability still needs considerable strengthening and evolution at all levels of government.<sup>36</sup>

A 2004 assessment of empowerment in Ethiopia found that citizens have been excluded from the reform process over the past decade.<sup>37</sup> Lack of opportunity and capacity continues to inhibit possibilities for ensuring representative accountability.

The status review also asserted that capacity and resource constraints, as well as poor incentives, restrain elected (and bureaucratic) bodies at all levels from meaningful engagement with citizens. As was the case in the past, local officials continue to look upward to central and higher authorities regarding loyalty and accountability rather than toward the constituencies they serve and represent.<sup>38</sup>

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<sup>33</sup> MOFED, GoE. Woreda City-Government Benchmarking Study. 2005.

<sup>34</sup> Ministry of Capacity Building GoE. National Capacity Building Plan, 2003/04-2007/08. 2003.

<sup>35</sup> Tegegne, Assefa, Kassahun, and Meheret. Monitoring Process...2004.

<sup>36</sup> Ibid.

<sup>37</sup> Kurey, Bryan, and Ruth Alsop. Empowerment in Ethiopia: Status Review. 2004.

<sup>38</sup> Ibid.

An earlier World Bank document on woredas confirmed these findings, stating that historical legacy and political culture are reasons why elected bodies operate in this hierarchical manner.<sup>39</sup>

Another recent study<sup>40</sup> stated that under-resourcing of local governments renders them ineffective in responding to the needs and demands of local communities, thereby impinging on representative accountability.

A number of suggestions in terms of how to bolster accountability emerged from these studies, such as:

- Enhance the interface between the kebele and woreda councils as well as between the two councils and citizens -- this could strengthen representative accountability.
- Improve the state of representative accountability. This includes strengthening the capacity of the kebele councils and sector units, as well as building mechanisms through which citizen input is incorporated into kebele plans.
- Prioritize local needs at the woreda level. The inability of the woreda governments and sector officials to deploy the required number of their staff to grassroots institutions and actors must also be rectified.

In relation to the enhancement of accountability, there are two prevailing representative accountability mechanisms in the two visited regions;

- As previously mentioned, “Gimgams” are periodically used to assess the performance of elected council members. At these formal gatherings, woreda council members are said to conduct self-assessments and are also subject to public grassroots assessment. However, since the decentralization of authority to the woredas, it is unclear how frequent and effective this mechanism is today.
- As attested by the recent elections, “the ballot box” also provides opportunities for the grassroots actors to assess and voice opinions regarding the performance of elected representatives. There are local elections slated for the coming year and a number of reform recommendations that emerged from this year’s national elections could improve the quality of future local elections. These reforms could also offer special opportunities for woreda and kebele governments to improve electoral representative accountability mechanisms.

#### **4.3 Service Providers’ Accountability**

In reviewing service providers’ accountability as a measurement of GE, it is important to reiterate that due to the constrained resources within the woredas and their communities, services provision is often a joint undertaking between the government and its constituents. Usually, bureaus provide technical assistance and limited capital for materials and tools. Community

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<sup>39</sup> World Bank. *Ethiopia: The Woreda Studies*. Vol. I. 2002.

<sup>40</sup> Pratt, Brian, and Lucy Earle. *Study on Effective Empowerment of Citizens in Ethiopia*. July 2004.

committees then balance this with time, labour, skills and some materials. This combined effort often results in the construction and maintenance of schools, clinics, roads, wells and irrigations systems, as well as development in the areas of training, education, cooperative management and health services. Thus, service providers' accountability to CBOs can involve a complex set of relationships.

Field observations in Amhara and Tigray suggest that Block Grants, together with the decentralization of technical bureau staff, have resulted in an emerging "new environment" in the delivery of services through the woreda governments. Parallel to this, the Civil Service Reform Program (CSRP) has adopted traditional accountability mechanisms and sought to create new means by which service users can hold public service providers accountable. These instruments include the following:

- Use of the traditional assessment/evaluation "Gingams" discussed earlier. In one instance field reviewers, using the feedback obtained by such an assessment, dismissed a woreda cabinet member, policeman, health officer and several teachers.
- Use of suggestion boxes to air grievances, establish focal points and simplify procedures.
- Conduct of periodic client opinion satisfaction surveys or "report cards" as a way to improve services.
- Use of service providers (like the Education Bureau) full-time inspectors and local Parent-Teacher Associations (PTAs) to ensure client satisfaction.
- Increasing the number of channels to refer grievances directly to higher authorities.
- Employing social and municipal courts as well as community policing to help in specific areas of the community.
- Increased consultations with CBOs and other civic organizations who, in turn, voice the views of their members.

Besides these mechanisms, the bottom-up planning and budgeting processes discussed earlier sets targets to hold service providers accountable. There have also been modest attempts to establish standards with respect to the quality and quantity of services.

In order to ensure a more effective use of these mechanisms, capacity-building programs have also been instituted; for example:

- Through a series of conferences, meetings, and/or workshops, citizens have been made aware of their rights in essential services.
- Government bodies have also provided relevant training and reference materials around the area of rights and obligations to community leaders.

As a result of these initiatives, the accountability of government representatives and officers is said to be gradually increasing.

However, it is far too early in the implementation of GE to expect these accountability mechanisms to have been widely utilized. Since the beginning of the woreda government strengthening, a plethora of studies have noted the problems associated with service delivery and its accountability to the grassroots. A selection of commentary from these include:

- Though the legal basis for empowerment of service users is in place, there is still a long way to go before this objective becomes a reality. Moreover, important services often suffer from a mismatch of supply and demand, as well as a shortage of facilities, which further weakens delivery and accountability.<sup>41</sup>
- In addition to discovering the vulnerability of government service delivery, a 2002 survey conducted by the Institute of Educational Research (IER) of Addis Ababa University stated that accountability of service providers is affected by the lack of information on how and where to lodge complaints, the absence of institutional mechanisms for redress, the disillusionment regarding the effectiveness of the national integrity system, the fear of retribution by perpetrators, and the absence of legal protection for whistleblowers.<sup>42</sup>
- The decentralization of service providers results in a closer oversight by communities, and may be a means of reducing such abuses.<sup>43</sup> However, the fact that local governments lack the necessary capacity to induce participatory processes could undermine accountability in all respects, including service delivery. Many service providers are also understaffed, poorly funded, and disorganized.<sup>44</sup>
- As well, grassroots communities and citizens' associations are often unaware of the particulars of the on-going decentralization process. Moreover, grassroots associations and formally established committees (i.e. PTAs/School Management Committees-SMCs), health teams, water user groups, social courts) have no working relations among themselves and are not networked to each other. This weakens the prospects of service provider accountability.<sup>45</sup>
- The Woreda-City Bench Marking Survey stated that consultations with grassroots communities with respect to planning and service delivery frequently take place in the surveyed regions. While this is commendable at least in terms of discovering community preferences and priorities, it is not a substitute for “genuine” empowerment marked by an acceptable degree of accountability.<sup>46</sup>

These aforementioned drawbacks need to be addressed in order to ensure service provider accountability and to make mechanisms of service delivery equitable, effective, and efficient. It is

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<sup>41</sup> Tegegn, Assefa, Kassahun, and Meheret. Mentioning Progress... 2004.

