UNIVERSITY OF GOTHENBURG

SCHOOL OF GLOBAL STUDIES

Local Ownership and Development Aid: The Case of Ethiopia's Productive Safety Net Programme

Photo by Elizabeth Gebresilassie

Elizabeth Gebresilassie

Master's Thesis

Supervisor: Lennart Wohlgemuth

September 2010

Abstract

The concept of local ownership has increasingly become a leading principle of development cooperation. While it is generally accepted that more ownership means more sustainability, there is still much to be done in order to clearly define and measure the concept. This study attempts to provide a conceptual understanding of local ownership. Two dimensions of ownership are identified, external and internal, which involve multi actors and multi-level actions from both sides. The study explores these dimensions in the real world by examining Ethiopia's Productive Safety Net Programme (PSNP), a government-donors joint program that covers about 8 million chronically food insecure people across Ethiopia with the aim of filling the food gap, protecting household asset depletion and simultaneously building community-based assets. The case is investigated within the broad development aid context of the country so as to shed light on operationalization of local ownership. It is shown that political commitment from internal and external actors to build consensus and shared vision plays a critical role in enhancing local ownership. Moreover, mutual trust and continuous dialogue among government and partner donors, from conception to implementation, seem to have significantly contributed to PSNP´s strong government ownership. On the other hand, despite the direct involvement of some NGOs in PSNP, there is limited participation of other stakeholders who work on similar issues, impeding strong local ownership of the project. The study concludes by reflecting on the challenges of attaining sustainable local ownership in an environment with complex relationship of various stakeholders and weak institutions.

Acknowledgement

This study would not have been accomplished without the generous encouragement, support and help I obtained from many people. First and foremost, I am very thankful to my supervisor, Lennart Wohlgemuth, for his guidance and encouragement from the beginning to end of the study.

I would also like to thank the Environment for Development initiative (EfD) at the University of Gothenburg for the internship opportunity they gave me. My sincere gratitude goes to the EfD center in Ethiopia and EDRI for providing me all the institutional support during my field study. I thank all the institutions, organizations and individuals who willingly provided me all the information I needed.

I am heartily grateful to Ato Molla Mitku, Ato Fisshaye Araya and Ato Woldu Hiluf for their kind help. I want to express my love and gratitude to my family and friends for their precious love and support through all the way.

Lastly, I want to thank my husband and best friend Haileselassie Medhin. Halaleye, everything was much easier because of you.

Table of Contents

References

Annexes

Tables

Figures

Acronyms

AAA	Accra Agenda for Action
ADLI	Agricultural Development-Led Industrialization
CSO	Civil Society Organizations
DAC	Development Assistance Committee
DAG	Development Assistant Group
DCT	Donor Coordination Team
DFID	Department for International Development/UK/
DPPA	Disaster Prevention and Preparedness Agency
DRMFS	Disaster Risk Management and Food Security
DWG	Donor Working Group
EGS	Employment Generation Schemes
EPRDF	Ethiopian People's Revolutionary Democratic Front
EU	European Union Delegation to Ethiopia
FFSCD	Federal Food Security Coordination Directorate
FSD	Food Security Desk
FSP	Food Security Program
FSTF	Food Security Task Force
GDP	Gross Domestic Product
GoE	Government of Ethiopia
IFIs	International Financial Institutions
IMF	International Monetary Fund
JCC	Joint Coordination Committee
JRISMs	Joint Review and Implementation Support Missions
M&E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MoARD	Ministry of Agriculture and Rural Development
MoFED	Ministry of Finance and Economic Development
NCFS	New Coalition for Food Security
NGOs	Non Governmental Organizations
NPDPM	National Policy on Disaster Prevention and Management
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OFSP	Other Food Security Program
PASDEP	Plan for Accelerated and Sustained Development and End Poverty
PD	Paris Declaration
PIM	Program Implementation Manual
PRS	Poverty Reduction Strategy
PRSPs	Poverty Reduction Strategy Papers

PSNP	Productive Safety Net Programme
REST	Relief Society of Tigray
RFSSC	Regional Food Security Steering Committee
RRM	Random Response Mechanism
RRT	Random Response Team
SDPRP	Sustainable Development and Poverty Reduction Program
Sida	Sweden International Development Cooperation Agency
USAID	United States of America International Aid
WARDO	Woreda Agriculture and Rural Development Office
WFP	World Food Program

1. Introduction

Despite earlier hopes that foreign aid would drive many poor countries towards development, the experience from the last few decades is that the effect of aid on economic development is uncertain at best. This has attracted a huge research interest from different corners of the academia. Various conclusions have been drawn from different studies. The aid industry has tried to cope with these changes in perspectives and realities. A number of efforts have been made over the years to make aid work better. Development aid has been shaped and reshaped by new data, new results, new discourses, new instruments and modalities. But still, the belief that aid can help in poverty alleviation remains intact. In the beginning of new millennium, the world declared a global war against poverty commonly referred to as Millennium Development Goals (MDGs)[1]. Side by side, a set of reforms were adopted as major principles to guide the process. Yet, attaining a clear conceptual understanding of most principles proved to be challenging, as was their actual implementation. One of these major principles that has become a catchphrase of contemporary development cooperation discourse is *local ownership*[2].

It can be said that the concept of ownership evolved from a wide range of literature concerning the success of aid. In 1986, Paul Mosely pointed out that aid seems to be working at micro but less so at the macro level and hence coined the term micro-macro paradox. In 1997, a study by Craig Burnside and David Dollar concluded that aid can bring growth and reduce poverty only if it is provided to countries with good policy environment, which indicates that success of aid projects with the overall economic system of countries. On the contrary, based on three generation cross-country empirical analysis Hansen and Tarp (1999) concluded that aid can work even in countries associated with unfavourable economic policies[3]. In respect to the MDGs, Sachs (2005) argues that genuine commitment is needed to make poverty history as effectiveness of aid has been undermined due to lack of enough commitment to trigger the desirable outcomes. William Easterly (2007) concluded that

---

[1] 192 United Nation member states and about 23 international organizations agreed on eight identified global themes in order to halve extreme poverty with a deadline by 2015 (UNMDGs, 2000).

[2] Ownership, country ownership and/or local ownership are often used interchangeably in the literature; this paper uses the terms interchangeably as well.

[3] Henrik Hansen and Fin Tarp (2000) also pointed out that the micro-macro paradox is non-existent; and aid increases aggregate savings and investment.

development assistance, which has been disbursed for about six decades, contributed little as the process was not dominated by the poor themselves to build a self-reliant economy[4].

In the face of growing debate over effectiveness of aid, development cooperation is increasingly becoming framed with concepts and principles adopted in the Paris Declaration (PD, 2005) which were broadened in the Accra Agenda for Action (AAA, 2008)[5]. As a result, many development agents have focused on promoting country ownership in pursuit of effectiveness and the delivery of sustainable benefits. This had brought local ownership to be one of the dominant concepts in the debate over aid effectiveness. Yet, there is no standard definition and measurement of the concept. A clear understanding of the concept is required if it is to be translated into practice and provide meaningful results. This paper is, therefore, motivated by the firm belief that a careful and continuous exploration of the concept is necessary in order to contribute to its productive operationalization.

1.1. Aim of the Study and Research Questions

Aid has long been integrated in the economic, social, political and cultural aspects of many countries, to the extent that we are now at a stage where we could not fully understand what these countries would have looked like in the absence of aid[6]. Regardless of the debate whether aid works or not, continuous efforts are being excreted to improve the management of aid delivery and increase the sustainability of positive outcomes. In line of this thinking, this paper aims to search for critical factors of local ownership which directly or indirectly affect sustainability of a certain development aid activity. This study closely examines the case of Ethiopia's Productive Safety Net Programme (PSNP). The basic aim is to contribute to the existing literature on aid effectiveness regarding local ownership in large scale projects that involve multiple agents. By examining multi-level interactions of multiple stakeholders in a specific aid project, the study seeks to answer the following questions:

      i)   What is local ownership?

---

[4] Easterly distinguishes the actors as 'Searchers' those who are desperately in need, and 'Planers' those who are supposed to help the poor but dominate the process.
[5] See PD and the AAA on http://www.oecd.org/dataoecd/11/41/34428351.pdf
[6] This problem, often referred as the 'counterfactual problem', is one of the key challenges in the scientific research regarding the evaluation of development aid.

ii)   Does Ethiopia's PSNP have a strong local ownership as it is claimed to be?

iii)   If so, what is the story behind and what are the lessons?

1.2. Ethiopia in Brief

Home to an ancient civilization which once extended as far as today's Yemen, Ethiopia is the oldest nation in Sub Saharan Africa and one of the oldest in the world. Ethiopia has also never been colonized. With more than 80 million people[7], it is the second most populous country in Africa[8]. More than 80 % of the country's population lives in rural areas where small-scale subsistence agriculture is the main way of life. The agriculture sector accounted for nearly 47 % of real GDP in 2006 (OCED, 2007). Agriculture in Ethiopia is mainly rain-fed and has one of the lowest levels of productivity in the world. Despite good economic records in the past few years, in which average real GDP growth during 2003/04 to 2007/08 fiscal years was 11.9%[9] (MoFED, 2008), Ethiopia remains one of the poorest countries in the world.

The monarchial reign of the country ended in 1974, and was succeeded by a Soviet-backed Marxist-Leninist dictatorial regime called the *Derg*. After 17 years of civil war, the current regime, led by EPRDF[10], toppled the *Derg* in 1991. After five years under the Transitional Government of Ethiopia (TGE)[11], an elected government led by EPRDF was established in 1995. Post 1990/91, the Government of Ethiopia (GoE) initiated reforms on fundamental issues such as decentralization of the state, democratization of politics and economic liberalization (Vaughan and Tronvoll, 2003). The regime change and the subsequent introduction of various reforms have led to an increase of the total ODA flow to the country in the last two decades. The aid inflow amounted US$1.94 billion in 2006, making Ethiopia the 7th largest recipient among 169 aid receiving developing countries (Alemu, 2009). Government-donor relationships have varied over the years, mainly owing to Issues related to democracy and human rights.

---

[7] Central Statistics Agency; www.csa.gov.et
[8] See http://www.prb.org/pdf08/africadatasheet2008.pdf
[9] That makes the country as the fast growing non-oil economy, according to the African Economic outlook (2008).
[10] EPRDF is the ruling political coalition of Ethiopia consisting four main ethnic based parties.
[11] TGE comprised 87 council representatives' of different parties and guided by a national charter that functioned as transitional constitution.

1.3. Statement of the Problem

Food Security, development aid and ownership

The agriculture sector in Ethiopia has not been able to feed the rapidly growing population in the past few decades. The sector has therefore been at the core of development policies and strategies of the country for the past few decades. In 1992, the government adopted an overarching policy known as the Agriculture Development Led Industrialization (ADLI) to tackle the country's food insecurity and overall development challenges. ADLI conceptualizes that growth of the country has to emanate from agriculture. The emphasis on agriculture is further articulated in the country's first (2002) and second (2006) poverty reduction strategies, Sustainable Development and Poverty Reduction Program (SDPRP) and Plan to Accelerate Sustainable Development and End Poverty (PASDEP), respectively. Food security is the core theme of these national development and poverty reduction strategies.

Erratic rainfall, recurring drought combined with high population pressure, environmental degradation, technological and institutional are the reasons behind the growing problem of food insecurity in Ethiopia (MoFED, 2002). Despite the government's emphasis on agriculture and food security, the country receives an average of 700,000 metric ton food aid annually (NCFS, 2003). In 2003, the GoE in close collaboration with donors established the Food Security Program to reach vulnerable people on multi-annual basis. The Food Security Strategy rests on three pillars, which are: (1) Increase supply or availability of food; (2) Improve access/entitlement to food; (3) Strengthening emergency response capabilities (NCFS, 2003). The program is made up of three components: i) The Productive Safety Net Programme (hereinafter referred to as PSNP) ii) Resettlement iii) and Other Food Security Programs.

This study focuses on the first component of the Food Security Program. PSNP is a government-donors joint project. The program is established with the objectives of filling the food gap and protecting asset depletion of chronically food insecure households, while building community-based assets. The overriding goal of PSNP is to help beneficiaries to eventually *graduate* into food security. Sustainability of this huge program is therefore a

milestone step towards achieving the overall development targets of the country and the MDGs. It is argued that local ownership is a necessary condition to ensure such sustainability. Hence, the study closely looks on the nature and level of local ownership of the program within the context of the overall development aid process in the country.

1.4. Delimitation

Development aid is a very wide topic that has been discussed from different perspectives in the past sixty years. One way to look at development aid is as a tool to alleviate the multifaceted poverty billions of people face in our world today. Hence, for it is being taken as one option to reduce poverty, the process of aid delivery needs a thorough understanding of the principles and instruments used to translate it into practice. And, scope of this paper is delimited to exploring one of these principles, ownership.

This study has two broad objectives. First, it explores conceptualization of ownership in light of internal and external dimensions of an aid recipient country. Second, based on such a theoretical framework, it analyses the operationalization of local ownership by looking at the particular case PSNP. It should be noted that issues discussed in this paper are pertaining to aspects of local ownership. The case study is also analysed only from this angle. Hence, this study does not cover whether PSNP is achieving its objectives or not.

2. Methodology

The theme discussed in this paper is a global and local issue with multi-actors, multi-levels as well as long and complicated historical and political contexts. Understanding ownership requires perspectives which can help to explain the process in relation to past circumstances, experiences and practices. Given the complexity of the action arena[12], looking at a specific case could provide relevant insights into the key questions of the study. The role of case studies to reflect social interactions is well recognized in social science research design (Stark and Torrance, 2005). Bruce Berg (2009:317-318) notes the suitability of case study to investigate simple and complex conditions:

> *Case study is an approach capable of examining simple or complex phenomenon, with units of analysis varying from single individuals to large corporations and businesses; it entails using a variety of lines of actions in its data-gathering segments and can meaningfully make use of and contribute to the application of theory.*

Case studies allow for the combination of various methods of data collection (Stark and Torrance, 2005). Such flexibility could be useful in understanding the kind of complex relationships and interactions that we expect to surround the issue of ownership. Further, Yin (2003) argues that the case study method is preferable when: (a) the focus of the study is to answer "how" and "why" questions; (b) manipulating the behavior of those involved in the study is impossible (or undesirable in the case of this study); (c) the objective is to cover contextual conditions on the belief that they are relevant to the phenomenon under study; or (d) the boundaries are not clear between the phenomenon and context. It is reasonable to argue that this study deals with an issue that holds these complexities.

2.1. The Case Study

The case study incorporated in this paper is the Productive Safety Net Programme (PSNP) in Ethiopia. PSNP is an aid-financed social protection program that aims at addressing food insecurity in rural Ethiopia. The program currently covers close to 8 million people (about 9% of Ethiopia's population).

---

[12] Ostrom et al, (2002) explained *action arena* as a complex conceptual unit containing one set of variables about an *action situation* and a second set of variables about an *actor*.

Why PSNP?

The main reasons why I have chosen the PSNP as a case study are:

-   PSNP involves many partner donors, NGOs as well as an array of government bodies. It is one of the few large scale multi-actor and multi-level aid projects in Africa.
-   It is widely perceived that PSNP is the Government of Ethiopia's flagship reform program (e.g. Slater et al, 2006)
-   The program deals with addressing food insecurity, which requires strong local ownership in order to sustain positive outcomes.

Therefore, examining the level and nature of local ownership in such a large-scale program could provide valuable insights on the operationalization of the concept. To this end, we will look at PSNP via the theoretical framework developed in the previous chapter within   the context of development aid in Ethiopia.

