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Squaring the Urban Circle: NGOs and Urban Poverty Alleviation in Addis Ababa

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1. INTRODUCTION: NGOS IN THE URBAN CONTEXT

Tackling urban poverty is a complex and time-consuming task. Overstretched municipal bureaucracies, confused allocations of responsibilities between local authorities, para-statal and line ministries, combined with a lack of institutional learning have blocked concerted attempts at poverty alleviation. The nature of the urban environment has itself created difficulties. In addition to the rapid growth of impoverished settlements, the complexity of urban economies and a crowded institutional environment have rendered unilateral and governmental approaches ineffective. In Ethiopia these problems have been compounded by the recent implementation of a structural adjustment programme, which has adversely affected the urban poor disproportionately.

Urban poverty in Ethiopia has presented both NGOs and the Ethiopian government with a unique challenge. Addis Ababa, the country's primary city and capital is growing at a rate of over 5% per annum (UNCHS, 1996) and since 1990 its population has increased by 1 million people to over 2.8 million people today. Rapid rates of urbanisation have been accompanied by a growth in the number of the poor and a parallel increase in the needs of local communities. In response the number of NGOs in Ethiopia has increased. The international development community has adapted to these trends by focusing increasingly on potential forms of partnership, privatisation and institutional pluralism; factors which have increased their expectations of NGOs. Meanwhile, the Ethiopian government has been suspicious of the activities of the NGO sector; despite the fact that the limited financial and human resources available to city authorities means that NGOs offer a potential source of finance and expertise. To tackle the problems of urban poverty, therefore, NGOs in Ethiopia must negotiate the requirements of the international community whilst overcoming those obstacles to partnership traditionally created by the state.

The research presented in this study will show that despite this tension: between the demands made by the international community and the conduct of the state, there are grounds for optimism concerning the potential for partnerships between Ethiopian NGOs and other institutional actors. A recent wave of democratisation has helped revitalise municipal government in Ethiopia. Coupled with the growth of civil society this has provided NGOs with an opportunity to tackle urban poverty issues on a citywide scale. NGOs in Ethiopia are increasingly being perceived as important actors in the urban arena, and international donors are beginning to channel greater funds through them. Certain NGOs have been effective in mobilising communities, reducing the vulnerability of urban groups and in influencing the policies of both municipal and national governments. Yet despite well-known examples of successful NGO interventions on a citywide scale, beyond individual cases there is relatively little known about the work and nature of a new breed of specifically urban NGOs. This study attempts to redress this imbalance by looking at several questions concerning the roles, relationships, internal organisation and performance of NGOs in an urban environment.

- How effective and efficient are specifically urban NGOs in reaching the urban poor?
- What institutional relationships between NGOs and city authorities work best?
- Why are certain sectors of urban NGO activity more successful than others?
- Do NGOs have the potential to play an increased role in helping the urban poor?
- Are there any distinct characteristics and capacities of effective urban NGO interventions?

This paper examines the institutional relationships of the NGO sector in Addis Ababa. The key factors

determining the performance of urban NGOs in a transitional democracy are then highlighted. The authors hope that this will go some way towards informing the strategic policy decisions of similar organisations and those institutions that they are attempting to work with within the urban environment.

2. METHODOLOGY

At the time the field research was conducted the total number of urban NGOs in Addis Ababa was estimated to be 63. This paper is the outcome of a detailed assessment of 33 NGOs, from an initial random sample of 42. The organisations identified and defined as ‘urban NGOs’ were selected from existing NGO directories and from information provided by key informants. The criteria used for selection were:

- registration with the Disaster Preparedness and Prevention Committee (DPPC);
- working with more than one community or beneficiary group in Addis Ababa;
- an explicit agenda of empowering beneficiary groups and redressing urban poverty; and
- a full-time programme with full-time employees.

These criteria filtered out unregistered NGOs with limited experience or part-time staff. NGOs with offices in the city that worked exclusively within rural areas were also excluded; as were NGO networks and umbrella bodies. The sample of 33 NGOs consisted of both indigenous and international NGOs.