<sup>42</sup> IER, AAU. Corruption Survey in Ethiopia. 2002.

<sup>43</sup> Kassahun and Tegegne. Citizen Participation... 2004.

<sup>44</sup> Ibid.

<sup>45</sup> Ibid.

<sup>46</sup> MOFED, GoE. Woreda-City Government Benchmarking Study. 2005.

suggested that the current shortcomings be ameliorated by taking a variety of measures. These including active participation in planning and budgeting processes, introducing a system of service delivery report cards, and ensuring the informed involvement and legitimate representation of civil society organizations in policy making processes.<sup>47</sup>

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<sup>47</sup> Muir, Ann. Action Learning for Improved Service Delivery and Local Governance in Ethiopia: Scoping Exercise. January-February 2005.

## PART FIVE: RECENT GOVERNMENT ACTIONS/INTENTIONS

## 5.0 RECENT GOVERNMENT ACTIONS/INTENTIONS

The possible GE repercussions of the recent federal elections are not within the purview of the initial GER TORs. However, subsequent discussion on GER Phase I agreed that some attention should be given to this topic, if for no other reason that it could alert the IGR to pending GE impact and inform Phase II activities.

As a consequence of the 2005 National Election results, the Government conducted extensive consultations with various strata of the population. Also, according to speeches made by the Prime Minister -- including one during the second meeting of the new parliament -- the House of Peoples' Representatives, supporters and adversaries, alike, voiced concerns about the efficiency and effectiveness with which government policies are being implemented. In addition, during a recent parliamentary meeting, the PM was quoted as follows; "we have problems with implementation and good governance, and this should be addressed. Our people have provided us with constructive criticism and we will be working very diligently to address these criticisms."

This positive reaction towards public opinion is, in itself, an example of the commitment to empowerment at the highest level. Moreover, it appears to have gone beyond rhetoric, as action has already begun in some areas and intent has been announced in others.

Amongst those already acted upon, and central to GE, are changes to ameliorate grievances in the areas of taxation, education, periodic salary increments, deployment of civil servants to the woreda levels and some rural development practices.

The Government has also indicated its intention to upgrade the capacity of the National Election Board. It is felt that constructive criticism of the recent electoral practices will result in improvements prior to upcoming local elections.

In order to facilitate more effective communication between the public and the Government, the public media is likely to be targeted for transformation.

The on-going capacity-building effort of local-level administrations is said to be targeted for added reinforcement, together with a further deepening of the government's decentralization process and the empowerment of the citizenry.

These changes have the objective of increasing the government's understanding and facilitate its ability to act more effectively on legitimate public grievances. Such actions could significantly fortify empowerment initiatives at the grassroots level.

## **PART SIX: CONCLUSIONS**

## 6.0 CONCLUSIONS

*Part Six synthesizes the main points of Phase I of the Grassroots Empowerment Review in a more concise and narrative format. The reader is reminded that the results presented here should be taken as indicative until more fully explored and confirmed in the Phase II GER.*

### 6.1 Entrenching Grassroots Empowerment Concepts and Programs

The Grassroots Empowerment Review presented here is largely based upon the results of the devolution of governmental powers, functions and resources to local woreda governments and their constituent kebele and sub-kebele units.

Parties to the GE transformation process recognize that decentralization and capacitation of government and governance in the service of Grassroots Empowerment is an ambitious, complex and long-term undertaking. This Review looks at the first steps in the GE process -- primarily the progress over the past two and a half years.

The political will for Grassroots Empowerment exists and the necessary government policies are in place. Government officials and functionaries at all levels are aware of GE and its importance, given its role in the Nation's planning for sustainable development. Steps have also been taken towards enhancing the capacities of the woreda-level public institutions.

Despite the short period that has lapsed between the commencement of the woreda decentralization process in 2002 and the present, progress has been noted in a number of key areas. In the regions reviewed, indications are that: (i) woreda governments have increased in scale and some capacities; (ii) have limited but increased discretionary funds and; (iii) increasingly both the bureaucratic and elected representative consult grassroots communities in matters that affect their lives.

The Government's policy of decentralization of political and administrative power is well understood and appreciated among officials and/or officers of the regional states. Concrete steps toward its implementation or realization have been taken. These steps include: (i) revision of the regional constitutions, (ii) reorganization of staff in public institutions at the regional and woreda levels, (iii) redeployment and recruitment of staff for the woreda governments, (iv) articulation of organizational duties and authority, (v) the adoption of appropriate rules and procedures, and (vi) the allocation of Block Grants to the woredas.

However, for a number of reasons, the employment and deployment of experts and other qualified public service staff to the woreda governments has not yet achieved the impacts envisioned. Principle amongst the reasons cited were: lack of adequate numbers of staff to be redeployed, an overabundance of service versus technical personnel, reluctance of those assigned

to serve at local levels to assume their jobs, as well as lack of incentives and availability of more lucrative alternatives.

The Review found that the woreda governments' utilization of this devolved authority/responsibility and the resources to bring about Grassroots Empowerment faces challenges. These include: (i) limited time since the power, personnel and funding decentralization process commenced, (ii) inadequate resources, both financial and human, (iii) narrow understanding of the meaning and scope of Grassroots Empowerment, and therefore (iv) reliance on the traditional modes for structuring relations with communities such as: hierarchical and command-based bureaucratic behaviour, traditional labour-force mobilization practices, and unquestioned political representation through elected council members.

Thus, despite progress in government/governance, citizen consultation and exchange, the give-and-take of "real" GE planning, budgeting and performance accountability has only begun; and the more formal mechanisms for this transformation need considerable and consistent evolution.