PSNP is being implemented in 300 *woreda*s[13] in seven regions and one special administrative counsel (MoARD, 2009a). Although the study looks at the program in general, it is also very vital to closely examine what the action arena looks like at the very operational level. Hence, a brief field trip to two randomly selected woredas, *Degu'a Tembien* and *Enderta*, was conducted. Both woredas are located in the Regional State of Tigray, Northern Ethiopia. 31 of the region's 34 rural Woredas are included in the program. In Tigray, NGOs are involved in the implementation of the program in 6 woredas while the government takes the responsibility in the rest. The choice of case woredas considers this: Degu'a Tembien lies under the NGO category while Enderta Woreda lied under the government category. Each woreda was randomly selected from its category. The field trip to both woredas was conducted during April 6-19, 2010.

---

[13] Woreda is equivalent to district. It is the fourth tier of elected government in the administrative structure of the Federal Democratic Republic of Ethiopia (FDRE) (MoFED, 2002). The Federal system is structured as follows; **Federal->Region->Zone->Woreda->Kebele**.

The Case Woredas

Degu'a Tembien

In Degu'a Tembien about 38,000 people are covered by the program out of the total population 122,726. The Agricultural and Rural Development Office (WARDO) has overall responsibility in implementation of the program through the Food Security Desk in close collaboration with the biggest local NGO in the region, the Relief Society of Tigray (REST).

Enderta

Enderta Woreda has 75,323 total beneficiaries out of total population 123,537. While the implementation process is similar with Degu'a Tembien Woreda, there is no involvement of NGOs in this Woreda. Hence, WARDO is sole implementer of the program.

2.2. Data Collection

A single data-collection mechanism cannot satisfy the information required to understand local ownership in such a multi-actor, multi-level project. Therefore, the study employed different data collection mechanisms from both the supply (government, donors and NGO) and demand (those who are covered by the program as targeted beneficiaries) side. Other secondary sources are also used extensively for two main purposes: (i) to gather the relevant information about Ethiopia and the development aid industry in the country; and (ii) to explore the mechanism in which PSNP operates, from design to implementation.

Document review

Extensive literature review regarding the concept of ownership is central part of the study. Also, a number of reports, documents, policies, strategies, and scientific research and studies have been consulted in order to obtain the necessary information regarding the case which could not be produced solely from the field trip.

Semi-structured interviews

Two *kebeles*[14] *(Ayn'mbirkekin* in *Degu'a Tembien Woreda & Didiba* in *Enderta Woreda)* were randomly selected from each woreda in order to meet targeted beneficiaries (see Annex 1: beneficiary interviewees list). During my visit to *Ayn'mbirkekin*, kebele officials advised me that I could meet beneficiaries while they were engaged in one of the programs' public

---

[14] Kebele is equivalent to sub-district; and is the lowest administrative unit in Ethiopia

works. The public work was ditch building in a gully nearby. I went there, and with the permission of the, the group facilitator (who was also participating in the activity at the time), I selected six people at random and had private interviews. There was no public work in progress during the day that I went to at *Didiba*. I therefore had to visit beneficiaries at their homes with the help of a local guide. I acquired the list of households covered by the program in the kebele and I selected six names randomly. I had personal interviews with the household heads in their homes.

The questions posed to beneficiaries aimed at understanding i) the role of beneficiaries in the process ii) their experience in other previous aid projects ii) their level of interaction and trust with the administration iii) their contribution to PSNP iv) their perceptions of PSNP and v) their expectations regarding graduating (See Annex 2: interview guide). An average length of the interviews was 35-40 minutes. Considering ethical issues, all interviewees were informed about objective of the interview, purpose of the study and name of the researcher before the actual interview. Further, interviewees were guaranteed their anonymity; therefore codes will be used instead of real names. The interviews were conducted in the local language Tigrigna, which is also my mother tongue.

In both Woredas, five semi-structured interviews were also conducted with people who are actively engaged in the implementation process (see Annex 3: list of key informants). I met each one of them in their respective offices. The questions were open and intended to explore how the implementation process is taking place. Since the program requires coordination of various sector offices and the integration of many development interventions, the questions also focused on coordination of actors at the operational level.

The Permission Ladder

Doing a field work in Ethiopia is not easy as one needs to get permission from a hierarchy of government offices. The key starting point is to have a support letter from a recognized institution. I had a letter from the Ethiopian Development Research Institute (EDRI), host to the University of Gothenburg's EfD where I was an intern. During my field trip to Tigray, I first took my letter to the regional Food Security Coordination Office in the Agriculture and Rural Development Bureau. Then I was given a permission letter that I can to the woreda offices. The woreda offices in turn gave me support letters that I should take to kebele administrations. This process of getting permissions took a significant amount of my time during the field trip.

Group discussions

Group discussion was another important part of the data collection process. And, it was conducted at federal and woreda level. At the Federal Food Security Coordination Directorate, the discussion involved five experts in PSNP. The discussions at woreda level were with two experts from each Woreda Food Security Desk (*Degu'a Tembien* and *Enderta*). These two-level expert group discussions were aimed at illuminating the overall functioning of the program and the nature of interactions among actors. The main themes brought to the discussions at both level were linked to coordination of actors (in design, planning and implementation of the program). The discussions at the federal level also focused on aspects of building and maintaining partnership and relationship between the government and donors.

Questionnaires

PSNP is an aid-financed program with the involvement of many donors. Understanding the partnership between the government and donors is critical aspect of ownership. My initial plan was to conduct personal interviews with experts from PSNP partner donors. With a support letter of support from my host institute, I went to all partner donor agency offices. But meeting concerned people in person proved to be extremely difficult. In most cases, I was asked to leave my letter at the door and call to fix appointments. But this was not fruitful either. Two weeks passed just by calling phones. In the end, I decided to design a questionnaire and send them via emails to each organization. This approach worked better and I got response from 5 of them: USAID, EU, Sida, WFP and DFID.

The questionnaires included open and closed type of questions (see annex 4). And, the focus of the questions was mainly on donors' role in design, monitoring and evaluation (M&E), and implementation of the program. In the Program Implementation Manual (PIM, 2006), it is clearly stated that the program needs linkages with other development programs. Hence, the questionnaire also focused on donors' role in enhancing PSNP linkages with other development programs, and general perception of the program.

Validity and reliability

The importance of validity and reliability in research is well emphasized. According to Yin (2003: 40) constructing *validity* entails identifying correct operational measures for the concepts being studied. Accordingly, to address issues of credibility and validity, the use of triangulation is well recognized. Triangulation provides better understanding and rich analysis of issues by combining several lines of sights (Berg, 2009). The study addressed the issue of validity by employing multiple sources of data-gathering so as to perform well informed analysis. *Reliability* is another important component of research which is concerned on finding the same results if the study was performed in a similar manner by another researcher. In order to enhance reliability of the narratives, analysis of the study followed the process of design and implementation of the program.

3. Literature Review

The concept of local ownership is far from new in the development cooperation arena; it has been incorporated to some development aid long time ago[15]. But it gained global emphasis following the disappointing results of the Structural Adjustment Program, which is widely considered to be an example of donors' imposition (i.e. IMF and World Bank) over poor countries' development strategies (Gibson et al, 2005). It was emphasised that imposition impairs the incentive of local agents, hence limiting the success of reforms. Strengthening the sense of local ownership was thought to be a good way of solving these incentive problems. This led to the rise of ownership as major principle in the delivery of aid projects.

Over the past few years, not only did the popularity of the ownership principle increase, so did too its criticisms. However, the assumption that limited ownership leads to poor sustainability remains intact. It is argued that ownership is a necessary condition if development aid is to be successful and with sustainable impacts (Thanh, 2007). Yet many studies and development agents have defined the term based on very different perspectives. There is no objective way to know the right type and level of ownership. This section provides a short review of the existing literature on local ownership. The aim is to attain a better understanding of the concept and its evolution through a holistic look at the fundamental essence of the term '*ownership*', what the term *'local'* adds to it and what it represents in the context of development aid.

What is ownership?

In its dictionary meaning, 'ownership' is referred to as '*legal possession of something*'[16]. This definition of ownership entails that there is someone who has the legal rights to own something that *can be* owned, like a fixed property. According to LeFevre (1966), ownership can go beyond the legal rights that someone has over a fixed property. He argues that '*Human beings long for personal and individual identification. The desire to own*

---

[15] For instance, the philosophy behind Japan's development aid was the concept of 'self-help effort' which is much broader than the concept country ownership with its implication of an eventual graduation from aid (Shimumra and Ohno, 2005). Lennart Wohlgemuth, 1974. Bistånd på motagarlandets villkor, Nordiska Afrikainstituet Uppsala

[16] MacMillan Online Dictionary

property contains the concept of exclusiveness, of individualization. Ownership is an expression of this longing.' Ownership is thus a process driven by individuals' basic motivation of owning, controlling, influencing and utilizing of objects. It is a relationship between the owner and the owned property in a way the owner exercises his/her influence over the property. When a property is owned collectively by group of people, the structure of the ownership will be changed. But there is no reason it would not be considered as correct ownership like in private ownership (ibid.). The question this paper seeks to answer is what local ownership in development aid means given that there are no fixed items to be owned, and when multiple actors are involved (i.e. internal and external actors).

In the context of development cooperation, despite the convectional rights-based meaning the concept embraces, ownership '*refers instead to relations among stakeholders in development, particularly their respective capacity, power or influence to set and take responsibility for a development agenda, and to muster and sustain support for that'* (Saxby, 2003). As Saxby notes, it evolves depending on the relationship among stakeholders. Thus, the question becomes about which stakeholders and to what extent and how they exercise their rights to build working relationships. According to Gibson et al (2005), full ownership in an aid project pertains to a bundle of rights regarding to i) participation in decisions in identifying demand ii) participation in contribution to the process iii) participation in benefit or consumption and iv) participation in decisions to terminate or phasing out.

Which Locals?

In a country where many actors are involved; and where the situation is characterized by power asymmetries, weak institutions and emerging democracy, identifying the legitimate actors who should decide on developmental strategy might complicated. Williem Buiter (2005) stated that the term country/local, which is associated to the concept of ownership, refers to a very wide context which is made up of heterogeneous ideas, ethnicities, religions and other often conflicting interests. Hence, in order to acquire an operational definition of the term 'local ownership', we need to identify who really the owners are at the first place.

In 1996, the OECD Development Assistance Committee released the report *Shaping the 21st Century;* and emphasized that contemporary development cooperation should focus on working to build true partnership. In a true partnership, '*development assistance helps partners respond to more pluralistic and decentralized political systems, and recognize the importance of a dynamic private sector, local ownership and participation by civil society*' (ibid.). Even though the report put emphasis that aid-financed development activities should be locally-owned, the notion locally-owned remained insufficiently defined.

Three years later, the World Bank's Comprehensive Development framework (CDF, 1999) included ownership as a fourth principle to guide PRSP[17]. During PRSP's formulation, spaces have been opened up to stakeholders to participate in a broader consultative process. Parliament, civil society organizations, NGOs, and local authorities were considered to be the legitimate representatives of the population. Then after, levels of country ownerships have been measured depending on how countries have developed their PRSPs. Yet, in most cases, the effectiveness of participation of civil societies and NGOs and their level of influence on the content of the PRSPs remains shade (Eberlei, 2007). For example, the second phase of Ethiopian PRSP, PASDEP, stated that the document was adopted through an extensive national consultative process (MoFED, 2006 pp: 45). But there is little or no indicators what exactly the strategy benefited from such process and to what extent the stakeholders influenced the process.

In 2005, ministers of countries, responsible for promoting development and head of multilateral and bilateral institutions assembled in Paris and set global principles, known as the Paris Declaration, in order to promote and enhance aid effectiveness. As a result, among others, the concept of ownership has attracted global attention. The Paris Declaration defines ownership and the rest four guiding principles of development aid as follows:

Ownership: partner countries exercise effective leadership over their development policies, and strategies and co-ordinate development actions.

Alignment: donors base their overall support on partner countries' national development strategies, institutions and procedures.

---

[17]PRSPs tend to have development strategies based on long-term broad based or often times referred to as pro-poor growth: World Bank (1999) Comprehensive Development Framework

Harmonization: donors' actions are more harmonized, transparent and collectively effective.

Managing for Results: managing resources and improving decision-making for results

Mutual Accountability: donors and partners are accountable for development results.

In line to these definitions, the Paris Declaration also identified some commitments to be undertaken by partner countries (i.e. recipients) and donors. And, 12 measurable indicators and targets of the principles have been set, one of them for ownership. It stated that at least 75 per cent of aid-recipient countries should have 'operational development strategies' by 2010.

The Paris Declaration faces wide criticism from two angles. On the one hand, the Paris agenda has mainly centered on governments' role to take full control and leadership over aid-financed development strategies although it highlights importance of other stakeholders (Hyde'n and Mmuya, 2008; Zimmermann and MacDonnell, 2008; Buiter, 2006). On the other hand, follow up studies and reports have suggested that while the Paris agenda strongly demanded governments' autonomous policy adoption, donors' dominance still continues (Zimmermann and MacDonnell, 2008).

Still, the quest to understand ownership is growing based on various perspectives. Norman Girvan (2007) argues that ownership is '*acceptance of, commitment to and responsibility for the implementation of, home-grown solutions'*. Further, he argues that ownership can be achieved only if the home-grown solutions resulted in a process dominated by local actors and local knowledge with specific focus to local environments. According to Shimomura and Ohno (2005), true ownership entails capacity of a particular aid recipient country to manage aid relationships and achieve policy autonomy depending on government commitment and capacity to foster realistic policies with a specific exit strategy. Anam (2007) concluded that ownership is at the center of the quest of good governance in order to reduce poverty significantly; which is directly linked to openness of the process of

development financing. Noting that ownership is a multidimensional concept, Buiter (2006) argues ownership has become a misleading concept as development aid fails to meet standard incentives of conditionality which are attached to the process. Zimmermann and MacDonnell (2008) recommend that cutting barriers to local knowledge, commitment to local legal frames, diversifying monitoring system to participatory ownership and reviewing conditionality and adapt human resources can and will broaden the notion of ownership. However, no unequivocal definition of the concept has emerged in the past five years.

In general, despite all the varying dimensions of the concept, widening the room to actors outside the government has been argued as a basic element of the concept. Hence, meaningful participation and involvement of CSOs, the private sector, parliamentary and local governments and independent media contributes by large to smooth and effective implementation of inclusive PRSs (World Bank, 2005).

This paper will depend on the following definitions of the main concepts discussed in the study.

Ownership: explains the process of active engagement and possession of rights over a project/program with commitment and responsibility to achieve sustainable outcomes.

Stakeholders[18]: are actors, who have objectives and goals to achieve, engaged in a specific development activity, and benefit from the process.

Sustainability: pertains to the longevity of development cooperation's benefits, rather than particular projects or activities themselves (Ostrom et al, 2002).

---

[18] Weeks et al (2002) explained that according to Sida, beneficiaries are the ultimate stakeholders of a program.

4. Theoretical Framework

One of the key lessons from the literature is that on the one hand ownership has been taken as a precondition for sustainable results of development assistance; on the other hand the concept entails conflicting interpretations (Weeks et all, 2002). Further, no concrete theoretical foundation is attached to the concept in the context of development aid.

4.1. Institutional Analysis

It is worth noting that the donor-recipient relationship is widely perceived to be characterized by power asymmetries (Jerve, 2002). Incentive issues are thus central in the aid effectiveness debate. According to Ostrom et al, (2002) incentives *'include the rewards and punishments that are perceived by individuals to be related to their actions and those of others'*. This paper outlines a theoretical framework based on institutional analysis, which provides insights on problems that may occur in foreign aid delivery in relation to promoting local ownership. The term *institution* is associated with various meanings. The following definition is adopted here:

- **Institutions:** formal and informal rules that are, in fact, followed by most affected individuals. Such rules structure incentives in human exchange, whether political, social, or economic (Ostrom et al, 2002).