Following an initial literature review the field research was conducted in two phases. The first phase consisted of a structured questionnaire, which was delivered to each of the designated NGOs. One to three semi-structured interviews were then conducted with the directors of each NGO, with separate interviews for other individual staff members. In other cases, core team members of the NGO were questioned so that participatory discussions could be undertaken. An urban NGO workshop was also organised where NGOs discussed and provided data on: key problems affecting poverty alleviation in Addis Ababa and organisational requirements for effective urban NGO operations. The information gathered was then recorded on a data schedule for each NGO, which was analysed using an INTRAC organisational assessment framework.

From these responses three NGOs were selected. These organisations were then researched in greater depth, and formed the basis for phase two of the report. In each case, a range of informants and different research methods were used. Where possible, annual reports, internal documents and published papers were examined. Beneficiary groups were also approached, both with and without the presence of NGO staff. This facilitated observational research and open interviews, followed by focus group discussions.

2.1 Organisation of the Study

Chapters 3 and 4 provide an overview of the factors affecting urban poverty and NGOs in Addis Ababa. Chapters 5 and 6 then assess the nature and activities of urban NGOs, examining issues related to their internal organisation, sectors of intervention, target groups and relationships. The focus of the study then narrows in Chapters 7 to 9 where a fuller assessment of three selected NGOs is made. These chapters provide a detailed description of the work and approaches undertaken by each organisation, with an analytical examination of the internal and external factors affecting NGO performance. In Chapter 10 the question of NGO performance is analysed in more detail, whilst Chapter 11 offers an appraisal of the future role and capabilities of urban NGOs in Ethiopia.

3. SUMMARY CONCLUSIONS

NGOs working in Addis Ababa represent a significant sector of the city's economy. Despite having a total coverage of only 6% of the city's poor, they employ over 1000 workers with a combined annual turnover of 200 million Birr (at the time of writing £1 = 10 Birr).

3.1 The Urban Problematique in Addis Ababa

3.1.1 Unemployment

According to the Ministry of Planning and Economic Development (MPED), unemployment in Addis Ababa was at 40% of the total working population in 1992. Estimates for 1997 are likely to be much higher, given the additional entry of large numbers of ex-servicemen, displaced peoples, redundant civil servants and the ongoing influx of immigrants from outlying rural areas.

A massive 73% of the unemployed are young people, aged from 15 to 29 years, and the increasing number of children and adults begging or undertaking very poorly paid street jobs is stark evidence of this. Employment prospects are poor, even for university graduates, and school leavers comprise 32% of the city's unemployed.

3.1.2 Household Income

Available data on income levels in Addis Ababa indicate that 60% to 80% of households earn less than 200 Birr per month (CSO 1980; AAMPO 1986). Taking into consideration the cost of food, this means that 43% of households (or 1.4 million people) are earning less than is required to purchase the minimum amount of food necessary for basic subsistence. In 1992, some 1.7 million people could not afford to buy the minimum food basket and other basic non-food items for the household; now that the number of new poor has increased this proportion must be much higher.

3.1.3 Housing

There is a severe shortage of housing in Addis Ababa; over 44% of housing units are overcrowded and the demand for housing from the city's growing population far outstrips supply (Gebre, 1996). According to one observer, 'the number of homeless people is increasing at an alarming rate' (Gebre, 1996). Most existing houses are in very poor condition and require extensive renovation or rebuilding.

3.1.4 Water and Sanitation

More than 20% of the city's population have no access to safe water. This group obtains its water requirements from open wells and streams. A further 46% obtain water from communal taps known as Bonno, whilst others buy water from private vendors - often at extortionate rates. Many people in this category also lack adequate toilet facilities and have ineffective systems for dry and liquid waste disposal. These factors have contributed to the high prevalence of diseases (20% of all hospital admissions) associated with contaminated food and water.