## **6.2 Citizens' Voice as a Factor of Empowerment**

Given the short period of GE implementation, governments have tended to continue their traditional, hierarchical and "command" behaviours both internally and in their relations with communities. This behaviour constrains reciprocal engagement with the community in terms of needs identification, priority setting, planning and budgeting, as well as community oversight of government performance, as is envisioned in "true" GE.

Nonetheless, progress has and is being made. Communities are increasingly consulted on various issues relating to their needs and priorities through formal and informal meetings.

A recent sample in the four regions found that the woreda governments are using indicative guidelines for GE planning and budgeting processes. Kebele-level planning is undertaken by government teams ("menegestawi buden"). Through community consultations at sub-kebele and kebele levels, priorities are established and activities are proposed for inclusion in kebele plans, and formal approval by kebele cabinets and councils. However, regional priorities were said to persist and tend to dictate how resources are used. To the extent that these are congruent with expressed community needs, they are accommodated in woreda plans.

Limited capacity at the community level is said to be another impediment to more effective empowerment interchange between communities and the woreda governments. Some weaknesses observed on the community side of Citizens' Voice include "the low skill levels of many of the individuals acting as leaders of the emerging community associations, lack of information on pertinent matters, inexperience, and lack of confidence in making claims and demands."<sup>48</sup> Despite these limitations however, Citizens' Voice and participation is said to be improving due to the increased capacity of the woreda sectoral offices and limited increases in technical personnel.

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<sup>48</sup> Ibid.

It should also be noted that citizens still participate effectively through their traditional modes – community-based committees. For example, community committees of one form or another have been a part of Ethiopian life -- especially rural life -- throughout history. Committees have provided a means for communities to supply themselves with essential services ranging from justice to water. These include such groups as PTAs/KETBs, Water User and Irrigation Groups, Health Teams, Social Courts, and Cooperative Societies. In most locations, these committees continue to contribute labour, material -- and, at times -- funds for development activities. They are important ingredients in the Nation’s civil society mélange, and they will continue to be so, offering a potential community-side component to any emerging accountability framework. It is suggested that the planned Civil Society Capacity Building Program (CSCBP) will, in addition to other attributes, strengthen the oversight and accountability functions of these groups.<sup>49</sup>

### **6.3 Block Grant as a Factor of Empowerment**

A recent study conducted in the sample woredas of the four major regions revealed that the Block Grant system was enabling a number of funding-related improvements. It gave the woreda governments considerable power to manage their own financial affairs. The woreda governments are now responsible for budgetary planning and expenditure management responsibilities, including capital projects in accordance with their own development plans.

In addition to increased amounts made available directly to the woredas, Grant –related fiscal flexibility is supporting: regular payment of salaries, some increased resources to employ required staff, adjustments between budget lines to changes in resource needs, and modest remuneration for kebele officials who spend time in managing community affairs.<sup>50</sup> Thus, due to the Block Grant system, local governments enjoy an elevated financial autonomy that impacts their planning capacity, service delivery and manpower in a corresponding manner.

Despite improvements, the woreda revenues that originate from the Block Grant transfers and local sources are still well below the projected costs of planned activities. Most of the revenue from the Grants (estimated at least 90 per cent) and local sources is used to cover recurrent costs thereby leaving little room for capital expenditures.<sup>51</sup> The remaining per cent of transfers (10 per cent or less) is said to be mostly used for priorities established by higher governments, leaving very little -- except small amounts of money and other locally-raised resources -- to be used for community-identified priorities. This severely restricts bottom-up planning and budgeting and reduces the credibility of local governments.

### **6.4 Redeployment of Civil Servants as a Factor of Empowerment**

The shortage of skilled and experienced personnel at the lower government levels is rightly viewed as the “greatest challenge in institutionalizing a functioning decentralized system of woreda government in Ethiopia.”<sup>52</sup> Thus, the redeployment of trained and experienced

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<sup>49</sup> Clark, Jeffrey *et al.* Review of the Environment for Civic... 2004.

<sup>50</sup> Kassahun and Tegegne. Citizen Participation... 2004.

<sup>51</sup> Muir, Ann. Action Learning for Improved Service Delivery... January-February 2005.

<sup>52</sup> Meheret, Ayenew. Decentralization in Ethiopia: Two Case Studies... 2002.

manpower to serve in the woreda sector offices was and is viewed as essential to bolster outreach capacity, and a key ingredient in the GE process.

Nevertheless, despite redeployment efforts, the reinforcement of woreda governments remains problematic. A woreda sample study<sup>53</sup> of the four regions found that there were numerous obstacles to overcome. First, budgetary constraints prevent the woredas from employing the required number of qualified staff. Second, it is often difficult to find appropriate candidates. Third, potential recruits often reject working in the woredas due to low pay and the absence of incentive packages. Fourth, staff are often arbitrarily transferred between departments based on parity of salaries as opposed to their skills and technical appropriateness for positions. Fifth, staff turnover is high, as employees often seek more lucrative positions in other organizations and/or localities.<sup>54</sup> The Joint Budget Support Mission<sup>55</sup> also confirmed that turnover and attrition are major issues affecting qualified staff in Ethiopia.

As a result of these difficulties, the woreda governments are often left with no other option than to continue their traditional reliance on the zones and regions to supply experts.<sup>56</sup> In sum, redeployment is not yet having the desired effect.

## **6.5 Accountability as a Factor in Empowerment**

Legally, woreda officials and elected representatives serving at the local level are accountable to their grassroots constituencies. However, at this juncture in the GE process, given the combined dearth of funds and human resources at the woreda level, it is understandable that limited progress has been made in the development of accountability instruments. Nor did the Reviewers encounter any well-articulated strategies or models of how empowerment could or should be built at the woreda level.

However, it must be recognized that elements of accountability have traditionally existed at the grassroots and others are emerging from enlarged woreda responsibilities. These may provide the foundation for more “updated” accountability instruments as they are developed; they include:

- “Gimgams,” which are said to also provide a platform for the citizenry to openly assess the performance of local government administrative and service providers, as well as for elected representatives
- A number of grievance mechanisms, which have been discussed, include: grievance focal points and committees, suggestion/criticism boxes, citizen satisfaction surveys and report cards
- CBOs and community groups who provide platforms for both planning services and for assessing government services provision

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<sup>53</sup> Kassahun and Tegegne. Citizen Participation... 2004.

<sup>54</sup> Ibid.

<sup>55</sup> Joint Budget Support Mission. Aide Memoire. April 2005.

<sup>56</sup> Ibid.