4.2. Dimensions of Ownership

Ownership is a multi-dimensional concept (Shimumra and Ohno, 2005; WB, 2005; Buiter, 2006). To account for the fact that development aid is dominated by the donor-recipient dyad involving various actors from both sides; the theoretical structure is framed by distinguishing *internal* and *external* dimensions of ownership. This is mainly because of two reasons. First, it is often argued that the conditionalities and modalities attached to aid, which are driven by external forces, undermine local ownership. Hence, analysing external factors in relation to interactions made with internal actors will help identifying elements that affect ownership. Second, internally, it has been recognised that participation of actors outside government is a necessary step to enhance local ownership. So, identifying internal

factors that affect broader and meaningful participation is very critical. It should however be noted that internal and external dimensions are not mutually exclusive.

Figure 1: Theoretical framework /Dimensions and Indicators of Ownership/
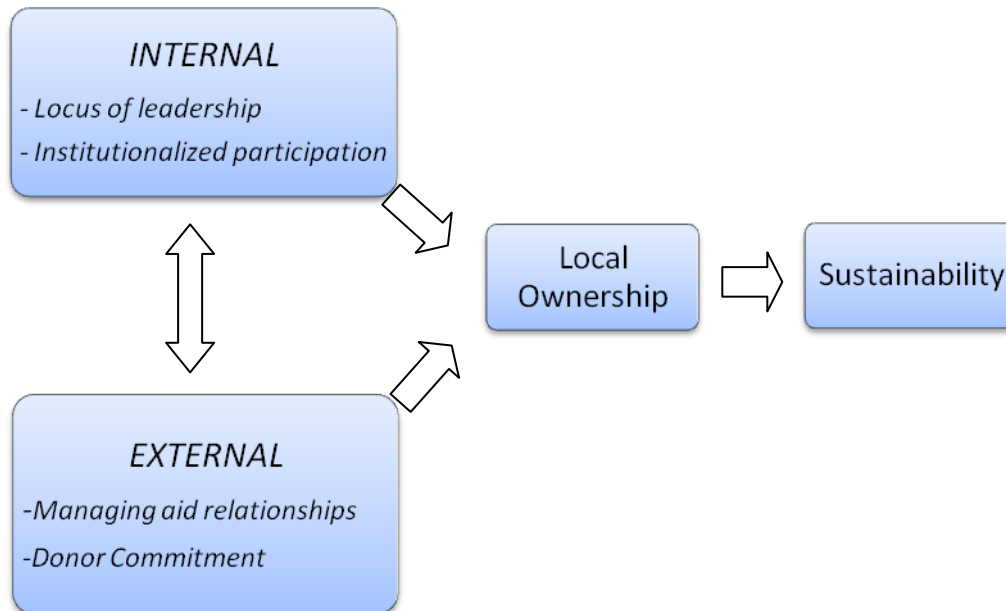
Source: Developed based on previous studies

4.2.1. Internal Dimension

Ensuring broader participation and accountability may not be a big problem in countries where institutions are strong and citizens have a reasonable access to information. Unfortunately, most poor countries lack all these features. Moreover, poor people living in these countries are often powerless and voiceless (Narayan, 1999). Jerve (2002) pointed out that effectiveness of aid principles like country ownership and partnership depends on the successful management of incentive structures that dominate the process. Therefore, development aid can contribute to poverty reduction only if strategies are supported by efforts to strengthen institutions and empower the poor to manage aid better.

The Paris Declaration (2005) strongly emphasized that recipient governments should take leadership and control over their development strategies. But it is necessary to ask whether

the scope of ownership that governments posses deals with the challenges that have characterized unsuccessful experiences in the past. *Locus of leadership* and *institutionalized participation* are, therefore, critical indicators to understand the nature and level of ownership driven by internal perspectives.

Locus of leadership

In the 1960s, the wide assumption was that poor countries needed external help to enhance the capacity and efficiency of their existing institutions (Jerve, 2002). Since there was no concern about motivational problems of governments of developing countries, national ownership of development policies was unquestioned (ibid.). Yet with ever growing external actors' role in developing countries and conditionalities, concerns started to focus on local ownership.

Leadership plays the major role in designing and planning **policies** and implementing development strategies. A government of one country has the responsibility to identify specific areas that need an external aid. Based on prioritized demands, adopting **realistic policies** with strong political will and commitment to build a 'self-reliant' economy is a critical element that real ownership should begin with (Shimomura and Ohno, 2005). Along with well-articulated and realistic policies, performing reforms and the capacity to implement the strategies are also necessary to achieve the sustainability of development activities.

Development aid is a collective good. **Reforms** are therefore often necessary to tackle collective-action problems. Yet, governments face dilemmas to change existing institutions for many reasons. First and foremost, governments' long-term country development is often overwhelmed by short-term power priorities (Ostrom et al, 2002). In countries with weak institutions, governments have little incentive to introduce reforms which might lead them to risk their power (Bräutigam, 2000). In this respect, Bräutigam further argued that aid can even contribute to delay the necessary reforms governments should take. Hence, for local ownership to be emerge sustainably, political will and commitment should be in place to overcome perverse incentive structures.

Capacity is another aspect that ownership should entail. The Accra Agenda for Action (2008) stressed that strengthening the capacity in developing countries is a key for effective aid management. Many development projects are supported with interim capacity building through short trainings and workshops; and over time it becomes difficult to maintain that capacity (John Weeks, 2002). Given that donors can provide support in capacity building for a defined period, the process should focus on changing institutional and organizational structures. Improved capacity will therefore broaden local ownership even after the termination of external aid (ibid.)

Institutionalized Participation

Participation has been used as a proxy to measure ownership. The relationship between domestic stakeholders and government, especially in the PRS, is assumed to be strong if it is based on broad participation. The term participation, however, faced criticisms for being a mere buzzword that cannot be translated into measurable targets (Cornwall and Brock, 2005). Stakeholders' participation should not be limited to the formulation of PRS. As ownership of development activity goes beyond adopting PRSPs, consistent and coherent engagement of stakeholders in the overall development process is critical. In this regard, stakeholders the right and opportunity to influence the process starting from design up to monitoring and evaluation. Hence, participation should be institutionalized into the countries' constitutional, political and legal frameworks so that all actors have equal sense of ownership in the process. Besides, recent literature has linked ownership with overall democratization process.

Walter Eberlei (2007) pointed out *rights, structures, legitimacy and capacity* as distinctive features of institutionalized participation. Stakeholder's participation in the process of poverty reduction should be guaranteed through a bundle of **rights**. Freedom of speech, freedom of expression and rights to assemble, Eberlei argues, are among the basic rights needed to be strengthened. Most PRSPs are however developed and being implemented in environments of weak institutions that undermine sustainability of stakeholders' participation. Along with the rights, participation of stakeholders also has to be integrated into all **structures** of the process. A well-defined structure is needed to provide spaces for dialogue forums on policies at all local-national levels (ibid.). **Legitimacy** is another

important component stakeholders should posses to participate effectively. Unlike governments, legitimacy of CSOs and other stakeholders is not gained by formal political ways such as elections. CSOs/NGOs become legitimate through the interests of the agents (e.g. the poor) they represent. For they are often the representatives of the marginalized, their legitimacy should be strengthened through an increasing inclusive and representative pattern so that they can be engaged in public policy formations (ibid.). Most CSOs in developing countries have limited capability to persuade and influence policy processes. *Capacity* is thus another aspect of meaningful participation CSOs/NGOs should acquire in order to influence public policy effectively.

4.2.2. External Dimension

The recipient-donor aid relationship is often referred to as partnership[19]. True partnership, as it is explained in the report *Shaping 21 Century* by DAC, has to contribute to promote and enhance local ownership. The partnership notion has also been broadened in the CDF (1999), PD (2005) and AAA (2008) in relation to the search for strong local ownership. It aims to tackle inequalities between 'recipients' and 'donors'. The way a relationship is established has impact on the entire process, and it further affects ownership. Hence, in relation to ownership, the external dimension refers to the recipient-donor relationship. How the relationship is managed; and donors' commitment to align to internal systems is a key aspect in determining the level and nature of ownership. The process to strengthen local ownership through partnership can therefore be explained in terms of *managing aid relationships* and *donor commitment.*

Managing aid relationships

Development assistance has usually been connected with the notion of conditionality. Conditionality refers to the requirements recipients should fulfill according to donors' wish in order to disburse aid (Weeks et al, 2002). Hence, conditionality was considered as critical incentive governments shall consider; bargaining for aid in exchange of policy reform *(*Ostrom et al, 2002:96*)*. Collier (1999) argues that such incentives were problematic and so could not produce what they intended. Country ownership would be at stake if governments

---

[19] Weeks et al (2002): 'partnership is the result of a successful outcome of negotiations'

react upon every requirement asked by donors as it opens room for perverse incentives. In an unfavorable policy environment, aid-for-reforms could also delay real reforms (ibid.). Reforms can therefore be sustainable only if they are initiated internally. Stigliz (1999) concluded that *democratic accountability and economic sustainability require that the recipient country take ownership of its development strategies* (cited by Ostrom et al, 2002: 100). Thus, ownership also encounters challenges from issues that emerge at the donors' side. These issues can be better understood by dissecting the management of aid relationships into *Policy Autonomy* and *Coordinating Donors*.

Policy autonomy refers to owning policies at all levels (i.e. initiating, designing, planning, implementing, monitoring and evaluating). Governments' policy alternative should not be narrowed to fulfill external conditionality. In 1969, the Pearson Commission Report stated that '*the formation and execution of development policies must ultimately be the responsibility of the recipient alone'*. For sustainable outcomes to be achieved policy autonomy should be combined with internal capacity and political will, so as to identify realistic policies, improve intra-government coordination and pursue institutional reforms. The latter, *coordinating donors,* seems that it can be accomplished by some part of government body (Shimomura and Ohno, 2005). Yet due to the fact that all actors have different and sometimes conflicting interests, donor coordination can also be complicated. Sometimes, ownership is also explained in terms of power balance, that aid recipient governments are too weak and poor to exercise their power (Hyden and Mmuya, 2008). In this case, weak local ownership leads to high external influence and vice versa. Strong local ownership means less donor influence, which may not be desirable by all donors. It is therefore an issue of striking the right balance between maintaining influence and promoting ownership. The Pearson Commission stated that '. . . *donors have a right to be heard and be informed of major events and decisions'.* This right is what the Paris Declaration refers as Partnership. Development cooperation should seek to promote ownership through sincere partnership. Therefore, in order to create true partnership and enhance ownership, the relationship should be built up on constructive dialogue and trust. Governments as a host country should take the leadership to maintain healthy relationship depending on demands and their policy priorities.

Donor Commitment

Donors should *support efforts to increase the capacity of all development actors – parliaments, central and local governments, CSOs, research institutes, media and the private sector* (AAA, 2008:17). In a genuine partnership, such support will boost countries' capacity and local ownership. Over the years, despite promoting local ownership at global level, foreign aid has been usually accompanied by conditionalities which were not accepted by recipients. In order to set conditions out of true partnership[20] and promote local ownership, addressing the power imbalances is a necessary step (AAA, 2008). Thus, **recognition of local context** and **coordination** are decisive elements donors should be committed to in order to enhance ownership.

Most conditionalities and modalities of foreign aid, if not all, are designed to work at global level which often referred as *One Size Fits All* approach. For instance, many reports have indicated that many countries are far behind the targets of the popular MDGs. As Jan Vandemoortele (2007) put it, these goals were set at global level, not to measure a specific country's or region's progress. He argues that such misinterpretation could have undesirable consequences. In his words, '*nothing is more disempowering than to be called a poor performer when one is doing a perfectly respectable job (*ibid. 6*)'*. Therefore, recognizing policy heterodoxy in line to local context is a key point that donors should accept (Girvan, 2007).

Donors' coordination*[21]* contributes to boost local ownership. With development assistance becoming increasingly a multi-actor task, the level of coordination should go deep among donors, government, and other local stakeholders. Since every development agent has specific objectives to achieve, beneficiaries may sometimes receive aid packages that include objectives and conditions that they would prefer not to receive (Eberlei, 2006:28). Therefore, coordination in policy design and implementation contributes in channeling effort and resources for sustainable results; which in turn enhances local ownership.

---

[20] True partnership, which emerges as a result of genuine negotiations, can open equal space to both actors so that they can reach in consensus; and they can identify conditions to a specific development activity with mutual accountability (Weeks et al, 2002).

[21] The term coordination refers to the relationship among donors-governments-stakeholders.

5. Ethiopia and Development Aid

This chapter discusses the process of development aid delivery in Ethiopia. It will briefly look at how aid and aid relationships have evolved over the years. The focus is on government-donors relationship pertaining to aid conditionality and efforts to improve coordination in poverty reduction. The objective is to supplement the analysis of the case study via a wider context of development aid in Ethiopia.

Over the past 60 years, the picture of Ethiopia's relationship with donors has varied a lot. On September 13, 1950, the World Bank delivered its first Bank loan to Africa, to Ethiopia[22]. By that time, Ethiopia began the donor-recipient relations with its own domestic governance structure and no colonial ties; which was/and is perceived to have implications of the '*meetings of equals*' (Furtado and Smith, 2007: 1). Following the revolution in 1974, which led the country into a socialist regime[23] for 17 years, aid provision was largely shifted to humanitarian relief (ibid.). The current regime was welcomed by the international donor community in 1991 after toppling the socialist regime introducing marker reforms. The aid relations afterward, however, still face challenges. For instance, the 1998-2000 war with neighboring Eritrea left many projects unfunded after donors' withdrawal; and the 2005 political turmoil following the 3rd national elections resulted in rough relations (Nkombo, 2008).

It is often assumed that the more countries become aid dependent, the more external influences grow. But it is not necessarily true that high aid dependency undermines local ownership and less dependency boosts it. For example Nigeria's country agenda is highly influenced by the IFIs while the country is less aid dependent (ibid. 2). As explained above, despite the variation of relationships; which is described by Furtado and Smith (2007) as a *start-stop/stop-start* type, the flow of aid to Ethiopia has increased. The table below illustrates that the level of aid has been increasing in terms of total net ODA and as share of per capita. But aid as share of GNI and imports had been decreasing. And, regarding to aid

---

[22] See WB archive:
http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/EXTARCHIVES/0,,contentMDK:21670169~pagePK:36726~piPK:437378~theSitePK:29506,00.html
[23] The regime was an ally to the then Soviet Union; which was perceived to be in the 'wrong *side*' by Western donors.

modalities[24], there has been a growing shift to budget and program support from project assistance, which paved the way for the government to spend more of its own money on capital projects and services (ibid.).

Table 1: ODA Aid Flow (2000 – 2008) in USD

Years	as of per capita (%)	as of imports (%)	as of GNI (%)	Total net ODA
2000	10.47	41.01	8.45	686 050 000,00
2001	16.29	49.84	13.50	1 095 720 000,00
2002	18.86	62.86	16.81	1 302 620 000,00
2003	22.65	60.65	18.91	1 605 210 000,00
2004	24.86	47.76	18.11	1 808 760 000,00
2005	25.58	38.64	15.54	1 909 930 000,00
2006	25.34	36.53	12.83	1 941 400 000,00
2007	32.59	36.91	13.36	2 562 940 000,00
2008	41.23	34.47	12.99	3 327 460 000,00

Source: Compiled from World Bank Database[25]

Despite the fluctuating nature of government-donors relations, the above table shows that foreign aid considerably matters to Ethiopia. The way it is delivered, however, has been constituted and reconstituted by internal and external elements; which might have implications on the relationship itself and even on effectiveness of the aid delivery.

5.1. Conditionality

It is commonly argued that conditionality undermines the possible positive impact foreign aid could bring. Considering the power imbalances between aid recipients and donors, it is a popular assumption that donors have high influence over recipients' development strategies.