3.2 Internal Organisation

The larger NGOs in Addis Ababa are generally older, have more flexible funding arrangements and have more elaborate organisational systems and external networks. That said, there is no statistical difference in target accomplishment rates between small and large NGOs. The average income of indigenous NGOs is 1.73 million Birr, of which close to 90% is for project costs. The majority of funding is from European NGOs, although 44% of NGOs are now receiving some form of funding from bilateral sources. The time-scale for grants appears to correlate to the age of the NGO, in that the older agencies obtain grant funding for up to four years, whilst the younger NGOs typically receive grants for only one year. The short-term nature of the funding and capacity-building support received is thought to be a significant limiting factor.

The majority of NGOs studied have clear mission statements and explicit internal systems and structures. In terms of staff content, women constitute 47% of all full-time NGO staff in Addis Ababa. This figure rises to 57% for volunteers. Women are less likely, however, to hold senior management positions. Staff meetings are most frequently conducted by senior managers, although full staff meetings also occur regularly. Meetings between field staff and the staff at headquarters are less frequent. Several NGOs reported having a serious problem recruiting and retaining skilled and committed staff.

3.3 Programmes and Approaches to Urban Poverty

NGOs in Addis Ababa generally undertake multi-sectoral interventions. The most frequent programme options are service delivery and training. One common approach is to combine the provision of basic services with a range of income and employment generating activities (IEGA), backed by vocational training and technical support. A small number of specialist NGOs focus on shelter, sanitation and infrastructure. Relatively little energy is expended on networking, research, advocacy and technical advice. Despite its significance for community groups none of the NGOs surveyed are addressing the issues of land rights, land tenure and land access.

The organisations studied are using increasingly sophisticated poverty assessment tools, but the techniques used to target basic services to the poorest groups appear to be inadequate. Whilst NGOs are able to collect and analyse a large amount of information at the household level, the practicalities of implementing a programme often means that the beneficiaries are not the poorest of the poor. The majority of NGOs target women and children.

3.4 Relationships

Most NGOs in Addis Ababa have attempted to develop new community-based organisations (CBOs), rather than work with existing CBOs. NGO engagement with community groups is most common in the areas of project planning and training, and few NGOs act as direct funders. Several NGOs continue to experience difficulties with community participation in projects, whilst the smaller NGOs in Addis Ababa appear to lack good working relationships with their target communities.

The majority of the NGOs surveyed maintain links with other NGOs, in that they form part of the same umbrella network or provide training services for each other. Indigenous NGOs in receipt of foreign funding state that they have been constrained by insufficient budget allocations for administrative costs

and the requirement for frequent reports. Few NGOs reported having an influence upon donors.

Two-thirds of the NGOs in Addis Ababa have active links with local government. Despite the great potential that NGO-government partnerships offer, a major limiting factor has been the lack of formal mechanisms linking NGOs and CBOs with the Region 14 Administration. Those NGOs working with the municipality do so intermittently, when NGOs act as advocates for CBOs. A second obstacle faced by NGOs is the high turnover of state officials, which has delayed NGO-sponsored projects and jeopardised the commitment of both donors and target communities. The influence of central government upon the municipal authorities has also affected relations with NGOs. Two-thirds of the NGOs in Addis Ababa have active links with local government. A small number of organisations claim to have the support of a local politician, or have acted as consultants to the Region 14 Administration.

3.5 Performance

It is difficult to gauge the extent to which NGOs working in Addis Ababa are transforming the economic, institutional and political relationships associated with urban poverty. This study is limited to an assessment of measurable programme outputs. A number of NGOs have attempted to reduce the vulnerability of the urban poor by making improvements to the physical infrastructure or by opening up access to basic services. Sections of the most marginalised social groups in Addis Ababa are accessed by NGO interventions. The majority of NGOs, however, do not reach these groups consistently. The diversity of urban communities makes targeting the most vulnerable people problematic, but several NGOs have failed to fully operationalise their targeting criteria.