- The bottom-up planning and budgeting process, which is being implemented at local levels and could provide communities with a more formalized monitoring and assessment instrument

### **Representative Accountability**

Increased democratization of the Ethiopian political and electoral system -- combined with the devolution of power to the woreda governments -- provides the foundation for representative accountability of elected office holders to grassroots communities.

Increasingly, elected community representatives are becoming involved in different community committees and activity groups. Also, as one study observed, in many cases elected representatives are also employees of the fortified woreda and kebele government agencies.<sup>57</sup>

While no formal representative accountability mechanisms were observed, traditional accountability within communities continues. These include vocal commentary in community committees and council meetings, peer/social group pressure of those living in small rural communities and, of course, unseating representatives through nominations and voting processes.

These kinds of accountability pressures are said to be increasing with the democratization of government, as the recent elections attest. Electoral improvements prior to next year's scheduled local elections will offer special opportunities for the governments to improve electoral/representative accountability mechanisms.

### **Service Providers Accountability**

It has been argued that it is too early in the building of empowerment to expect progress in how communities and interest groups monitor and hold accountable the performance of government services and elected representatives. Thus far, the "new" woreda governments have been "consumed" with planning, budgeting, staffing, organizational and operational procedures.

Still, it must be recognized that the foundations for more prescribed and institutionalized forms of accountability are taking shape. In addition to the decentralization of power and resources, these forms include the planning processes and the participatory work of various community committees described above, as well as dialogues with other urban Civil Society Organizations (CSOs), such as trade and commerce groups described in the Woreda-City Benchmarking Survey.

Overall, the GE limitations of Block Grant and public servant deployment, accountability will continue to be defined by the limited capacity of woreda officials paralleled by limited leadership in the community.

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<sup>57</sup> Kassahun and Tegegne. Citizen Participation... 2004.

## 6.6 Capacity and Organizational Development as Factors of Empowerment

According to a 2004 study, organizational development and capacity building of local governments is limited. Lack of well-considered and appropriately designed training schemes prevents woreda employees from upgrading their skills, and on-the-job training is usually limited to relatively short seminars and workshops. Often such exercises lack focus and are not tailored to the participants' needs or areas of expertise.<sup>58</sup>

Small budgets limit woreda outreach and the ability of government experts to help build the capacity of grassroots organizations. The afore mentioned study revealed that many woreda sector offices lack logistics and transportation facilities, in addition to sufficient resources for travel per diems.<sup>59</sup>

At the same time, institutional instability, caused by frequent changes in organizational structures, impinges on institutional capacity and development. This is characterized by overlapping mandates and responsibilities of agencies, as well as frequent changes in mandates. A case in point relates to the separation, remerging, and re-separation of sector offices such as those dealing with agriculture, natural resource management, and environmental protection.<sup>60</sup> Even though some changes are warranted, arbitrary and impulsive organizational decisions have resulted in confusion, discontinuity in programming and loss of institutional memory.

These issues aside, however, relative improvements in terms of enhanced organizational capacity and institutional stability are taking shape following the woreda decentralization scheme. As the government's Public Sector Capacity Building Program (PSCAP) builds momentum, it is expected that the public service will be considerably reinforced. Specifically, the capabilities of administrative and technical personnel available to woreda governments will increase. As well, woreda-level institutions will be further rationalized and thereby the scope for improved GE will be gradually but markedly improved.

## 6.7 Strategy and planning as Factors of Empowerment

A comparison of a pre-woreda devolution study with a more recent one, suggests that the involvement of local and grassroots units has improved. According to the World Bank Woreda Studies conducted in 2002,<sup>61</sup> the sample woredas used a predominantly top-down planning approach. In this approach, the inputs of communities and elected officials were subordinated to sector-based planning, in which regional and zonal bureau staff dominated.<sup>62</sup>

In contrast, the more recent 2004 study found that sample woreda plans were fed by kebele and sub-kebele planning exercises -- a bottom up process designed to build plans from community articulated needs.<sup>63</sup>

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<sup>58</sup> Kassahun and Tegegne. Citizen Participation... 2004.

<sup>59</sup> Ibid

<sup>60</sup> Ibid.

<sup>61</sup> World Bank. Woreda Studies... 2002.

<sup>62</sup> Kurey, Bryan, and Ruth Alsop, Empowerment in Ethiopia Status Review. 2004.

<sup>63</sup> Ibid.

Nevertheless, the extent to which these bottom-up plans are actually implemented when confronted by the limited resources available and the imposition of region-based priorities is not yet clear.

## **6.8 Civil Society and Citizen Awareness as Factors of Empowerment**

It has been observed that the interface between citizens and government needs to be considerably developed. Although the bottom-up planning process described above is a major step in the right direction and while it opens channels of communication with communities, it is nonetheless a government-based instrument.

Thus far, the interface between non-governmental and community-based organizations, other civil society organizations and the government has not been clearly articulated. This interface is important because it is one of the key ways that communities can communicate their needs and concerns to government officials. Moreover, it is at this interface that government and representative accountability can be effectively organized and implemented.

Amongst the most frequently cited impediments to improve Government/CSO interface are: information gaps resulting from a combination of low literacy levels and indifference, poor awareness of legal rights despite significant efforts made to sensitize citizens with respect to their rights and duties, and as observed earlier, weak leadership.<sup>64</sup> Such gaps impede citizens from holding elected officials and bureaucracies accountable.<sup>65</sup> As a recent study suggests, communities need more time to internalize and understand these rights and responsibilities.<sup>66</sup>

Despite these obstacles, the building blocks of a much stronger civil society exist even at the humblest village level – specifically in the form of self-help community committees that partner with government in the provision of services. In many remote communities, these committees have been greatly strengthened and resourced through NGO channels. This includes many food-deficit communities and areas that have benefited from rural development programs of various sorts.

As well, it is expected that the recently instituted Civil Society Capacity Building Program will contribute to increased CBO organization and strength, and also foster effective GE processes.<sup>67</sup>

## **6.9 Recent Changes Resulting From Elections that impact Empowerment**

Despite the controversy surrounding the recent elections, intensive media campaigns and higher rates of popular participation in the electoral process have undoubtedly contributed to the awareness of citizens.

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<sup>64</sup> Akalu Paulos. Study on Community-Driven Approaches in Ethiopia. October 2004.

<sup>65</sup> Kurey, Bryan, and Ruth Alsop. Empowerment in Ethiopia Status Review. 2004.