---

[24] Aid modalities is a way in which aid is provided Project Aid, Program Aid and Sector Program Support or Sector Wide Approach (SWAP)(Ostrom et al, 2002)
[25] See http://search.worldbank.org/data?qterm=Ethiopia+ODA&language=&format=#

However, in the case of Ethiopia, regarding conditionality, the picture of donor-recipient relations seems to be a bit different, or even complicated, than the popular understanding[26].

In the last 20 years, Ethiopia's relationship with donors has been affected in relation to conditionalities linked to economic policies, political landscape and the war[27] with Eritrea (Borchgrevink, 2008). In the early periods of EPRDF's leadership, Ethiopia was praised for its commitment in performing reforms in a transition from a command to market-oriented system. The World Bank and IMF, however, continued urging for further reforms on private development sector and financial liberalization (*ibid.*). Yet, the conditions did not influence policy strategies of GoE which sometimes resulted in rough relations. But it is also difficult to conclude that conditionality have had no impact totally. For example, Fisseha et al (2005:5) claim that *conditioned aid is becoming a burden to the government, to the individuals assigned to the project cite as an administrator or manager, and to the nation at large* (such as dependency and institutional instability). However, it is generally the case donors have limited influence over government's major approaches to policies and programs (Furtado and Smith, 2007; Borchgrevink, 2008).

5.2. Coordination

The role of coordination to effective aid delivery is quite recognized by most recipients and donors. The GoE established aid management platform so that aid coordination can be smooth and help for more effective delivery. The number of donors who are willing to work in line to the principles of harmonization and coordination has also increased (Abebe, 2005:9). It can be said that the steps that the government took in strengthening its aid management platform have limited donor domination in the process of coordination. Nkombo (2008) identified the following nine characteristics of GoE aid management framework.

1. *Central Co-ordination of aid inflows* - In contrast to other countries, the Ministry of Finance solely negotiates all aid.

---

[26] It demands a closer understanding of historical context of the relationship and the nature of governance structure in Ethiopia that framed the policy decision making process and in a way it limited donors' influence (Furtado and Smith, 2007).

[27] Donors got into dilemma during the border war between Ethiopia and Eritrea (1998-2000) considering foreign aid might finance the war though most of the poor demands more help during war times.

2. *Commitment to follow through with Agreed Policies.* Once priorities are set – The GOE implements set priorities, this contrast with other countries here as policies remain as drafts for years.

3. *Clear Division Between Political and Technical Engagements on Aid* – GoE clearly designates mandates of aid discussions at two levels, the political level, which sets the broad parameters of the negotiations and the technical level which negotiates specific sector policy questions, and program design.

4. *Built Manpower and Negotiating Capacity*–GOE encourages its staff to improve their negotiation, project monitoring and evaluation, data management and analysis capacities.

5. *Use of Donor Aid Proposal Focal Points and Culture of Performance* – To avoid uncoordinated co-operation, GOE has designated a focal point for the submission of project proposals to donors. GoE uses performance reports to track donor assisted projects under implementation and to advise new donors on areas of need.

6. *GoE delineates Which Donors Can and Cannot Participate in Policy Forums* – It insists that only those agencies providing budget support should participate in national budget discussions.

7. *Balancing Traditional and Non Traditional Sources of Aid* -Balancing a mix of aid sources has reduced the impact on ownership from governance or liberalization agendas related to traditional aid. It is also noted that, nontraditional aid to some degree undermines ownership as it increases off-budget assistance effects.

8. *Centralized Decision Making and Decentralized Implementation* – Donor dialogue and negotiations are almost exclusively concentrated at federal level, while implementation of development programs is at sub-national level.

9. *Culture of Fiscal Discipline* – A culture of discipline pervades GoE with low corruption and seriousness of purpose, donors are limited to bulldoze the GOE at the scale they do in other countries.

The above features show how the government is committed to internal principles in respect to its political system. This helps the central government to assume greater ownership

regarding its relation with donors as well as with local governments. On the donors' side, efforts have also been in place to work in a coordinated manner through the Development Assistant Group (DAG). DAG comprises 26 major donors in the country within the principles of Paris Declaration. Through the DAG, there are regular engagements in dialogue with the government at different levels; from discussions of highest levels on annual base policy issues to discussions between technical committees and representatives. However, there are some concerns that government representatives might be overloaded in such dialogues that they may not be actively engaged in dialogues within parliament and civil society (Pereira, 2009). In a country like Ethiopia where the key personnel in government ministries is said to be relatively thin, such crowding out effect of aid-related bureaucracy may indirectly affect the overall success of development activities.

5.3. Poverty Reduction Strategies (PRS)

Ethiopia finalized its first generation PRSP, Sustainable Development and Poverty Reduction Program (SDPRP), in 2002 with the objective of reducing poverty. The document stressed that agriculture is the main hub for the country's economic growth. For this reason, it incorporated ADLI, which was adopted in 1992. In addition, SDPRP focuses on *civil service reform*, *decentralization, empowerment* and *capacity building in public and private sectors* in order to achieve effective and sustainable development which linked the economic and political process.

In 2006, the current PRS known as Plan for Accelerated Sustainable Development and Eradicate Poverty (PASDEP) emerged focusing on development directions pursued in the first PRS like infrastructure, human development, rural development, food security, and capacity-building (MoFED, 2006). In addition to scaling up efforts to achieve MDGs, it also included new directions such as greater commercialization of agriculture and private sector development. PASDEP is a five-year national development plan; with overriding objectives to attain accelerated, sustained and people-centered economic development (ibid. P: 44). It is also a comprehensive and well articulated document with detailed sectoral policies, strategies and programs with medium term national development program where national priorities and resource requirements are indicated. It includes guidelines on urban-rural

linkages, environmental-development linkages, mainstreaming of gender and HIV/AIDS and considers spatial dimensions (i.e. since the country is characterized by diversified agro-ecology, culture and lifestyle). The plan also pays strong emphasis to tackle the country's key challenge, food insecurity.

Meaningful participation: how institutionalized is it?

Stakeholders' participation ought to be institutionalized in terms of rights, legitimacy, structure and capacity in order to build mutual accountability, transparency and greater sustainable ownership. The Ethiopian constitution (1994) guaranteed the people of Ethiopia freedom of thought, freedom of expression, freedom of the press and other mass media; and the right to assemble and freedom of associations. Many argue that, however, these fundamental rights are overlooked in reality.

Up to 2007, there were nearly 3000 legally registered operational CSOs/NGOs in Ethiopia (Rahmato et al, 2008). Even if the size of the CSOs/NGOs community is small compared to many other African countries; the number of CSOs/NGOs has grown significantly over the years. CSOs/NGOs' contribution largely goes to sectors prioritized by the government in line to PASDEP such as human development, agriculture and rural development (ibid.). CSOs/NGOs' contribution to agriculture and rural development for instance accounted for about 3.8 billion birr[28] during 2004-2008. Regarding ownership, however, it is important to see whether these contributions are institutionalized, coherent, and coordinated in terms of the country's political, legal and socio-economic aspects.

PASDEP has clearly stated that CSOs/NGOs have substantial role in development and poverty reduction of the country. Also, preparation of the document went through consultative process including CSOs, business community, donor partners and regional states. CSOs/NGOs' role in poverty reduction and particularly to meet the MDG is well recognized by the donor community as well. In 2006, DAG has reached a conclusion to promote and support non-state actors not only in development issues but also in enhancing democracy and ensuring good governance. The role of non-state actors is thus recognized nationally and backed by constitutional rights; and by large supported internationally.

---

[28] Birr (ETB) is Ethiopian currency. 1 USD is about 16 ETB (September 2010).

On the other hand, while there are international CSOs/NGOs who mobilize huge resources, for many, particularly local institutions, mobilizing resources internally is challenging so they look at international funders; which may lead them to be more accountable to their funders than to their constituents. Further, for the sake of fund they can also act beyond their stated mission; and such actions are often followed by consequences especially if they are related to human rights and democratization issues (Pereira, 2009). In a situation with less trust and weak institutions, governments may not be able to tolerate issues which might question their record regarding democratization process and human rights. For instance, in 2009, GoE suspended 42 NGOs '*for acting out of their mandate*'[29]; which according to CIVICUS is an action that narrows the civic spaces in the country.

Table 2 below illustrates the state of Ethiopia's democratic governance which focuses on building sustainable capacity to promote democratic institutions. It included indicators like accountability and public voices, civil liberties, rule of law and anti-corruption and transparency. Each of these indicators included specific targets that address the ultimate freedom of citizens in political and legal frameworks. Ethiopia's score in all these categories fall below average. And, concerning freedom of the press, which plays a key role in building and maintaining democratic governance, Ethiopia is under the 'not-free' category according to the 2009 Freedom House's report[30]. Many factors could contribute to the slow process of democratic governance. But it is mainly undermined in part because of the government's lack of strong commitment to make political and legal reforms; and in part because institutions are strained by low capacity.

---

[29] http://www.ngopulse.org/press-release/civicus-condemns-suspension-ngos-ethiopia
[30] http://www.freedomhouse.org/template.cfm?page=251&year=2009

Table 2: Democratic Governance

Year	Indicators of Democratic Governance			
	Accountability and Public Voice	Civil Liberties	Rule of Law	Anti-Corruption and Transparency
2005	1.88	2.83	2.06	2.76
2007	1.85	2.85	2.36	2.36

Source: Countries at the crossroads (2007), Freedom House. *scores based on scale of **0 to 7,** with *0 representing the weakest and 7 represents strongest performance*.

According to Keller (2007), the political turmoil following the third national election in 2005 significantly influenced the overall political engagement of non-state actors. In January 2009, GoE adopted a new Charity and Societies Proclamation[31] which covered a range of issues from registration to financial source and dissolution of CSOs/NGOs. As a result, various bodies have strongly reflected their concern that the new law will weaken CSOs' activities by conceding an excessive power to the government[32]. In the new law, working on rights based issues is only allowed to '*Ethiopian charities and societies*' who obtain not more than 10% of their finances from foreign sources. It is therefore feared that many local organizations will go drained because of low local fundraising opportunity or they will be limited only to service delivery (Pereira, 2009).

---

[31] The law distinguishes between 'Ethiopian Charities and Societies' and 'Ethiopian Resident Charities and Societies' so their source of fund will vary accordingly. Organizations who receive more than 10 % foreign fund will be regarded as an *Ethiopian resident*; and they are not allowed to be involved in rights based and conflict resolution issues.

[32] See http://www.amnesty.org/en/news-and-updates/news/ethiopian-parliament-adopts-repressive-new-ngo-law-20090108

6. Ownership in Practice

As discussed in the theoretical framework, ownership is not something we can understand from a single dimension. Local ownership can only be attained if different actors exert a coordinated effort in the design and implementation of development aid projects with genuine commitment. And it is also shown that the ownership of even a single aid project can be affected by the overall institutions of one country. Here, I will discuss the process on how PSNP is designed and being implemented based on the data obtained from interviews, discussions, questionnaire, and documents.

6.1. General Overview of PSNP: Objectives, Components and Goal

Outside South Africa, Ethiopia's PSNP is the largest program of its kind in Sub-Saharan Africa (Gilligan et al, 2008). It provides cash and/or food transfers to *chronically food insecure*[33]households to fill food gap and protect asset depletion at household level while building community-based assets focusing on environmental rehabilitation. In 2005, the Program started with about 4.5 million beneficiaries and currently it scaled up to nearly 8 million beneficiaries in *300 chronically food insecure Woredas* (MoARD, 2009a) (See Annex 2; Number of PSNP beneficiaries by region). The expectation is that it will (i) support the rural transformation process, (ii) prevent long-term consequences of short-term consumption shortages (iii) encourage households to engage in production and investment, and (iv) promote market development by increasing household purchasing power (PIM, 2006).

As part of the national FSP, PSNP is linked to rural development strategies in line to PASDEP. It is being implemented only in rural areas. The program consists of two components (a) *labour-intensive public works* linked to the objective of building community-based assets; and households who have able-bodied are supposed to participate in these public works; and (b) *direct support* to provide support to those households who have no labour and without other means of support (e.g. elderly).

---

[33]PIM (2006) Households located in identified chronically food insecure Woredas, who have faced food gaps for at least 3 months, and who were receiving food aid prior to commencement of PSNP and with no any support from families and other social protection.

As illustrated in the figure below, the program's principal goal is to help chronically food insecure households to be able to **graduate**[34] into sustainable food security. It is believed that objectives of the program will be achieved only if the program is linked and integrated to other food security programs and to the broader rural development strategies.

Figure 2: Conceptualization of Graduation
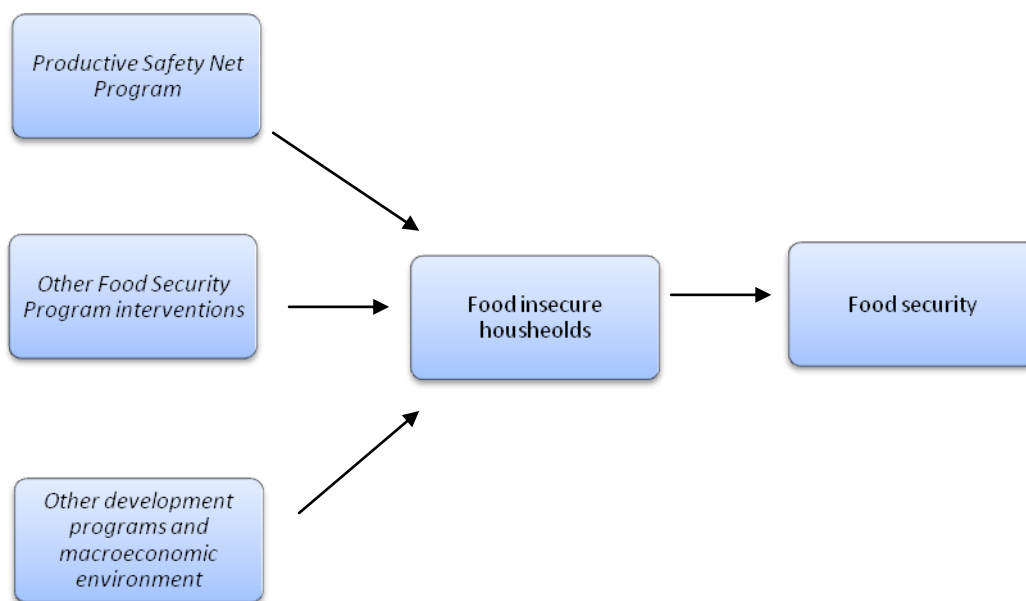
Source: PIM (2006)

Institutional Framework of PSNP

Implementation of PSNP is guided with a document known as Program Implementation Manual (PIM, 2006). The manual details a range of guidelines, from objectives to components to roles and responsibilities of organizations, implementation capacity, monitoring and evaluation. MoARD is responsible for the general oversight and coordination of the program through the Federal Food Security Coordination Directorate (FFSCD). Food security line agencies at every level oversee and coordinate the implementation of the program (PIM, 2006). Some NGOs are also participating in

---

[34]Graduation is conceptualized based on households' period of food gaps. Therefore, a household can graduate from PSNP if it is able to satisfy its food need for at least 12 months in one year without PSNP support, and if it is resilient to shocks.

coordinating implementation of the program in selected Woredas. *CARE Ethiopia, WVE, REST, SCF/UK, SC/USA, CRS and FHI* are directly involved in coordinating implementation of the PSNP with financial support from the USAID (Rahmato et al, 2008). For example, Relief Society of Tigray (REST) is engaged in implementing PSNP in six Woredas in Tigray (i.e. one of the Woredas was visited during the field study) out of 31 Woredas covered by the program in the region. While the program is designed at federal level, implementation takes place in line with the country's decentralized system; *Federal -> Regional -> Woreda -> Kebele - > Community* (See Annex 3, institutional arrangement of PSNP).