Two-thirds of the NGOs studied stated that they have met over half of their anticipated outputs, whilst 10% claimed a target accomplishment rate of over 80%. A further 30% of NGOs said that they have failed to achieve half of their anticipated outputs.

4. URBAN NGOS IN ADDIS ABABA

4.1 The Social and Political Context

Ethiopia has a tradition of authoritarian government. Consequently, certain NGO activities such as providing support for land invasions and organising peaceful public protests are prohibited. Unlike in liberal democracies where NGOs are recognised as agents of development, NGOs in Ethiopia have traditionally been regarded as a sector of civil society in conflict with the state.

In recent years several indicators have emerged which suggest that a process of democratisation has opened up new spaces within civil society for NGOs to operate. NGOs still require recognition by the state for their legitimacy, but the number of registered NGOs working in Addis Ababa is growing. Furthermore, a shift in favour of direct funding from the North has increased the sector's domestic autonomy. These factors have contributed to the national and municipal governments' increasing recognition of the role of NGOs and their rights of association. Many government officials, however, are suspicious of NGOs and state bureaucratic procedures remain restrictive. The sector remains closely monitored by the state, whilst a weak policy-enabling environment has discouraged NGO innovations and attempts to influence national policy-making. As one NGO director has stated:

There is a lack of organised lobbying in the country, and experiences with democratic mechanisms: dialogue, compromise and negotiated settlements are new. You are viewed either as a friend or an enemy by the government.

Despite moves towards greater democracy, policy advocacy in Ethiopia is viewed with suspicion by the government. Few NGOs in Ethiopia have, therefore, vocalised their support of the urban poor in cases where the government would be criticised. When advocacy work has been undertaken it has generally taken place at a personal level, between NGO leaders and government officials. The majority of NGOs still lack the internal capacity to develop and maintain an effective advocacy strategy given the unfavourable institutional context (CEVO, 1995). The emergence of the Urban Working Group (UWG) combined with a recent review of the municipalities' position may lead to improvements in the institutional structures of local government, but the advocacy role of NGOs will remain uncertain until Ethiopian democracy is deepened.

There is an expectation within Ethiopia that the NGO sector must work to supplement the development efforts of the state. The national government continues to set the agenda for development within the country, and NGOs are still regarded as junior actors. For the most part, civil actors have failed to criticise the state's position, and few mechanisms are available for the public exposure of inappropriate or unsatisfactory actions by the state. The NGO sector in Addis Ababa is known to have commented on glaring gaps in the state's agenda, and to have sought clarifications concerning state policies and resource use, but individual NGOs are largely unable to make formal public pronouncements against the state.

Although NGOs have experienced difficulties when working with the state, the NGO sector does not have the social power or political legitimacy to act independently. In part, this reflects a history of strong centralised government control within Ethiopia, which has had the effect of degrading the perceived impact of NGO interventions. For example, the government's plan to reorient the direction of

aid from relief and rehabilitation to more developmental purposes has been used as a mechanism for regulating NGO activities.

4.2 Government Regulation of NGOs

NGO registration was transferred, in 1996, from the DPPC to the Ministry of Justice (MoJ). All NGOs must now register on a yearly basis in order to work with government agencies; this involves submitting detailed information concerning their board members, employees, activities, funding sources, target communities and monitoring arrangements. Some NGOs favour this initiative because it offers them a degree of legitimacy in the eyes of political elites. The rules governing NGO activities in Ethiopia also require the production of lengthy reports, which small NGOs find inefficient to produce. Furthermore, the larger NGOs in Addis Ababa invest a disproportionate amount of human and financial resources constructing and maintaining reporting systems to government agencies.