<sup>66</sup> Pratt, Brian and Lucy Earle. Study on Effective Empowerment of Citizens in Ethiopia. July 2004.

<sup>67</sup> Clark, Jeffrey *et al.* Review of the Environment for Civic... 2004.

It is conjectured that government actions as a result of the recent elections could affect the speed, form and perhaps the substance of future GE initiatives. Current understanding is that these actions include:

- Rethinking the levels of resource distributions to rural areas
- Tax reductions
- Reconsideration and redeployment of decentralized staffing
- Agricultural policy reforms affecting farmers
- Changes in education policies

All of these, especially the first three, could affect the government's empowerment agenda in the near future.

### **6.10 GER Phase II**

In addition to adding breadth and depth to the Phase I study activities, it is suggested that Phase II further examine and report on GE changes based on the election-related changes mentioned above and provide recommendations designed to inform the activities of the SDPRP II.

## **APPENDICES**

## Appendix I: Initial Terms of Reference

### ETHIOPIA

#### INSTITUTIONAL GOVERNANCE REVIEW

##### **“Grassroots Empowerment”-- Review of Progress and Prospects - International and National Consultancies -**

#### **Introduction**

Since the early 1990s, Ethiopia has been in the process of transforming its basic institutions responsible for economic development and poverty reduction. The Government’s multi-phased strategy for deepening democratic decentralization has been integral to state transformation. The first phase of this strategy involved the creation of a federal state structure based on ethnic regional states responsible for a broad range of functions. Through a policy of “balanced regional progress” *inter alia* through the use of formula-driven block transfers and the redeployment of the majority of civil service staff, the Government sought to ensure the viability of regional states and their executives.<sup>68</sup> Notwithstanding the success of *regionalization*, public sector governance within Ethiopia’s regions continued to rely on inherited systems of administrative and fiscal hierarchy that provided user communities through decision-making or accountability.<sup>69</sup> However, there are other remaining challenges that include improving frontline service delivery in priority sectors.

In recognition of these constraints to service delivery and democracy, the Government launched a second phase of decentralization. This second phase is designed to shift decision-making closer to the people at the “grass roots level” and to improve the responsiveness of service delivery.<sup>70</sup> A series of far-reaching legal, fiscal and administrative measures were rapidly introduced in 2001 in the four most populous regions of the country (Amhara, Oromiya, SNNP, and Tigray) to empower the local government sphere — comprised of *woredas* and municipalities — to deliver the bulk of basic services in a responsive manner, as well as to promote democratization and local economic development. The primary fiscal instrument the regions used to ensure rapid decentralization of delivery responsibilities to the *woredas* was a formula-driven, equity-oriented Block Grant. Implemented for the first time in the 2001-2002 fiscal year, this untied transfer was expected to empower local authorities and their *kebeles* to make critical allocative decisions, and in the process, enhance the responsiveness of service delivery institutions and create downward accountability. In addition, regions reconstructed and streamline administrative arrangements, in some cases eliminating zones (the administrative

The challenges associated with this rapid transformation process are numerous. In addition to ensuring the short run stability of intergovernmental design, Ethiopia’s *Sustainable Development and Poverty Reduction Program* (SDPRP) sets forth a forward-looking agenda for supporting

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<sup>68</sup> World Bank. *Regionalization Study*. 2000.

<sup>69</sup> World Bank. *Woreda Studies*. 2001.

<sup>70</sup> Federal Democratic Republic of Ethiopia (FDRE). *Sustainable Development and Poverty Reduction Program* (SDPRP). August 2002. Ethiopia’s SDPRP is the country’s poverty reduction strategy.

democratic decentralization within regions. This institutional transformation agenda includes: clarifying and harmonizing the legal framework for the woredas and municipalities (including assignment of expenditure and revenue responsibilities), the continued innovation of sub-regional fiscal instruments such as transfers and other revenue sharing arrangements, the role and functional restructuring of regional bureaus as well as woredas and municipalities, the sequenced implementation of civil service (expenditure and personnel management) reforms across spheres of government, and the establishment of sectoral monitoring arrangements as part of the multi-sectoral fiscal system with regions. The democratic aspect of decentralization is a priority, specifically the ability of local communities and civil society to take advantage of new decision-making authority and to hold local executives accountable.

The Government has established a *Public Institutions Working Group* to monitor progress in achieving the institutional transformation objectives of the SDPRP. Specifically, the Thematic Group would review key elements of state transformation such as woreda and municipal decentralization, as well as civil service reforms. These reforms include: support benchmarking, public sector institutional performance at the federal, regional, and local levels; and strategies for sequencing public sector reforms and capacity building efforts. In addition to key federal institutions, Ethiopia's regional leadership favors the use of the SDPRP monitoring process and the use of lessons from the current phase of state transformation for improving service delivery and democratization.

As part of this larger process, a multi-year World Bank and multi-donor financed Institutional Governance Review (IGR)/Intergovernmental Fiduciary Assessment (IFA) is proposed to serve as an input to the Government's Annual Progress Report on the SDPRP. The IGR/IFA, coordinated by MOFED, has launched an annual intergovernmental fiscal management review mechanism that assesses the overall fiduciary risks associated with public expenditure reforms in Ethiopia. It also reviews the ongoing experience with decentralization, and assesses its progressive impact on service delivery and democratic empowerment. A series of Analytical and Advisory Activities (AAA) have been planned as critical inputs to the overall IGR/IFA report, including reviews of the legal framework for woredas and municipalities, the intergovernmental fiscal framework, expenditure management, and administrative and accountability systems.

A key issue for this year's IGR/IFA involves the degree to which decentralization is beginning to support grassroots empowerment in woredas and municipalities, and specifically, the actual mechanisms by which communities are able — under this newly decentralized system — to voice their preferences, hold government accountable, seek recourse and redress, and ultimately, be more centrally involved in shaping their own development.

### **Task Background**

An overriding priority of the SDPRP is to ensure that local communities—particularly the poor—are empowered to take full advantage of the opportunities that decentralization provides through participating, negotiating, influencing, controlling, and accountability of the woreda and municipal government representatives.<sup>71</sup> In regards to grassroots empowerment however, local communities and historically disenfranchised groups face a myriad of challenges. These include

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<sup>71</sup> World Bank. Empowerment Sourcebook. 2002.

(but are not limited to) influencing local government planning and budgeting processes, gaining access to critical information related to service delivery and local economic development (i.e. employment opportunities; pricing of various urban services, administrative procedures for procuring licenses, recourse and redress mechanisms), building coalitions around specific issues and concerns (i.e. access to water or other municipal services), and holding government officials accountable (i.e. through electoral processes, resource and redress mechanisms, and investigative media).