6.2. Program Design and Implementation

Despite the substantial emergency aid flow to the country over the years, studies have shown that it did not create sustainable livelihoods to the vulnerable households although it saved lives (NCFS, 2003). In 2003, following poor rain, the population in need of food increased to about 13 million which is the highest in a decade (See figure 3 below). The same year, the government initiated the *New Coalition for Food Security* (NCFS), which involved partner donors for consultation. The NCFS concluded that the root causes for the problem were rather structural than due to temporary shocks[35]. As a result, the Food Security Program was launched to deal with the national challenge through development-oriented assistance. The Food Security Program, as a major program to transfer vulnerable households into sustainable livelihoods and food security; comprises a) The Productive Safety Net Program (PSNP), b) Voluntary Resettlements, and c) Other food Security Programs (OFSP) with its main component *household packages* aligned to PSNP.

---

[35] Group Discussion: FFSCD

Figure 3: Population in need of food aid, by year (1992-2004)
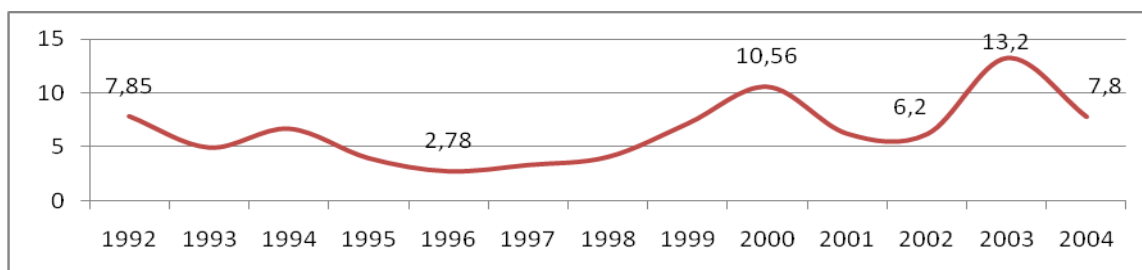
Source: DPPA (2006)

At present, nine donors (the World Bank, DFID, Sida, CIDA, WFP, USAID, Irish Aid, EU and Embassy of the Netherlands) are committed to multi-annual financing of PSNP. The program has attracted huge international attention. In the 2004 G-8 Summit, where one of the major themes was *breaking the cycle of famine and hunger*[36], the New Coalition for Food Security was described as an example to tackle the problem of hunger. PSNP is also praised as an innovative program to achieve food security; accordingly the Summit called for international coordination to support the GoE attains its goals.

Food security has been a priority for successive Ethiopian governments in their development policies and strategies (Devereux and Guenther, 2007). As indicated earlier, food self-sufficiency is also a key objective of the current government and is well articulated in the five year development plan, PASDEP, as well as in rural development policies and strategies. In line with this national objective, PSNP is designed in a way to be predictable (i.e. with multi-annual resource) in order to fill food gaps and protect households' asset disinvestment, complemented by public works that contribute to community-based asset creation; and a shift from food aid, which often depresses the prices of locally produced food, to cash transfers. The government and donors recognise the program to be demand driven, effective (i.e. low cost social safety nets) and realistic to break the cycle of unpredictability that dominates previous relief programs[37].

---

[36]See http://www.g7.utoronto.ca/summit/2004seaisland/famine.html
[37] Group discussions at FFSCD and WFSD; and donors' response in a questionnaire

6.2.1. Reforming Emergency Relief?

'Food aid has long been associated with the history of development aid in Ethiopia, but it always was too late and too little which couldn't address the fundamental problems of vulnerable households. Hence, reform was crucial. And, the government has managed to lead the process in a very coordinated manner'[38].

According to Brown et al, (2008), the following concrete incentives led the government and donors to seek a way of linking emergency relief with development. <u>For the government:</u>

- Dependency: avoiding the perceived dependency on long term-food aid was the government's primary incentive

- Electoral liability: the government came to power in 1991; it pledged to transform the livelihoods of the rural. But food insecurity has increasingly become a growing concern

- International image: the continues annual appeals for food aid was a source of embarrassment to the country's leadership

- Access to reliable resource: On the other hand, the prospect that a safety net might entail the distribution of hundreds of millions of dollars in assistance through government channels was a significant incentive to proceed

On the other hand, after decades relief work, donors were fatigued of the limited success. Hence, they sought to move beyond the annual appeals based process.

Triggered by these and other incentives, the government and partner donors reached to an agreement of forming the government-led social safety nets. Following the NCFS, PSNP gained actors' coordination to reform the existing relief assistance. While the multi-annual resource of PSNP is expected to reform the annual appeals based emergency aid, avoiding long-term dependency on food aid was also taken into consideration. Hence, the public works component of the program which involves able-bodied households is spelled out as a

---

[38] Group discussion at FFSCD

strong element to address dependency. It should however be noted that linking aid work with public work is not new; some food for work programs dating as far back as 1961 (CRDA, 1989).

Further, the National Policy on Disaster Prevention and Management (NPDPM)[39], enacted in 1993, also stressed that *relief assistance to able bodied persons shall be through their participation in employment generating schemes* (NPDPM, 1993-6:6.1). However, even if efforts to reduce dependency on food aid have been practiced over the years (at least ever since the enactment of the NPDPM); the PSNP PIM noted that success stories were limited. Hence, among other things, institutional and financial reforms are undertaken on the PSNP activities based on past lessons (see Annex 4). In practice, despite all the reforms introduced in PSNP, particularly concerning public works, there still are no clear mechanisms how to make them appropriate incentives.

> *In terms of institutional arrangement, PSNP is of course well designed and structured. But did safety net induce less dependency because of the public works...I don't think so. People who participate in the PSNP activities think participating in the activities is a prerequisite to get the 15 kg food or 50 birr per month. Sometimes, people hide their assets in order to be included in the program[40].*

6.2.2. Trends in Program Implementation

While political commitment is necessary for adopting realistic policy and to make reforms, capacity is a critical element for an effective implementation. In terms of financial capacity, PSNP is being implemented with an annual budget of nearly US$ 500 million (Gilligan, 2008). The government's commitment to make food insecurity history and partner donors' commitment to finance PSNP in multi-annual basis gives the program strong capacity to reach all the beneficiaries[41]. Improved capacity contributes to enhance local ownership; and

---

[39] The policy was based on the key principle that "*no human life shall perish for want of relief assistance in times of disaster*", and it focused in eliminating root causes of food insecurity
[40] Group discussion at Woreda Enderta Food Security Desk
[41] Group Discussion: FFSCD

further to attainment of sustainability of the program. In this regard, three trends on how the program is implemented are discussed below.

Targeting

According to the PIM (2006), beneficiary selection is conducted through a combination of administrative and community targeting systems. Food Security Task Forces (FSTFs) at Woreda, kebele and community level are the main responsible body for the screening process. The PIM has also included criteria for eligible household selection as well as for the process of refining the selection. However, beneficiary selection at kebele level is dependent on the quotas given to kebele by Woredas. Woredas' quota is decided based on surveys prior the process of beneficiary screening at the kebele level, which focuses on household asset level and level of Woreda food insecurity[42]. Hence, even if the PIM put guidelines; specific criteria to select '*the poorest of poor*' are left to be adopted by Woreda FSTFs, which sometimes leads to inclusion and exclusion errors. In the early implementation of the program, some households had excluded members, and in some cases better off households were included while the needy were omitted. To address such problems, however, mechanisms like **re-targeting and an appeals system** are designed so that errors can be revised. After the re-targeting, the number of complaints has decreased significantly. Most importantly, it has gained broad community participation[43].

Transfers, predictability and beneficiary preferences

Timely and predictable transfers play a key role in achieving objectives of the program. According to the FSP review (2009), nearly 60% of beneficiaries report that they do not receive transfers on time. As a result most households (58%) feel that the PSNP is not enabling them to plan ahead (ibid.).

> *Because of delays in reporting and other reasons, which occurred as a result of low capacity in human resource and late accomplishment of public works based on schedule, there are delays in payment. This definitely affects predictability, main*

---

[42] Group Discussion: FSD, Enderta Woreda
[43] Interview: Woreda Degu'a; FSD

principle, of the PSNP. But we now have started Automated Payroll and Attendance Sheet System (PASS) and it is expected that it will reduce the delays and errors in reporting regarding payments[44].

In terms of modality, shifting from food aid to cash transfers is one pillar of the program. While there are efforts to translate the principle into practice, for reasons such as high prices of food in the market, beneficiaries' preference for food remains higher. Figure 4 shows that beneficiaries' preference for food is higher in 2008 than it was in 2006 since the price of the cheapest cereal (maize) increased far from the price that the monthly PSNP cash payment can purchase 15 kg of cereals (amount of PSNP food transfers) (FSP review, 2009).

Figure 4: Beneficiary preference for cash or/and food
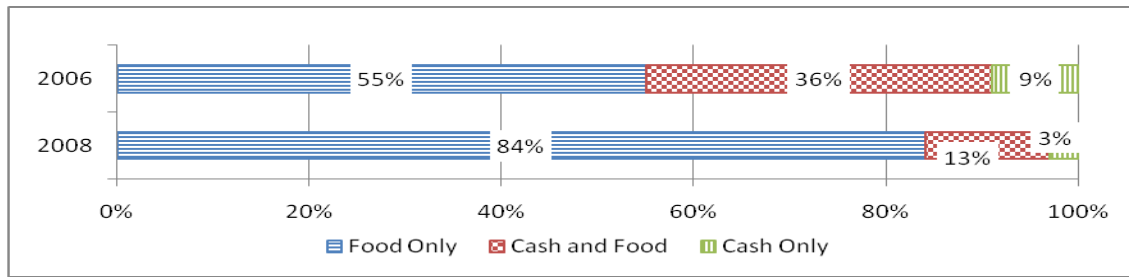
Source: FSP review (2009)

Linkages between PSNP and other development programs

It is widely acknowledged that PSNP is having positive impacts in smoothing household consumption and boosting access to services such as education and health (Slater, 2006). However, graduation of beneficiaries into food security is unlikely unless PSNP beneficiaries are engaged in other income activities. Graduation from PSNP is conceptualized based on PSNP + OFSP (PIM, 2006). And, it is considered that 'other development programs', which are part of the broad macro-economic environment of the country, will also contribute to the graduation process. Beneficiaries of the OFSP receive at

---

[44] Interview: Degu'a Tembien; WARDO

least one of several productivity-enhancing transfers or services[45]. 'Therefore, while the PSNP is not responsible for the actions of other actors, it should sufficiently coordinate with these actors to ensure all the contributions necessary to bring graduation and to multiply the impacts of all programs (MoARD, 2009b). Improvements have been observed over the past two years or so regarding integration and harmonization among programs. But more work is needed to enhance the level of integration and harmonization since it varies from region to region (FSP Review, 2008).

On the other hand, PSNP public works are expected to be integrated through coordination of line sectors[46]. Despite detailed explanations, guidelines and trainings at Woreda level to maintain and enhance horizontal and vertical linkages of the public works, effectiveness of the process is sometimes undermined because of weak coordination. This is mainly due to shortages of staff and skills since the program relies on existing government capacity; and additional work load created by PSNP over sector offices.

> *According to the PIM, every sectoral office (i.e. Agriculture, Rural Roads, Water, Natural Resource Management, Education, Health, Cooperative Promotion and Women's Affairs) should integrate PSNP activities in their annual plan which is being practiced. And, if one sector, say rural roads, is prioritized to be constructed by PWs of the PSNP, the sector will receive funds for administrative activities during the construction. The coordination between the PSNP (FSD) and the sector office, however, is limited when the public works begin. This is because somehow PSNP-PW is an additional workload to sector offices and it is considered that Food Security Desk is responsible to follow up the activities. But, FSD or WoARD might not have the required technical skills to supervise quality of the activities[47].*

---

[45] These includes access to credit, agricultural extension services, technology transfer (such as advice on food crop production, cash cropping, livestock production, and soil and water conservation), and irrigation and water harvesting schemes.
[46] Education, Water resource, rural road, health
[47] Interview: Degu' Tembien, FSD & Enderta, FSD

6.3. Coordination and Harmonization

Building strong local ownership needs genuine partnership. And, establishing genuine partnership is unlikely without coordination and harmonization of actors and actions. The government's initiative therefore primarily focused on coordinating actors in order to reform the existing relief aid. During a consultation process organized by the government on June 11-12, 2003, different views coincided to build a partnership, realizing that converging experiences and capacities will lead to better outcomes. This resulted in the formation of the *New Coalition for Food Security. '*The Coalition idea reflected a new partnership among government, development partners (donors, UN, NGOs, etc.), civil society, private sector and with maximum social mobilization of the people themselves (NCFS, 2003)'.

> *The important thing about PSNP, which is formulated during the new partnership as part of the Food Security Program, is that all partners agreed on issues that matter to all prior to implementation of the program, and signed a Memorandum of Understanding (MoU) in 2005 which clarifies specific rights, obligations and coordination frameworks. That serves as a good foundation to the partnership[48].*

Concrete dialogues and debates have been conducted on issues such as scope, targeting and public works of the program which finally brought various interests of stakeholders into an understanding to develop a single government-led implementation mechanism. And, finally the PSNP's Program Implementation Manual (PIM) was finalized in a way to have robust and comprehensive safe guard systems. The PIM was accompanied by additional guidelines[49] (see: Annex 5). In accordance with agreements, joint and coordinated mechanisms that include various technical committees and task forces were also established for further coordination and harmonization of the program[50]. PSNP's **Joint Coordination Committee (JCC),** including all partners and chaired by the State Minister for Disaster Risk Management and Food Security (DRMFS), provides joint oversight of program implementation and technical guidance.

---

[48] Group discussion: FFSCD
[49] Based on questionnaire from participating donor
[50] ibid.

Donors' harmonization is an important aspect of aid effectiveness in general and ownership in particular. PSNP partner donors contribute to the program through a pooling system. In order to harmonize and coordinate PSNP partners' activity, some instruments are also put in place. The ***Donor Coordination Team*** (**DCT**) plays an important role in supplying all partner donors with information regarding implementation of the program. While facilitating dialogue between the government and partners, the DCT also manages studies and technical assistance concerning PSNP[51]. Supported by the DCT, the ***Donor Working Group*** (**DWG**) works to harmonize donors' participation in relation to PSNP, and chairing the group rotates among the PSNP partner donor every six months.

Regarding Monitoring and Evaluation (M&E), the GoE has established a single system for the entire FSP of the country. As part of the broader FSP, PSNP is thus expected to be part of this M&E system in which partner donors have agreed to rely upon this common system. As for the PSNP, a **Rapid Response Mechanism (RRM)** is designed to detect implementation problems as they occur at Woreda level and bring issues to Regional Food Security Steering Committee (RFSSC) (PIM, 2006; Slater et al, 2006). *However, the RRT* (Rapid Response Team) *is too reliant on donor resources, personnel and impetus, thus it is perceived that it is a result of donors' requirement than the internal system* (Sharp et al, 2006). And, general evaluation of the program and public works' impact assessments are provided through a joint (government and partner donors) and independent evaluation systems. The **Joint Review and Implementation Support Missions (JRISMs**) conduct review of the implementation process twice a year.

6.4. The Role of CSOs/NGOs

As indicated earlier, CSOs/NGOs' role in poverty reduction is well recognized in Ethiopia's development plans as well as in donors' development initiatives. The PIM emphasizes that PSNP implementation should utilize and benefit from non-governmental actors, and it includes guidelines on how those actors should be involved. Sharp et al (2006), however, notes that '*during the launch of the Food Security Coalition, NGOs felt they were left out of the PSNP design and implementation processes*'. But this seems to improve during the implementation phase. Although the government is considered as sole responsible agent of

---

[51] ibid.

the program, involvement of some NGOs in selected Woredas contributes to strengthening implementation capacity of PSNP on issues such as translating guidelines adopted at federal level into local languages (ibid; Rahmato et al, 2008).