Although the capacity of the MoJ to carry out the task of registration is limited, several NGOs have found the increased involvement of the state in their activities intrusive and restrictive. Many NGOs feel that since regulation their ability to adapt to rapid socio-economic changes has been restricted. Any proposed changes within an organisation must meet official approval, which invariably leads to delays. To sanction individual projects, NGOs must now have the agreement of both the local kebele association (a unit of the government's administrative network) and the relevant Relief and Rehabilitation Bureau (RRB) in the region. To help them assess the NGO's plans, the RRB consults the requisite line ministry within the regional administration. This tripartite agreement process between NGOs, the RRB and local associations often becomes bogged down in bureaucracy and fractional disagreements.

The government's enactment of legislation to regulate NGO activities has forced the state to recognise the necessity of service delivery by NGOs. However, the extent to which NGO functions such as policy advocacy, grass-roots capacity-building, social mobilisation and research are recognised by the government remains unclear. More fundamentally, the emphasis on service delivery to a limited number of communities tends to ignore the declared mission of NGOs addressing the causes of poverty. Most NGOs do not see service provision alone as the primary solution to poverty.

Unfortunately, there does not seem to be an officially recognised space for inter-NGO collaboration which is outside of kebele or government influence. Although the NGO Forum for Street Children Ethiopia (FSCE) has now been established, the lack of independent NGO collaboration has stifled the potential for synergy within the sector. The fact that the legislation governing NGOs restricts their co-operation is a worrying issue, especially when it is acknowledged that some of the most effective contributions to national development elsewhere in Africa, Asia and Latin America have been the product of inter-NGO collaborations.

4.3 Managing the City

Ethiopia currently lacks a coherent national urban policy. This deficiency is matched by the state's limited human and financial resources, and the prevalence of inappropriate and fragmented institutional mechanisms for urban management (Gebre, 1996). The governance of Addis Ababa remains unequivocally the domain of central government and the city authorities. According to one observer:

Public participation is merely keeping the public informed, it is not supported by real participation... It lacks full representation, and the representatives involved are not planning-oriented and projects work on an ad-hoc basis, rather than continually improving the urban environment. (Yami, 1996)

There have been a number of steps taken towards decentralising the institutions which govern the city. In theory, this should enable Region 14's local authorities to design development plans which are appropriate to the needs of the people in their area. The experience of decentralisation to date, however, shows that the practice of urban management in Ethiopia remains beset with various institutionalised difficulties. These include:

- lack of co-ordination between NGO agencies;
- absence of a national urban policy;
- absence of formal mechanisms to facilitate NGO engagements with their beneficiaries;
- lack of public participation in planning and decision-making;
- lack of professional expertise and information exchange within NGOs and government institutions;
- a weak system of revenue collection and expenditure within the municipality;
- inappropriate structures and procedures for the task of urban management and policy formulation;
and
- high turnover rates of local level elected officials.

The municipality does not have the administrative capacity to approve and implement existing plans, and only manages to spend around 60% of its annual budget of 600 million Birr. Given this fact, the situation outlined above has left city authorities with few mechanisms for productive and sustained collaborations with NGOs. In response, the Region 14 Administration has drafted a policy document that addresses its work with NGOs and suggests ways in which its contacts with the NGO sector can be formalised.

5. THE NATURE, ACTIVITIES AND STRATEGIES OF NGOS IN ADDIS ABABA

5.1 Internal Organisation

The NGOs surveyed are predominately organised along project lines and have separate finance, administration and staff support departments. Most NGOs in the study have four hierarchical levels, including a governing board.

5.1.1 Staff and Human Resource Development

Over half of the NGOs in Addis Ababa employ less than twenty staff members. Five organisations, however, employ over 100 people. Twelve NGOs reported having no field staff, whilst eleven NGOs reported that two-thirds of their staff are field-based. There are few part-time or voluntary workers. The composition of NGOs within Addis Ababa is predominantly male. Women are less likely to hold senior management positions, and are more likely to work in administrative roles.

Half of the NGOs researched provide no formal training for managers. Senior managers are likely, however, to meet on a weekly basis, whilst other staff members meet once a month. Those NGOs that provide training offer courses over a period of six to ten days in the year. More NGOs provide training opportunities for junior staff members, with one-third of this group allocating up to 11 days in each year. Only three of the NGOs surveyed offered their board members an opportunity to undertake training.