In meeting these challenges, several recent studies suggest that the residents of the woredas and municipalities have to contend with a variety of formal and informal constraints, such as basic nutritional deficiencies, exclusionary customs and practices, unequal gender relations, and lack of education.<sup>72</sup> Historical patterns of governance within kebeles can also affect citizens' abilities to build coalitions, federate community organizations, and ultimately, give expressions to new preferences and priorities, particularly of the poor. The democratic character of decentralization will likely depend on the mechanisms — both formal (i.e. administrative and electoral) and informal (i.e. other forms of association and federated organization) by which citizens within local jurisdictions organize to undertake collective action.

There are four significant types of local level collective action. Collectively, these four are critical in shaping the prospects for grassroots or community level empowerment in the ongoing decentralization process in Ethiopia. They are as follows:

- *Ensuring Citizens' Voice.* In the context of decentralization, it is critical to the Government's view of Grassroots Empowerment that local communities be able to voice and translate preferences into the critical resource allocation decisions of woredas and municipalities. The way woredas and municipalities actively seek out Citizens' Voice is part of a function of their planning and budgeting processes. This is especially true in how the kebele and sub-kebele plans are translated into woreda or municipal level plans and budgets. The experience on other reforming countries (most notably, Brazil) is that the planning and budgeting process can be opened to a multiplicity of citizen interests—through participatory budgetary processes, focus groups, town-hall meetings, involvement of civil society groups, and surveys—to ensure that resource allocation decisions are ultimately based on the expressed (and negotiated) demand of local residents. For participation purposes in planning and other public decision-makings, local governments typically need to make special efforts to involve historically disenfranchised groups such as the elderly, youth, and women.
- *Holding woreda and municipal representatives accountable.* A central feature of Ethiopia's ongoing institutional transformation is the alignment of political, administrative, and fiscal decentralization processes. Based on prevailing theories of decentralization, the democratic character of decentralization should be evident in the quality of electoral and legislative oversight processes within woredas and municipalities, as well as the ability and willingness of local citizens to use these mechanisms to hold their representatives accountable.
- *Holding service providers accountable for effective delivery.* One of the purported benefits of decentralization is that it leads to a more “responsive” service delivery at the grassroots level.

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<sup>72</sup> World Bank. [Woreda Studies](#).

The international experience shows that the degree of responsiveness, particularly of service providers (e.g., in health facilities and schools), depends in part on whether citizens can publicly evaluate the quality services (e.g., client score cards), exercise “exit” options (e.g., use alternative suppliers), participate actively in the governance of delivery as well as actual delivery itself (e.g., citizen charters, parent-teacher associations, or the co-financing of facilities such as irrigation schemes and schools), and resort to credible recourse and redress mechanisms, particularly against those in power (for example, administrative tribunals or the woreda and municipal courts). These administrative accountability mechanisms, particularly those at the point of delivery, allow local citizens to provide the necessary feedback to providers and their public sector financiers (i.e., woreda and municipal officials) to ensure improvements in responsiveness and in turn, client satisfaction.

- *Building capabilities and assets.* Aside from the institutional mechanisms of Grassroots Empowerment described above, a key aspect of democratic decentralization involves demonstrable improvements in citizens’ ability to exercise agency or leadership in their interactions with the woreda and municipal officials, service providers, and other stakeholders. If decentralization expands opportunities for democratic empowerment, there will be experience of citizens in effectively exercising power. This will be through demonstrations of leadership and coalition building in the kebele and woreda meetings and during electoral processes, as well as the co-management of facilities, and the use of recourse and redress mechanisms (even when it is unpopular to do so).

#### Task Objectives

The Joint Government-Donor IGR/IFA team aims to recruit an international and a local consultant to review the degree to which Grassroots Empowerment has been institutionalized in the four reforming regions. These regions include; (i) the strengthening of the woreda and municipal planning and budgeting processes, (ii) the establishment of robust electoral and legislative processes, (iii) the proliferation and use of administrative accountability mechanisms during service delivery, and (iv) the development of grassroots level leadership and participative capabilities. A report based on a literature review, four regional case studies, and an overall comparative analysis, will be prepared for the Joint Government-Donor Team as a background paper to the final IGR report. The report should rely on available survey data, including the planned woreda/municipal benchmarking survey and other surveys planned under the Participatory Poverty Assessment, as well as a survey by the Poverty Action Network.

#### Scope of Work

The international expert will work in collaboration **with a local consultant** to produce a consolidated report comprising of the following interrelated pieces:

- A review of existing literature on Grassroots Empowerment in the context of decentralization, including most recent work undertaken by NGOs and donors (including HH surveys)
- Four regional case studies of empowerment issues across stratified sample of jurisdictions (including focus group discussions at the local levels)
- Final synthesis report with case studies and survey data from woreda/municipal benchmarking and related HH surveys including PPA

The findings of the report will be discussed during the various brainstorming sessions that are to be held as part of the IGR process.

## **Methodology**

The review will be based on a comparative analysis of progress across the four reforming regions in developing and using mechanisms of Grassroots Empowerment. It is envisaged that the case studies will be conducted in a stratified sample of jurisdictions (for example, rural, peri-urban, and urban), and will include expert assessments of the various institutional mechanisms and processes that are being employed, as well as focus group discussions with citizens and local government officials. A checklist should be prepared to structure interviews for the expert assessment.<sup>73</sup>

It is envisaged that some form of household-level survey be conducted in conjunction with the woreda and municipal benchmarking survey. In addition to providing inputs to the survey questionnaire based on the case studies, the international and local consultants should ideally use the survey data in order to further substantiate their findings in preparation of their final synthesis paper. Please note that it is likely that the survey may be carried out in jurisdictions other than those involved in the benchmarking survey, in which case correlations between woreda level processes and empowerment should be undertaken with care.

## **Deliverables and Dates**

The final product will be a report covering the scope of work described above with annexes on the agreed number of case studies. The intermediate requirements are indicated below:

- Literature review by September 20, 2005
- Regional comparative review with four case studies and related data by November 1, 2005
- Final synthesis report incorporating comments on 30 CDs by December 30, 2005

## **Expertise Required**

This assignment requires an expert with a Ph.D., Masters or the equivalent in economics, public administration, public policy, management or the equivalent and at least fifteen years experience in public sector management with a focus on civil service reform, expenditure management, and performance improvement initiatives. Hands-on experience with public sector reform and restructuring in developing countries (preferably in Africa) is essential. Experience at both national and local levels is required. The international consultant will be supported by a national consultant who has similar experience of at least 10 years and familiarity with the functioning of government institutions and data sources in Ethiopia.