For example, in selected woredas, REST is playing a significant role in providing machineries for the public works[52], advocacy (e.g. *REST has been advocating for an increment of duration of PSNP transfers 10 months for PW and 12 for the direct support*), food distribution and other supply in support of the program[53] (bid.). NGOs also participate as members to the Woreda Food Security Task Force (WFSTAF) which technically assesses Kebele PSNP annual plans.

6.5. Beneficiaries' Role, Perception and Expectation

In order to understand whether targeted beneficiaries' participation is nominal or not, it would be very important to analyze the action arena based on deep ethnographic perspectives. This is beyond scope of this study. However, I have combined other studies' findings regarding local participation with the data I have obtained through my interviews with public works beneficiaries.

Beneficiary **participation** is central in implementation of the program. Given that kebeles have a definite quota, the screening process demands participation of the community to select the '*poorest of the poor*'. All the respondents explained that the targeting process was fair in the latest phase although most needy people were highly excluded during initial implementation years, which led to complaints[54]. Community participation also plays important role in separating the eligible households for direct support (households with no labour) from those who are able bodied for public works.

Although PSNP public work activities vary from Woreda to Woreda, there are five major components: water development, soil and water conservation, rural road constructions,

---

[52] Some PWs need low level use of machineries though most of the work is expected to be labour intensive and can be achieved without machinery involvement.
[53] Interview: Degu'a Tembien; REST representative and WOARD
[54] Interview with beneficiaries from both Woredas; Degu'a Tembien and Enderta

forestry development and development of social infrastructures. All respondents said that they participate in meetings to identify priorities of the public works[55]. These activities are being implemented through participation of beneficiaries which in turn pays them in cash or food in an employment basis.

In order to achieve the desired outcomes, beneficiaries' **perceptions** concerning the program and their trust on the administration have an important impact. All respondents emphasized the importance of PSNP. Able-bodied beneficiaries are expected to work 6 hours per day for five days a month. It seems that, in principle, even the work norm is favoured as participants can manage their private business in the rest of the day. However, given that there are other similar activities (e.g. soil and water conservation) some people could spend as much as 20 days per month in public works[56]. Hence, households with shortage of labour suggested that it is sometimes difficult to engage in other productive activities.

According to Grosh et al (2008), much of the quality of a safety net is in the details of its implementation. Most of the respondents suggest that the payment, if it is in cash[57], is way below the market prices although it provides substantial benefits. Moreover, the benefit of the transfers is affected by late payments. Respondents stated that sometimes they use the transfers for paying back loans that they took from rich neighbors or relatives.

Regarding the process of electing kebele program administrators, all respondents said that officials and other people involved in PSNP implementation, such as Kebele Appeals Committee, are fairly elected by the people. However, they emphasized that they do not get timely and appropriate feedback when they appeal in relation to targeting and transfers. Even if the PSNP has an appeals mechanism at every kebele level which includes elected people from the community, appellants often do not get appropriate feedback; and most of them even do not know exactly where and to whom they should apply.

---

[55] Interview: beneficiaries; Degu'a Tembien and Enderta
[56] Interview, beneficiaries; Degu'a Tembien and Enderta: Further, for instance in a household with five members if it is only the head who is able to work, the household head is supposed to work 20 extra days for each the rest of his/her family.
[57] When transfers are in cash, it is used for food and non-food consumptions.

When someone has issues with sub-village administrators and appeal to 'Kebele' (village) the response they give you is to respect the decision. And if you go to Woreda (district) they tell you the same thing, respect the decision given by the Kebele. They do not even try to investigate the issue deeply enough. It is a problem; we do not know where to go[58].

It is vividly stated that PSNP's goal is to help targeted beneficiaries to be able to **graduate** into food security, which demands PSNP's integration with OFSP. This goal thus needs to be clearly understood by the beneficiaries. Beneficiaries' **expectation** concerning the program should be developed through clear guidelines of exit strategies. In line with the graduation conceptualization, respondents recognised that PSNP is not enough to escape out of poverty and all are aware that the program will not last. As a result, all respondents point out that it is necessary to be engaged in one or more other food security interventions in order to climb the ladder of food security[59]. Yet, for many reasons most of them are hesitant to take loans and other services. Development agents (extension workers), local official administrators and NGOs mobilize farmers to adopt Other Food Security interventions using different mechanisms. For instance, in some areas adopting water harvesting ponds were used as criteria for eligibility of the public works (Segers et al, 2008). And, sometimes beneficiaries adopt new agricultural technologies provided by the government with little or no consent (ibid.). Hence, it is often the case their hope of graduating depends on the next season's good harvest.

In our village there are no alternative jobs, even temporarily. Credits are good, but if it is bad harvest it is still difficult for us to repay them. But the next harvest year seems 'azmera[60]'; the rain started early this year. If this good rain continues, I hope I will have no problems of food shortage[61].

---

[58] Interview, KH06; Degu'a Tembien, Ethiopia
[59] Interview, Degu'a Tembien and Enderta
[60] Azmera is when it is good harvest year.
[61] Interview; GG07; Enderta

7. Discussion and Analysis

This chapter presents the discussion and analysis of local ownership by combining the conceptual framework and the case study PSNP as assessed in the previous chapter. The discussion focuses on the four indicators of ownership identified in chapter 4 a) locus of leadership b) institutionalized participation c) management of aid relations and d) donor commitment. Considering the size and scope of the program and the level of integration of development activities that it demands, exploring the nature of local ownership of the program unarguably requires a broader context. Hence, it is worth noting that while the study has taken the particular case PSNP, contextualizing the program within the broader government-donor relationship provides sheds more light on the key questions of the study.

7.1. Locus of Leadership

According to the PD (2005), governments' effective leadership over their development strategies and coordinating donors makes up the basic essence of local ownership. Yet, the nature of the leadership plays substantial role in creating the desirable state of local ownership. A good leadership should envisage demand driven policy, decisive reform and capacity to implement policies as per planned.

FSP in general and the PSNP in particular, are designed in response to critical conditions of food insecurity of the country. PSNP was launched by the GoE with high priority as a means of social protection for millions of people. More importantly, the food security objective of PSNP is broadly articulated in the government's major development policies and strategies.. PSNP also reformed the annual appeals based relief system to tackle food shortages. The interviews, group discussion and questionnaires illustrated that PSNP has halted the uncertainty of emergency aid through a multi-annual resource and long-term development plan.

In addition to integrating the program into national policies and development strategies, PSNP also seeks to avoid dependency on aid. There is high hope that the reforms introduced to PSNP public works will be effective as they are developed based on lessons learnt from

past community activities. The reforms focused on providing multi-annual resource, community participation based planning, clear institutional arrangement aligned to Food Security lines at every level, and training and technical assistance in designing, planning and implementing the activities. As a result, community-based assets accomplished by the public works are expected to contribute to rural development while participation in the activities is believed to reduce dependency on food aid. Yet, it is noted that the tendency to be dependent on aid remains high[62]. The number of people who want to be covered by the program is increasing, which mirrors the low-input-low-productivity nature of agriculture and lack of alternative employment opportunities.

With annual budget of nearly US $500 million, the program manages to reach about 8 million beneficiaries. Hence the program is can be considered to be cost-effective. This is mainly because it adopted a system that fits existing government capacity, which enables limits the costs of oversight and coordination. Establishing the RRM within the Food Security Program contributes to a well integrated M&E system. Among other things, this enables the recognition of problems in time. However, implementation of the program faces constraints as a result of rapid staff turnover and an increasing dependence on contract staff (MoARD, 2009b).

Capacity to implement the program effectively contributes to strengthen and maintain local ownership. Coordination is highly required in order to achieve the goal of the PSNP; and strong capacity is essential to realize the needed coordination. Implementation of the program comprises vertical (Federal-Region-Woreda-Kebele), horizontal linkages (line ministries and departments) and other broader development interventions involving many agents. I focus here on elements of implementation trends which could affect sustainability of the program in relation with ownership. Those are linkages of PSNP with broader development programs including the public works and transfers (i.e. predictability and beneficiaries' preferences).

---

[62] Group discussions; Degu'a Tembien and Enderta

Transfers and Linkages

Beneficiaries should receive at least one development intervention from OFSP to be able to graduate into food security since transfers form PSNP are too small to achieve it. Despite improvements in both PSNP and OFSP, studies show that much work needs to be done to integrate PSNP with the OFSP and other broader development programs if the goal is to be achieved. Households are given access to microcredit loans to invest in additional income generating activities. Yet, in the interviews, most households (some of them have tried it and paid back, but they are not sure if they will take loans again in near future) reported that they have little confidence about taking loans and investing, fearing that they might get indebted. '*Even with the improvements to the OFSP and FSP identified elsewhere, the limited graduation to date does raise questions about the ability of 'PSNP+OFSP' equaling graduation for all the chronically food insecure* (FSP Review, 2009)'.

The public works are also expected to contribute to strengthen the graduation process through the development of community-based assets. Public works focus on improving infrastructure, environment rehabilitation and access to services. The PSNP activities are labour intensive and cost effective. In order to attain long lasting benefits, integration of the activities into woreda annual plans and coordination among sectoral offices is highly essential. Whilst PSNP is integrated in woreda annual plans[63], coordination among sectoral offices could be sub-optimal as PSNP is often perceived as an extra workload. Accordingly, quality of the public works – and hence their sustainability - could be undermined because there is lack of strong sense of ownership of the program among sectoral offices.

Safety nets aim to reduce vulnerability. Timely transfer is therefore a necessary step for the achievement of their objectives. In the case of PSNP, it is noted that delays of transfers limit the ability of beneficiaries to plan ahead. This could affect the effectiveness of the program and undermine the entitlement of beneficiaries. This could eventually lead to poor sustainability of the program.

---

[63] Observed in focus Woredas' annual plan

Summary

Sustainability of a program emanates from adopting realistic policies, reforming existing structures and provision of proper capacity that fits with scope of the designed program. To realize these elements, locus of the leadership plays an important role. PSNP gained enough attention from the government and international development community. The government is the leading actor throughout the process of initiating, designing, planning and implementation of the program. Together with other food security policies and strategies of the country, the PSNP tries to address the biggest challenge of the country. The government initiated PSNP to reach to vulnerable households as an alternative system with two basic principles: predictability of transfers and eluding dependency. In line with the two principles, the program reformed the emergency relief system which was dominated by unpredictability and uncertainty.

Reforms were introduced in relation with the public works in order to avoid dependency and build community based assets which will enhance the process of rural growth. The public works are designed in a way to be accomplished through labour-intensive participation of beneficiaries and coordination of various actors. However, capacity constraints could hinder optimal coordination and therefore limit the sustainability of the program.

7.2. Institutionalized participation

Ownership is about the right and ability of stakeholders' to exercise meaningful participation in issues that affect them. For ownership to be sustainable, the role of stakeholders should be institutionalised in terms of legal and political contexts of the system. To realize strong ownership, it is important to ensure that it entails rights based, structure, and legitimacy and capacity aspects of participation.

The NCFS is claimed to be the first of its kind in Ethiopia to build and consolidate partnerships between all stakeholders involved in food security. The role of NGOs in food security programs has been significant pertaining to the country's long food aid history. Although NGOs felt that they were left of the process of the launch of NCFS, considering

their capacity and expertise, the government welcomed NGOs with strict guidelines identified in the PIM (2006). NGOs should work under government structures and abide by the guidelines of the PIM (ibid). Few NGOs who fulfil these requirements are therefore involved in selected Woredas. NGOs' concern that their authority might be reduced as they align with government structures is thus addressed based on a shared commitment and the guidelines defined in the PIM.

> *PSNP is a government's program; we (NGOs) are contributing in areas where help is needed. Since we are working based on the guidelines mainly adopted to fit government structures, concrete harmony and agreement with government (Regional and Woreda level) before and during our involvement in contributing to strength implementation of the program is essential[64].*

According to Rahmato et al, (2008), high impact is observed where NGOs coordinated PSNP because of enhanced community participation and innovation. Hence, given the size and scope of the program and capacity constraints of government's system, involving only eight NGOs seem inadequate.

On the other hand, as Weeks et al (2002) pointed out, beneficiaries are the ultimate stakeholders of development activities. Also, in relation with poverty reduction process, participatory development approach has been promoted by development agents to establish 'bottom-up' planning and implementation process. In line with this approach, it can be said that PSNP involves broad participation in planning and implementation. And, in the interviews, it was reflected that beneficiaries participate in issues including targeting, electing administrators and facilitators as well as prioritizing and participating in public works.

Although the 'bottom-up' planning and implementation approach has the intentions of promoting empowerment, justice and equity, in practice its success is very much dependent on the political, cultural and socio-economic organization of communities. Elizabeth Harrison (2002) notes on how ideals like local participation are translated according to power and agency of individuals who implement policies:

---

[64] Interview; Degu'a Tembien: NGO representative

> *Penalties for failure to participate in development activities include fines and even the threat of the loss of land.*

Beneficiaries reflected that despite their participation, they do not understand exactly what rights, duties and responsibilities they have in relation to the program. Also, the difficulty to get appropriate and timely feedback to appeals is shared by all respondents. Further, as Serger et al (2008) point out, development interventions are influenced by local politics. And local government officials and farmer representatives[65] often focus on implementing development programs that come from the top rather than taking an active role in developing 'bottom-up' approaches. Farmers have been, often times, either forced or persuaded to participate in new interventions. In addition, probably due to the nature of past interventions, the government is considered to be a sole provider of development opportunities in rural areas[66]. Hence, it is possible that people choose to participate in whatever that comes from above even if they do not see immediate benefits.

Summary

Strong local ownership can be realized only if there is institutionalized participation by stakeholders. Regarding PSNP, the program follows a strict implementation manual and is mainly implemented by the government. But it also involves a few NGOs who can fulfill the requirements set by the government. Considering the fact that the program reaches a huge number of people, the significance of sustainable capacity is undeniable. Coordination among government and NGOs/CSOs will thus contribute to strengthen the capacity. Moreover, it is well clarified that success of the program depends on other food security and broad development interventions. Although some NGOs are playing a significant role in the program, broader participation and engagement of NGOs/CSOs is therefore critical.

Further, as described in chapter five, NGOs/CSOs should obtain essential space to boost their legitimacy and capacity through the process of democratic governance (and also contribute to enhance the process themselves). In addition to service delivery, CSOs/NGOs

---

[65] Local government officials and farmer representatives are mediators between the Sate and Farmers Sergers et al (2008).

[66] 'Mengist Lehizbu Egziabher Lefitretu' meaning 'Government is for its people, and God is for his creatures' Teshome (2003).

are also widely accepted to represent the general interest of the poor and the powerless. Although the role of NGOs/CSOs in poverty reduction is well recognised in strategies like the PASDEP, it is often curtailed in practice. For example the new NGOs and charity proclamation adopted by the government is considered to have negative impact on participation and engagement of NGOs/CSOs (Rahmato et al, 2008).

The PSNP's nature and structure seek active beneficiaries' participation if it is to achieve its objectives. Yet, it is shown that local participation is constrained by political, socio-economic and other aspects. Further, mass mobilizations often focus in acquiring community support for government initiated programs and strategies rather than involving communities to identify priorities. Such mobilizations are performed in a way to fit the desired political intentions; and it depends on how the kebele administrators and farmer representatives exercise their agency.

7.3. Managing Aid Relationships

In chapter five, it is explained that the government-donors relationship has varied over the years. In its early history of foreign aid, it was perceived that Ethiopia entered into aid relations based on equal terms. After a government and an ideology change (1974-1991), Ethiopia became an ally to the Soviet-Union which substantially shifted the Western aid to focus on humanitarian assistance. Hence, looking at the big picture of government-donors relationships, donors have had limited power over the overall policy agenda of Ethiopia. Regardless of donors' limited influence on government's approach and the start/off and off/start type relationship, the importance of aid has been increasing continuously.