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<sup>73</sup> A pilot review along with a checklist for structured interviews prepared for the World Bank by Dr. Rajen Govender shall provide one frame of reference for undertaking these case studies. Similar source documents from the Bank-supported Associational Life Study should also be utilized.

## Level of Effort and Estimated Budget

**International consultant.** Lump-sum equivalent of 40 days of work and three visits to Ethiopia will be required. An initial visit will take place on May 15, 2005 for two weeks, followed by a longer visit between June-August 2005 to conduct fieldwork. A final visit is envisaged to carry out dissemination activities in late September and early October 2005.

Fees: 40 x \$600 = \$24,000

Per diems and accommodation: 35 x \$200 (ave.) = \$7,000 (including field visits)

3 RT Europe/Ethiopia and trips within Ethiopia (including car rental) = \$15,000

Translation of source materials and report production = \$2,000

Total = \$48,000

**National Consultant.** Lump-sum equivalent of 35 days of work will be required of the national consultant. The consultant will help organize and accompany the international consultant on all field trips and focus groups. The consultant will be responsible for background materials, primary source materials, generation of various data such as those from business process reviews, staffing levels, outputs etc., and the design of any surveys that may be envisaged. The national consultant will be paid in line with the deliverables established for the international consultant. The fees and other costs, to be financed on a lump sum basis, are detailed below:

Fees: 40 x \$200 = \$8,000

Per diems/accommodation: 15 x \$100 (ave.) = \$1,500 (field visits outside Addis)

Trips within Ethiopia = \$500

Translation of source materials and report production = \$2,000

Total = \$12,000

## Management of Work

Overall, the consultant will report to the respective coordinators of the Joint Government and Donor team. For the purposes of day-to-day coordination and work, the consultant will report to the World Bank TTL to ensure timeliness and quality of outputs for incorporation in the final synthesis report. S/he will also work closely with a local consultant, who will provide data and analytical inputs on discrete fiscal management and decentralization issues. Close interactions with relevant members of the Federal Government and Bank/multi-donor team are essential.

## Payment Schedule

**International consultant.** The contract is financed on a lump-sum basis in four installments:

- First payment of \$10,000 on receipt on inception report;
- Second payment of \$10,000 on receipt of PSIP case studies in draft;
- Third payment of \$10,000 on receipt on the regional review and cases in draft;
- Fourth payment of \$18,000 on receipt of final draft

**National consultant.** The contract is financed on a lump-sum basis in four installments:

- First payment of \$3,000 on receipt on inception report
- Second payment of \$3,000 on receipt of PSIP case studies in draft

- Third payment of \$3,000 on receipt on the regional review and cases in draft
- Fourth payment of \$3,000 on receipt of final draft

## **Appendix II**

### **List of Contacts**

- 1. Federal Level (for discussion on the nature, scope and approach of the Review)**
  - 1.1 Ato Berhanu Legesse, Head, Regional Affairs Department, Ministry of Finance and Economic Development (MOFED)
  - 1.2 Ato Worku, Yehuala Eshet, Director, District Level Decentralization Programme (DLDP)
  - 1.3 Ato Kumlachew Aberra, Director, Civil Service Reform Programme (CSR)
  - 1.4 Ato Ermias Demerew, Head of PPD, PSCAP
  - 1.5 Dr. Steve Peterson, Chief of Party, DSA Project, MOFED
  
- 2. Federal Level (for substantive discussions)**
  - 2.1 Ato Ahmed Mohamed, Head, Institutional Development Sub-Programme, DLDP
  - 2.2 Ato Gulte Metaferia, Team Leader, Regional Fiscal Relation, MOFED
  - 2.3 Ato Dessalegn Mammo, Desk Head, Monitoring & Evaluation, Civil Service Reform Programme
  - 2.4 Ms. Fikrte Merhatsidk, Expert, CSR
  - 2.5 Mr. Wilyam Kleiman, Chief Technical Advisor, CSR
  
- 3. Tigray National Regional State (TNRS)**
  - 3.1 Deputy Speaker of the Regional Council
  - 3.2 Head, Mass Organization and Peoples' Participation Bureau
  - 3.3 Head, Finance & Economic Development Bureau
  - 3.4 Head, Education Bureau
  - 3.4 Head, Agriculture & Rural Development Bureau
  - 3.5 Head, Women's Association of Tigray
  
- 4. Nab Hintallo Wajirat Woreda of TNRS**
  - 4.1 Chairman of the Council
  - 4.2 Head, Finance and Economic Development Office
  - 4.3 Head, Capacity Building Office
  - 4.4 A team of three experts/officers of the Education Office
  
- 5. Amhara National Regional State (ANRS)**
  - 5.1 Ato Ayalew Gobeze, Speaker of ANRS Council, Office of Regional Government (ORS)
  - 5.2 Ato Belachew Beyene, Finance Advisor, President's Office
  - 5.3 Ato Mulugeta Seid, Rural Development Advisor, President's Office
  - 5.4 Ato Yoseph Anteneh, Head, Bureau of ANRS Capacity Building (BoCB)
  - 5.5. Ato Maru Suleman, Head, People's Organization Department, Bureau of People Participation and Organization (BoPPO)
  - 5.6. Ato Mengistu Gidey, Head, People's Participation Department, Bureau of People Participation and Organization (BoPPO)
  - 5.7. Ato Dereje Biruk, Senior Deputy Bureau Head, Bureau of

- Agriculture and Rural Development (BoARD)
- 5.8. Ato Birhanu Ayichew, Deputy Bureau Head, Bureau of Finance and Economic Development (BoFED)
- 5.9. Ato Mekonnen Tsegaw, Head, Bureau of Works and Urban Development (BoWUD)
- 5.10 Ato Shimelis Alemayehu, Housing and Urban Development Department Head, Bureau of Works and Urban Development (BoWUD)
- 5.11 W/ro Mantegbosh Alemayehu, Gender Mainstreaming Coordination and Monitoring Department, Women's Affairs Office (WAO)
- 5.12 Ato Teshome Maru, Head, Bureau of Water Resources Development (BoWRD)

**6. Mecha Woreda of ANRS**

- 6.1. Ato Girma Alemu, Vice Chairman and Head of People's Participation, Mecha Woreda Office of Administration (Merawy City)
- 6.2. Ato W/ghiorgis Kidane, Acting Head, Mecha Woreda Office of Finance and Plan (Merawy City)
- 6.3. Ato Gashaw Tamirat, Expert, Mecha Woreda Office of Health Protection (Merawy City)

**7. Others:**

- 7.1 Dr. Horst Matthaeus, Head, GTZ Ethiopia
- 7.2 Mr. Lennart Jemt, First Secretary, Embassy of Sweden
- 7.3 Ms. Marina Fors, Second Secretary, Embassy of Sweden
- 7.4 Mr. Rupert Bladon, Governance Advisor, British Embassy
- 7.4 Ato Jelal-Latif, Consultant, The World Bank

## Appendix III: Questionnaire for Preliminary Field Work

### **Institutionalization:**

1. What Grassroots (GE) mandates (duties and responsibilities) are given to your office? **(ALL)**
1. Which units or which persons in your office are assigned to carry out these duties and responsibilities? **(ALL those with GE mandates)**
2. Are GE activities regularly incorporated in your annual work plans? If so, in what form? **(ALL those with GE mandates)**

### **Citizens' Voice:**

3. Please describe for us the budgeting process in its entirety **(6)**
4. How do citizens at the grassroots level influence resource allocation decisions? What is the role of your office in this regard? **(ALL)**
5. Is there such a thing as kebele or sub-kebele plan or budget? If so, how and by whom is it prepared and approved? How is it incorporated into the woreda plan? **(ALL)**
6. What is being done to involve the historically disenfranchised people such as the elderly, youth and women in the planning and budget preparation process? **(ALL)**
7. What are the processes available for holding woreda and municipal councils and representatives accountable? Are CSOs, CBOs and individual citizens using these? **(1,2,3,4,10,11)**

### **Political Accountability:**

8. Are political decentralization, administrative decentralization and fiscal decentralization processes congruent/linked/harmonized? If so, please explain. **(1,2,3,4,6,10,11)**
9. Do electoral oversight processes exist within woredas and municipalities? If so, explain. **(1,2,3,4,10)**
10. Do council and elected representative oversight processes exist at the woreda and municipality levels? If so, explain. **(1,2,3,4,10)**

### **Service Delivery Accountability:**

11. Are service delivery agencies creating mechanisms whereby the **citizenry help establish priorities** for the quantity and quality of services that are to be provided and the budget for these (i.e. in schools, hospitals/clinics, extension work, etc) If so, what are these mechanisms? **(ALL)**
12. Are service deliverers creating mechanisms whereby they are **accountable to the citizenry for quantities and qualities of services** agreed? For example, in the areas of: **(ALL)**
  - a. Publicly evaluating the quality of services being provided and of the service providers - such mechanisms as client scorecards?
  - b. Exercising "exit" options (e.g. use alternative suppliers)?
  - c. Participating actively in the governance of delivery as well as actual delivery itself (e.g. citizen charters, parent-teacher associations, or co-management or co-financing of facilities such as irrigation schemes and schools)?

13. Have **recourse and redress mechanisms** been created if the citizenry are dissatisfied with the ways in which services are being delivered or the quantity and quality of these; particularly against those in power (for example, administrative tribunals or woreda, municipal or social courts? If so, please describe the mechanisms being used. **(ALL)**
14. Are the **citizenry being capacitated to use these accountability and recourse mechanisms** and are they using them effectively? If so, please give examples. **(ALL)**

### **Leadership and Agency**

15. Has there been to date any work to convey to the citizenry that the government and its administrative agencies are theirs; exist to provide them appropriate services; and can be held responsible if their interests are not properly represented and if their service priorities are not accommodated? If so please describe the work undertaken. **(ALL)**
16. Has there been any work done to build community leadership and community based organizations, or to identify and strengthen existing leaders and groups? If so, please indicate the work done. **(ALL)**
17. In particular, has leadership and group-organization focused on **disenfranchised groups** such as women? If so in what manner? **(ALL)**
18. Please give examples of the manner in which citizens have attempted to exercise power (demonstrations of leadership, coalition building in kebeles and woreda meetings as well as during electoral processes, the co-management of facilities, and the use of recourse and redress mechanisms)? **(ALL)**

### **SDPRP - Results Targets and Key Actions 2003-004:**

19. What is the current status as concerns the following:
  - a. The constitutional amendment to bring about an effective division of power between woredas and the region? **(1,2)**
  - b. The revision of the pertinent laws and regulation for an effective functional assignment? **(1,2,3)**
  - c. The preparation and adoption of a manual of systems that would enable citizens for holding elected representatives & civil servants accountable? **(1,2,3,4,6)**
  - d. The development and implementation of systems for joint government and civil society public forums for planning, implementation and assessment at woreda levels? **(ALL)**
  - e. The development and adoption of participation framework manual? **(2,3,4)**
  - f. The holding of a workshop on participation system? **(2,3,4)**
  - g. The holding of a training workshop for women on pro-poor organizational support and community planning process/mechanism? **(2,3,4)**
  - h. The training of trainers (TOT) on participation system to 3 professionals inclusive of one women member per woreda? **(2,3,4)**
  - i. The simplification of woreda organizational structures and HRD plans for priority sectors? **(ALL)**
  - j. The initiation of national simplified & demand driven sector specific restructuring guidelines? **(ALL)**
  - k. The refinement of HRD plans at the national level? **(2,3,4)**

- l. The increase of staffing ratio per woreda in management, planning, budgeting, and accounting as per the refined HRD plan? **(ALL)**
- m. The training of up to 3.5% of the total staff of each woreda in new areas/responsibilities? **(ALL)**
- n. The elaboration of development plans for each woreda? **(ALL)**
- o. The introduction of multi-year local planning and budgeting system in all woredas—including a multi-sectoral capital financing and the adherence to financial calendar? **(2,6)**
- p. The introduction of models for the review of intra-government block grant? **(1,2,6)**
- q. The preparation of institutional capacity building action plans for revenue enhancement? **(2,3,4,6)**
- r. The rollout of budgeting, planning, and accounting systems to woredas? **(6)**
- s. The increase of capital expenditure by more than 10% of the total capital expenditure per woreda? **(2,6)**
- t. The development, at national level, of minimum standard service indicators, norms & reporting mechanisms for priority sectors at woreda level? **(2,3,4,6)**

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