From the document review, GD at FSCD and the questionnaire responses, it was learnt that the PSNP gained substantial commitments from both government and partner donors. Involvement of high political leaders including the Prime Minister has shown the government's commitment regarding the issue of food security. The NCFS was a milestone leap for better understanding and consensus among government and donors concerning the country's biggest challenge; food insecurity. And, the government's strategy to transform

chronically food insecure households into sustainable livelihoods is widely shared and praised by the international development community.

It is not an overstatement to claim that PSNP is an example of how good management of aid relationships can improve effectiveness and ownership. Shared commitment and efficient consultation all the way from its inception contributed to establishment of a large scale program with clear implementation manual and guidelines. With successive revisions, the PIM plays a key role in regulating actions and it provides clear institutional set up. The level of trust was maintained through the mechanisms set to strengthen coordination and harmonization such as the JCC, along with other technical committees and task forces.

However, while government and partner donors have attained high level of coordinated partnership in PSNP, the overall government-donors country partnership is constrained by issues such as democracy and human rights (DFID, 2009). Elections held in Ethiopia do not often acquired legitimacy in the eye of international community. For example, in the 4th national election of the country held May 2010, the ruling party EPRDF won a landslide victory by 99.6%. Following the European Union Observation Mission (EU-EOM) report, which concluded that there was no level playing field for the opposition; Western countries including the US[67] voiced their concerns on the regime's commitment to democracy.

Summary

Managing aid relationships smoothly helps maintain strong partnership so that actors can be committed to achieve program objectives. The government's enthusiasm and commitment to end food insecurity and its commitment to forge meaningful relationships with partner donors help in securing the multi-annual resource nature of PSNP, which is expected to break the cycle of unpredictability. Institutional structure of PSNP, which involves joint committees and taskforces to oversee the implementation process, has contributed to sustain the partnership. The relationship is further strengthened by the Memorandum of Understanding (MoU) signed by the government and all partner donors. In general, despite

---

[67] Ethiopia is an ally of the USA

the overall frictions between the government and donors, the PSNP gained an institutionalized partnership of actors.

7.4. Donor Commitment

Partner donors have committed themselves to support PSNP in a longer-term development strategy. They channel funds through a pooling system. High level of donors' alignment with government strategy and its system has also strengthened the government's capacity to manage the relationship with multi-donors. In line to the principles of PD, donors and the government seem to agree on building and strengthening government-led safety nets in rural areas rather than focusing on specific projects. Reaching to such agreement was, however, not without difficulties. Coinciding incentives, perceptions and ideals; particularly in relation to principles of social safety nets, needed strong commitment from all parties. As a result, the design process PSNP went through highly contested discussions between government and donors. Heated dialogues and debates were made over the following issues (Brown et al, 2008).

- *Programme scale at startup:* The Government concept note and initial design document had envisaged a phased expansion of the program. The government however decided to begin the whole program at full national scale in all food-insecure areas. Donors felt this would introduce unacceptable risks if capacity of human resources proved to be insufficient to implement the program effectively.

- *Provision for unconditional transfers:* Donors and Government initially agreed that safety net transfers should primarily be unconditional. Some donors felt that this agreement was being diluted and that conditional transfers in return for public works were being over emphasized. Donors felt that plans for unconditional transfers were not clear enough.

- *Earmarked funds: The* government had initially agreed to create a safety net budget subline within the national budget, in response to donor concerns that sufficient funds might not be allocated to safety nets. Donors were concerned at the delay in establishing this budget line.

In the end, donors' trust over the design and willingness to compromise their preferences led to the establishment of the program under government structure (ibid.). Donors' coordination is also an important element to strengthen local ownership. PSNP's success lays on integration of other food security programs in particular and broad development interventions in general. Coordination is by and large necessary to achieve the goal. Donor partners have aligned with government M&E system of the program. And, most donors' projects other than PSNP are aligned to the government's priorities identified in the PASDEP[68]. And, pertaining PSNP the Donor Coordination Team (DCT) harmonizes donors' activities and facilitating dialogue between partners and government.

Summary

After providing emergency assistance for decades, donors were unhappy as success stories were limited. Thus the government's initiative to reform emergency appeal to development oriented approach was warmly welcomed by donors. However, during the process of designing PSNP, some donors had different principles, incentives and views of what social safety nets should be. Agreement to reform the emergency system was reached through heated debates and dialogue with government at high levels. Commitment, trust on local strategies and context and dialogue are, therefore, the basic elements of the partnership that led to the establishment the PSNP. These factors are also found to contribute to the positive attributes of the program regarding local ownership and sustainability.

---

[68] Questionnaires

8. Concluding Remarks

This study focuses on conceptualizing local ownership and exploring what determines its realization in a situation where multi actors are involved. External and internal dimensions which affect the nature and level of local ownership are identified. As a result, locus of leadership, institutionalized participation, management of aid relations and donor commitment are outlined as key indicators of ownership from both dimensions. This chapter provides concluding remarks of the paper based on the findings obtained from the PSNP case.

The GoE's high political engagement in halting food insecurity of the country and donors' interest to find an alternative safety net triggered strong commitment from both sides to work together. Given that governments and partner donors have different interests, principles and institutional background, converging interests might not be easy. Hence, continuous dialogue and consultation between government and partner donors are key instruments to reach into an agreement and maintain the partnership. And, regardless of donors' concern on human rights and democracy related issues, it is shown that donors and the government can successfully join hands to work on areas of common interest like food security. The PSNP case also highlights that developing clear implementation manuals and supporting guidelines contributes to efficient and coordinated implementation of programs.

Food security has been high priority for successive governments in Ethiopia although there were differences in approach and policies. The issue of dependency was also taken into consideration long time ago. Yet, most instruments in the past did not bring the desirable outcomes. Having limited success from decades' relief assistance, introducing reforms in relation with PSNP public works was a necessary step. The reforms focused on a number of issues including institutional and financial aspects. However, it was observed that effectiveness of the reforms in respect of avoiding dependency is largely undermined by the broader poverty situation in the chronically food insecure Woredas. As a result, success of the program could be as limited as its predecessors. Further, if the program (or if the broader

development intervention) failed to achieve its objectives in a defined period of time; the program itself might contribute in deepening the dependency on aid in the long run.

It is apparent that achieving sustainability of development activities needs sustainable local ownership. Enduring capacity is thus essential to maintain local ownership throughout the process of a program, from inception to phase out. PSNP's key goal, helping chronically food insecure households to be able to graduate into food security, relies on coordination with other food security programs and development interventions. It is noted that the required linkages are often limited due to institutional and capacity constraints. This could affect the overall success of the program and reduce its local ownership through time.

NGOs/CSOs' contribution is well recognized in the process of global and local poverty alleviation. Participation of NGOs/CSOs in policy formation and implementation is considered to represent the voice of the poor. Hence, when NGOs/CSOs participate in the process effectively, the process is considered to be more locally owned. Direct NGOs involvement in the PSNP shows that government and stakeholders can work together, given that there are clear binding rules and guidelines which all participant NGOs would adhere to. Yet, the broader NGOs/CSOs participation in the country's development process– which might have implications for the program – is influenced significantly by the overall democratic governance. On the other hand, despite efforts to strengthen local community participation in planning and implementation, it is observed that local political influence remains high.

In general, the case highlights the complexity of the process of managing coordinated and harmonized program at such scale. Enhancing coordination and harmonization among actors is common understanding in order to broaden local ownership. Yet, as the case illustrated, in a situation where there are multi- actors, coordination and harmonization might not exactly mean aligning into one system since it demands many new structures and institutions in order to coordinate and harmonize wide actions and actors (e.g. it seems that the number of acronyms stated in chapter six can show the long and complicated process). Moreover, it is inevitable such processes cost huge resource and time which in effect might produce extra workloads and procedures.

Further, the case study illustrates mixed pictures of the process of attaining sustainable and strong local ownership. On the one hand, it shows that genuine government-donors partnership can lead to strong government ownership. On the other hand, despite efforts to enhance local ownership through institutionalized participation of stakeholders, the process can be hampered due to political, socio-economic and other factors in practice. At the end, strong local ownership is more about the existence of well functioning institutions that ensure the appropriate participation of stakeholders, especially the beneficiaries.

References

Abebe, A. (2005), Bilateral Donor Coordination: Experience of the Federal Government of Ethiopia. Addis Ababa: Ministry of Finance and economic Development

Alemu, G. (2009), a Case Study On Aid Effectiveness in Ethiopia: Analysis of the Health Sector Aid Architecture. Wolfensohn Center for Development, Working Paper 9

Anam, M. (2007), Role of the Media on Democratic Ownership of the Development Finance System, OECD Experts Workshop on *Ownership in Practice.*

Berg, B.L. (2009), *Qualitative Research Methods for the Social Sciences*, 7th ed. Pearson Education.

Borchgrevink, A. (2008), Limits to Donor Influence: Ethiopia, Aid and Conditionality. Forum for Development Studies, Nupi

Bräutigam, D. (2000), Aid dependence and Governance, EGDI

Brown, T., Gibson, S., and Ashley, S. (2008), Building Consensus for Social Protection: Insights from Ethiopia's Productive Safety Net Program, TheIDL Group, DFID.

Buiter, W. H. (2005), Country Ownership: A term whose time has gone. *Development in Practice* Volume 17 (4 & 5) 647 – 652

Burnside C. and Dollar D. (1998), Aid the Incentive Regime and Poverty Reduction. Policy Research Working Paper 1937, Macroeconomics and Growth Group, the World Bank

Collier, P. (1999), Consensus-Building, Knowledge and Conditionality. The World Bank.

Cornwall A. and Brock K. (2005), What Do Buzzwords do for Development Policy? A Critical Look at 'Participation', 'Empowerment' and 'Poverty Reduction'. *Third World Quarterly* Volume 26 (7) 1043-1060.

Department for International Development (2009), Country Programme Evaluation: Ethiopia. Evaluation Report ev697

Easterly, W. (2007), *The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*. Penguin Books.

Eberlei, W. (2007), Accountability in Poverty Reduction Strategies: The Role of Empowerment and Participation. Social Development Papers, paper No. 104

Ending the Cycle of Famine in the Horn of Africa, Raising Agricultural Productivity, and Promoting Rural Development in Food Insecure Countries, Sea Island G-8 Summit (2004)

Entwistle J. and F. Cavassini (2005), an Operational Approach for Assessing Country Ownership of Poverty Reduction Strategies, Volume I: Analysis and Implications

Ethiopia, Government of the Federal Democratic Republic of. (1993), National Policy on Disaster Prevention and Management

Ethiopia, Government of the Federal Democratic Republic of. (1994), Ethiopian constitution

European Union Observation Mission (2010), Ethiopia 2010; House of Peoples' Representatives and State Council Elections, Preliminary Statement

Fisseha S., J. Becker, H. Palme (2005), Impact of Conditionalities on Aid Effectiveness in Ethiopia. (Undergoing PhD Thesis work) Vienna University of Economics and Business Administration

Food Security Program Review (2008) Detailed Report for the Productive Safety Net Programme. Food Security Department, Ministry of Agriculture and Development, Addis Ababa.

Food Security Program Review (2009) Food Security Department, Ministry of Agriculture and Development, Addis Ababa.

Furtado Z. and W. J. Smith (2007), Ethiopia: Aid, Ownership, and Sovereignty. GEG Working paper 2007/28

Gibson C. C., K. Andersson, E. Ostrom, S. Shivakumar (2005), *The Samaritan's Dilemma: The Political Economy of Aid.* Oxford University Press

Gilligan D. O., J. Hoddinott, A. Seyoum Tafesse (2008), The Impact of Ethiopia's Productive Safety Net Programme and Its Linkages. IFPRI Discussion paper 00839.

Girvan, N. (2007), Home-Grown Solutions and Ownership. OECD Experts Workshop on *Ownership in Practice*

Grosh M., C. del Ninno, E. Tesliuc, A. Ouerghi (2008), For Protection and Promotion: the design and implementation of effective safety nets, overview. The World Bank

Hansen H. and Tarp F. (2000), Aid Effectiveness Disputed. *Journal of International Development* Volume 12 (3) 375-398.

Harrison, E. (2002), 'The Problems with the Locals': Partnership and Participation in Ethiopia. *Development and Change* 33(4): 587-610.

Hyde'n G. and M. Mmuya (2008), Power and Policy Slippage in Tanzania – Discussing National Ownership of Development. Sidastudies no.21

Jerve, M. A. (2002), Ownership and Partnership: Does the New Rhetoric Solve the Incentive Problems in Aid? *Forum for Development Studies* (ed. Stokke O.) NUPi

Keller, E. J. (2007), Ethiopia, *Countries at the Crossroads 2007: A Survey of Democratic Governance* (ed. Kelly S., C. Walker, J. Dizard) FREEDOM HOUSE.

LeFevre, R. (1966), *The Philosophy of Ownership*. University of Gothenburg Library.

Ministry of Agriculture and Rural Development (2003), New Coalition for Food Security, Government of the Federal Democratic Republic of Ethiopia, Addis Ababa.

Ministry of Agriculture and Rural Development (2006), *Productive Safety Net Programme: Programme implementation manual*, Government of the Federal Democratic Republic of Ethiopia, Addis Ababa.

Ministry of Agriculture and Rural Development (2009a), Productive Safety Net Program Plan for 2002 E.C, Government of the Federal Democratic Republic of Ethiopia, Addis Ababa.

Ministry of Agriculture and Rural Development (2009b), Productive Safety Net Programme Component Document 2010-2015. Government of the Federal Democratic Republic of Ethiopia, Addis Ababa.

Ministry of Finance and Economic Development (2002), Sustainable Development and Poverty Reduction Program (SDPRP). Government of the Federal Democratic Republic of Ethiopia, Addis Ababa.

Ministry of Finance and Economic Development (2006), Building on Progress - Plan for Accelerated and Sustained Development and End Poverty (PASDEP), Main Text Volume I, Government of the Federal Democratic Republic of Ethiopia, Addis Ababa.

Ministry of Finance and Economic Development (2008) Annual Report on Macroeconomic Developments. Federal Democratic Republic of Ethiopia, Addis Ababa.

Mosley, P. (1986), Aid-effectiveness: The Micro-Macro Paradox. *IDS Bulletin* Volume 17 (2) 22-27

Naryan D. R. Patel, K. Schafft, A. Rademacher, S. K. Schulte (1999), Can Anyone Hear Us? Voices from 47 Countries. World Bank.

Nkombo, N. (2008), Development Aid and National Ownership: a Review of Critical Experiences from Africa – milestones, good practices, failures and research options. Forum on the Future of Aid

OECD (1996), *Shaping the 21st Century: The Contribution of Development Co-operation*.

OECD (2005), Paris Declaration http://www.oecd.org/dataoecd/11/41/34428351.pdf

OECD (2007), African Economic Outlook, Ethiopia www.oecd.org

OECD (2008), Accra Agenda for Action http://www.oecd.org/dataoecd/11/41/34428351.pdf

Ostrom E., C. Gibson, S. Shivakumar, K. Andersson (2002), Aid, Incentives, and Sustainability: an Institutional Analysis of development Cooperation. Sida Studies in Evaluation

Pearson L. B., et al (1969), *Partners in Development: Report of the Commission on International Development*, New York: Praeger.

Pereira, J. (2009), Ethiopia, Aid Effectiveness in the Health Sector: case study. Action for Global Health

Proceedings of the Food-For-Work Workshop (1989) CRDA

Rahmato D., A. Bantirgu, Y. Endeshaw (2008), CSOs/NGOs in Ethiopia: Partners in Development and Good Governance. www.crdaethiopia.org

Robert K. Yin (2003) *Case Study Research Design and Method*. Sage Publications.

Sachs, J. (2005), *The End of Poverty: Economic Possibilities for Our Time.* Penguin Books.

Saxby, J. (2003), Local ownership and development co-operation – the role of Northern civil society. CCIC/CIDA Dialogue, Issues paper.

Segers K., J. Dessein., S., Hagbreg, P. Develtere, M. Haile, J. Deckers (2008), Be Like Bees – The Politics of Mobilizing Farmers for Development in Tigray, Ethiopia. *African Affairs*, 108/430, 91–109

Sharp K., T. Brown, A. Teshome (2006), Targeting Ethiopia's Productive Safety Net Programme (PSNP). TheIDLgroup, odi.

Shimomura Y. and I. Ohno (2005), Introduction and Overview, *True Ownership and Policy Autonomy: Managing Donors and Owning Policies* (ed. Ohno I.) GRIPS Development Forum.

Slater R., S. Ashely, M. Tafere, M. Buta, D. Esubalew (2006), Ethiopia Productive Safety Net Programme: PSNP Policy, Programme and institutional linkages. TheIDLgroup, odi.

Stark S., and H. Torrance (2005), Case Study, *Research Methods in the Social Sciences* (ed. Bridget Somekh and Cathy Lewin) Sage Publications.

Stephen Devereux and Bruce Guenther (2007) Social Protection and Agriculture in Ethiopia; *Country case study paper prepared for a review commissioned by the FAO on 'Social Protection and Support to Small Farmer Development',* FAO.

Thanh, P. T (2007), Strengthening Ownership to Improve Aid effectiveness - the Case of Vietnam. OECD Experts Workshop on *Ownership in Practice*

Vandemoortele, J. (2007), The MDGs: 'M' for Misunderstood'. WIDER.

Vaughan S. and K. Tronvoll (2003), *The Culture of Power in Contemporary Ethiopian Political Life*. Sidastudies no. 10.

Weeks J., D. Andersson, C. Cramer, A. Geda, D. Hailu, F. Muhereza, M. Rizzi, E. Ronge, H. Stein (2002), Supporting Ownership: Sida Development Cooperation with Kenya, Tanzania, and Uganda. Volume 1: Synthesis report. Sida

Zimmerman F. and I. McDonnell (2008), Broader Ownership for Development, *Financing Development 2008: Whose Ownership?* Development Center Studies, OECD.

www.amnesty.org/en/news-and-updates/news/ethiopian-parliament-adopts-repressive-new-ngo-law-20090108

www.civicus.org

www.dagethiopia.org

Annex 1: List of interviewed PSNP targeted beneficiaries

Interviewees code	Woreda	Occupation	Sex	Age	Education	Family size	No. of years under the program
AG01	Degu'a Tembien	Farmer	F	40	0	4	1
LT02	"	Local beer seller	F	22	0	2	2
BT03	"	Farmer	F	45	0	6	4
AT04	"	"	M	30	4	3	5-6
AM05	"	"	M	24	0	3	2
KH06	"	Guard	M	35	10	4	5
GG07	Enderta	Farmer	M	38	0	6	5
HB08	"	"	F	35	0	2	>5
MS09	"	"	F	24	3	4	5
TE10	"	"	M	30	6	1	>5
HF11	"	"	M	33	0	5	5-6
AA12	"	"	F	42		5	5-6

Annex 2: Interview guide

The following points were main themes of the interview conducted with PSNP beneficiaries

1. Personal details
2. Years under the program, criteria for selection
3. Experience from previous similar programs
4. Role/participation
   - During program design
   - During implementation
   - Beneficiary selection
   - Identifying public works
5. Participation in public works
   - Number of working days
   - Type of activities
6. Perceptions
   - Targeting process
   - Prioritizing public works
   - Coordination in the public works
   - Implementation process
   - Local administration regarding PSNP
   - Transfers (preference and timeliness)
   - Appeals Mechanism
7. Expectation
   - Linkages between PSNP and Other food security and development interventions
   - Graduation into food security

Annex 3: List of Key Informants

Degu'a Tembien Woreda

1. Agriculture Rural Development Office; chair person and coordinator of the Food Security Task Force
2. Food Security Desk; Coordinator
3. REST (NGO); Representative

Enderta Woreda

1. Agriculture Rural Development Office; chair person and coordinator of the Food Security Task Force
2. Food Security Desk; Coordinator

1. Name of organization: _____

2. Responsible personnel position:_____

3. Date: DD/MM/YY

Questionnaire:

Greetings!

My name is Elizabeth Gebresilassie and I am graduate student in the School of Global Studies, University of Gothenburg, Sweden. With the support of the Ethiopian Development Research Institute, I am currently undertaking field work and data collection for my Master's thesis. The objective of my research is to examine the issues of aid sustainability and local ownership taking the Productive Safety Net Program (PSNP) in Ethiopia as a case study. I am currently compiling a dataset about the program through interviews with various stakeholders.

I would therefore like to kindly ask you few questions regarding the involvement of your organization in the PSNP. Please be aware that any information that I get from you will be part of a bigger data set without any specific reference to your organization.

Thank you very much!

1. **Basic information concerning the Productive Safety Net Programme:**

4	When did your organization start working in PSNP? (Please circle one)	Less than 1 year	A
		From 1 – 2 years	B
		From 2.1.-3 years	C
		From 3.5 – 5 years	D
		Above 5 years	E
5	Regarding the realization of objectives of the Productive Safety Net Programme, what are the functions your organization seeks to accomplish? (*Space deleted)*		

2. Resource and working relations:

		A	B	C	D
6	Is there any assistance that your organization provided in the previous budget year to the PSNP?	Financial assistance	Technical assistance	Man power assistance	Other assistances
		Yes	Yes	Yes	Yes
		No	No	No	No
7	How does your organization provide the fund to the PSNP?	Based on requests from the government (A)	Based on an action plan the organization wants to achieve (B)	Others (C)	
8	Does your organization receive financial reports? If your answer is yes; how often?	Monthly (A)	Quarterly (B)	Semi-annual (C)	Annual (D)

3. Linkages between PSNP and Other Development Programs

9	Do you provide any support to other development programs which have direct or indirect linkages with PSNP? Yes _____, No _____,
10	If answer for question # 9 is 'Yes', indicate the sector that your organization supports?

	10.1	**Agricultural extension services**
		• _____Training
		• _____Inputs provision
		- Seeds
		- Disease and pest control
		- Veterinary Medicines
		- Fertilizers
		- Poultry and diary
		- Bee keeping
		• _____Decision Support
		• _____Grants
		• _____Loan
		• Others (Specify)_____
	10.2	**Road Construction and Maintenance**
		• _____Feeder roads
		• _____Rural roads
		• Others (Specify):

	10.3	Health and Education Services
		• ____Primary health care training
		• ____Health post construction
		• ____Supply of medicines
		• ____Establishment and extension of first cycle education (1 -4 Grade)
		• ____Construction of school second (5-8) cycle education
		• ____Supply educational inputs
		• Others (Specify):
	10.4	**Water construction**
		• ____Water well
		• ____Tap water
		• ____Irrigation
		• Others (Specify)_____
	10.5	**Other programs (Specify)**
		• _____
		• _____
		• _____

11	In what ways does your organization fund the above development activities?	Fund assistance (A)	Technical assistance (B)	Man power assistance (C)	Supplies assistance (D)
12	How do you provide the support to the above activities?	Through government development programs (A)	Through local NGOs (B)	Through international NGOs (C)	Through the organization's development program (D)
13	If your organization channels funds through one or more of the above stated ways, what are the major criteria to select one? (*Space deleted*)				
14	Do you have specific methods to monitor and evaluate these activities' outcome in accordance with the PSNP objectives? Yes _____, No _____,				
15	If answer for question # 14 is 'Yes'; please explain the methods? (*Space deleted*)				
16	How do you prioritize a particular development activity? (*Space deleted*)				

4. Information distribution and documentation

17	Does your organization receive implementation reports of PSNP?	From Fund recipients					
		Ministry of Agriculture and Rural Development (A)	Ministry of Finance and Economic Development (B)	Food Security Coordination Bureau (C)	Line Ministries (D)	Local NGOs (E)	Others (F)
18	How often? (Pease circle one): Monthly (A), Quarterly (B), Semi-Annual (C), Annual (D)						
19	Do you have information on the allocation of PSNP budget breakdown? Yes _____No _____ ,						
20	Do you have any mechanisms that enable you to gather and distribute information independently concerning PSNP from the targeted beneficiaries? Yes _____, No _____ If yes, would you Specify them? If your answer is no; why? (*Space deleted*)						

5. Consultation

		During designing strategic plans for PSNP	During budget allocation for PSNP	During selection of food insecure Woredas for PSNP	During change in PSNP budget allocation	Other
21	Have you ever been consulted?	Yes _____ No_____	Yes _____ No _____	Yes_____ No_____	Yes_____ No _____	
22	If there was a discussion on a strategic plan, please explain how the discussion /dialogue went? If –NO, why? (*Space deleted*)					
23	If you participated in the budget allocation process, would you explain how it was done? If NO, why? (*Space deleted*)					
24	What roles did you play during the selection of chronically food insecure Woredas? If you didn't explain why? (*Space deleted*)					
25	If there was a discussion on budget change or shift, how was it done? If not why? (*Space deleted*)					

6. Accountability and Grievances

26	Have you ever received audit report? Yes _____, No _____
27	If there are disagreements and conflicts concerning the PSNP implementation, how do you address such problems? (*Space deleted*)
28	Was there any time that you forwarded your grievances? Please explain? (*Space deleted*)
29	In general, is there anything you would like to say about PSNP? (*Space deleted*)

Concluding remarks: (*Space deleted*)

Annex 5: Number of PSNP Beneficiaries by Region

No	Region	No. of Woredas	No. of Beneficiaries by Resource type			Total No. of Beneficiaries
			Cash only	Food only	Cash + Food	
1	Tigray	31	8000	399,036	1,046,671	1,453,707
2	Amhara	64	1,091,335	409,801	1,018,693	2,519,829
3	Oromiya	78	229486	375651	834,627	1,439,764
4	SNNP	78	0	0	1,456,953	1,456,953
5	Afar	32	0	472,229	0	472,229
6	Somalia	15	0	409,771	0	409,771
7	Harari	1	0	0	16,136	16,136
8	Diredawa	1	0	52,614	0	52,614
9	FFscd	-	0	0	0	0
	Total	**300**	**1,328,821**	**2,119,102**	**4,373,080**	**7,821,003**

Source: MoARD (2009)

Annex 6: PSNP Institutional Arrangement

	Implementing Agencies	Major Responsibilities
Federal Level	Ministry of Agriculture and Rural Development (MoARD)	Oversight and coordinate the program through the FSCD
	Federal Food Security Coordination Directorate (FFSCD)	Coordinate and oversee PSNP, allocate resources to regions, ensure linkages with OFSP
	Federal Food Security Steering Committee (FFSSC)	Provide advice to meet food security, periodic recommendation to MoARD, assesses resource contribution of government and donors & M&E system including the RRM, perform annual review of the FSP
	Disaster Prevention and Preparedness Agency (DPPA)	Provide early warning information, participate in FSN assessments & annual reviews
	Ministry of Finance and Economic Development (MoFED)	Disburse PSNP budget to regions based on targeted beneficiaries
Regional Level	Regional Council/Cabinet	Review and approve annual Woredas' FS and PSNP plan & budget and progress reports
	Regional Food Security Steering Committee (RFSSC)	Provide advice to ensure proper implementation of FSS, & ensure integration of PSNP & participate in M&E
	Regional Bureau of Agriculture and Rural Development (RBARD)	Manage integration of PSNP, provide overall guidance to RFSO & line bureaus, provide technical support to RFS...
	Regional Food Security Coordination Office (RFSCO)	Develop & consolidate annual implementation plans & budgets
	Regional Line Bureaus	Integrate PSNP activities in their annual action plans & provide technical support to RFSCO and Woreda line offices in planning and implementation
Woreda Level	Woreda council/Cabinet	Allocate safety net resources in line with the size of vulnerable population and based on WFSTF recommendations
	Woreda Food Security Task Force (WFST)	Review kebele annual PSNP plan & beneficiaries, consolidate Woreda budget and annual plan & reviews monthly progress report, participate in M&E, collaborate with regional and Woreda FSO and Woreda council..
	Woreda Rural Development Office (WRDO)	Manage integration of PSNP into the FSP and Woreda rural development strategies, manage and organize beneficiaries, coordinate implementation agencies, documentation, report to WFST etc
	Woreda Food Security Desks (WFDS)	Coordinate PSNP activities
	Woreda Sectoral Offices (Line Offices)	Integrate PSNP activities to annual plan, provide technical support to Kebele, monitor and evaluate activities, report to WRDO...
	Woreda Office of Finance and Economic Development (WoFED)	Ensures timely budget arrival & disbursement to sectoral offices
Kebele Level	Kebele Council / Cabinet	Approves beneficiaries & Kebele's plan, ensures all activities are in place, report to Woreda
	Kebele Food Security Task Force (KFSTF)	Oversees all planning and implementation of PSNP activities
Community	Community Food Security Task Force (CFSTF)	Beneficiary selection, mobilizing community for participatory planning practices

Source: PIM (2006)

Annex 7: Differences between PSNP Public Works and Previous EGS Activities

	Previous EGS Activities	Safety Net Public Works
Framework	Annual Emergency	Longer-term Productive Vision
Resources	o No certainty on the amount of resources for Woredas. o Due to the nature of the annual appeal process, resources often arrive too late for a Public works programme given the season. o Resources often inadequate for the needs of the food-insecure. o Because of nature of the emergency response, limited resources available for capital inputs and administration of programme, greatly limiting programme effectiveness.	o External resources will be provided on a Multi-annual basis through the Safety Net Budget line of the Government budget. This ensures availability of resources from the start of the year allowing public works to be undertaken at the most appropriate time. o Budgeting will be based on an improved needs assessment to ensure that Woredas have sufficient resources to meet the needs of the food insecure. o Woredas will be given an appropriate budget for capital inputs into public works and other supporting activities. This will improve the quality of public works assets created and where appropriate allow for more technically complex projects.
Planning	o Public works were not planned as part of a broader development strategy for the Woreda, and did not take into account issues of maintenance and coordination with other activities. o Often lacked appropriate consultation of the community to ensure relevance and ownership of assets created	o The programme will be based on community priorities taken into account in the Woreda development plan. It will therefore be carefully coordinated with other development activities and programmes to ensure maximum synergies, and place public works in the context of long-term development strategy for the Woreda. o It will ensure that maintenance and sustainability issues are directly addressed within the Woreda budget. o It will focus on the participation of the community in determining priorities and engaging them in maintenance of those assets where appropriate.
Institutional arrangement	o No clear institutional responsibility for EGS activities.	o Food Security line offices at every level have oversight of public works component of the Safety Net Programme, even though multiple implementing agencies are involved.
Training	o Limited training and technical assistance to ensure minimum standards and appropriateness of assets created.	o Training will be provided as needed at the Woreda and kebele levels to ensure that above outcomes are realized. o Improved technical assistance in the planning, design, and implementation of public works will ensure relevance, minimize maintenance requirements, and maximize sustainability.

Source: PIM (2006)

Annex 8: Guidelines Produced to Support PSNP Implementation

Name of Guideline	Number of Editions/ Date of Latest Edition	Languages in which Guideline is Available
Programme Implementation Manual	2 editions July 2006	English, Amharic, Oromiffa, Tigrinya
Targeting Guidelines	1 edition January 2005	English, Amharic, Oromiffa, Tigrinya
Community Based Watershed Management Guidelines	2 editions 2006	English, Amharic, Oromiffa, Tigrinya
Info techs and work norms for Public Works Planning and Implementation	(superseded by the above)	English
Financial Management Guidelines	2 editions July 2006	English
FSP Monitoring and Evaluation Guidelines	2 editions May 2006	English
Procurement Guidelines	October 2005	English
Direct Support Annex	July 2006	English
ESMF Operational Summary	1 edition September 2005	English
Graduation Guidance Note	1 edition December 2007	English

Source: FSP Review: 2008