5.1.2 Income

NGOs in Addis Ababa are polarised in terms of the amount of funding that they receive. A significant number of NGOs have annual incomes of less than \$ US 50,000 per year, whilst the annual incomes of several NGOs exceeds \$ US 1 million. These two extremes account for close to 60% of the NGOs surveyed. The remaining 40% are spread relatively evenly across this spectrum. The average annual income of the indigenous NGOs, at \$ US 1.73 million does not, therefore, reflect the fortunes of the median number of NGOs. NGOs in Addis Ababa are unique in that the profusion of very small and relatively large NGOs means that few medium sized NGOs exist. The amount of financial resources channeled through NGO activities in Addis Ababa is likely to be between 120 and 150 million Birr. This figure is equivalent to one quarter of the entire budget for Region 14 which, as previously mentioned, disburses only 60% of its annual budget of 600 million Birr.

The majority of NGOs in the study are dependent upon funding from Northern NGO donors. For instance, 60% of the NGOs studied receive more than half of their funds from this source. Around one-third of the NGOs sampled also receive funding from official agencies such as DGIS, DfID or SIDA. In general, official agency funding accounts for less than half of all funds, but is likely to increase in proportion as the trend towards direct funding of Southern NGOs takes hold. Five NGOs reported receiving funding from Southern governments, although this accounts for less than 10% of their income. It is also unclear whether this represents finance from the government of Ethiopia or aid from the wealthier Southern governments such as South Korea. A further 15% of NGOs claim that they receive the majority of their income from alternative sources, such as private donations, UN agency grants,

commercial activities and corporate donations.

Close to 40% of the NGOs studied stated that the average time-span for their larger grants was a period of two years. A further 45% of NGOs stated that they had received grants over three years or more. There is a positive correlation between the duration of major grants and the size of the NGO. Small NGOs claim that the short-term nature of their funding makes it difficult to plan an effective long-term strategy.

5.2 Strategies of Intervention

NGOs in Ethiopia have combined a variety of strategies in order to achieve their stated objectives (see Figure 1). Forms of service delivery are the predominant means of intervention, and within Addis Ababa around 70% of all NGOs are involved in this area of work - which accounts for one-quarter of all NGO interventions. Several commentators have argued that this approach fails to challenge the root causes of poverty (Hiruy, 1996). After service delivery, CBO capacity-building and the training of community leaders are the most frequently undertaken activities. Among those NGOs that have engaged in awareness raising, the vast majority have reported spending only one-fifth of their staff-time on awareness raising programmes.

According to Figure 1, below, networking, research and advocacy are the least frequently employed methods of intervention. This is because NGOs in Addis Ababa tend to work independently within each kebele, whilst few have the staff resources available to pursue an active networking programme. One exception to this pattern is the Urban Working Group of the Christian Relief and Development Association (UWG-CRDA), the country's largest NGO membership organisation. This network exists to facilitate the interchange of urban programming experiences, as well as provide a forum for policy critiques. The emergence of other networks with a distinct urban focus, such as the FSCE, indicates that structured networking amongst urban NGOs in Ethiopia is increasing.

Over one-third of the NGOs researched have engaged in research and advocacy, which is reflected in the relatively low level of importance attached to these activities by the majority of NGOs (Pratt and Stone, 1994). Advocacy is still an unclear concept within the NGO sector in Ethiopia and some organisations see advocacy as unacceptable politicking (CEVO, 1995). Most NGOs have not, therefore, developed the expertise necessary to transform their experiences into specific policy suggestions. Nor have they been able to develop a strategy that will enable them to penetrate and influence the national government bureaucracy. Finally, only 35% of all NGOs in Addis Ababa have carried out a social mobilisation programme. The majority of organisations have been deterred from engaging in such activities, largely because of the political risks associated with social mobilisation.

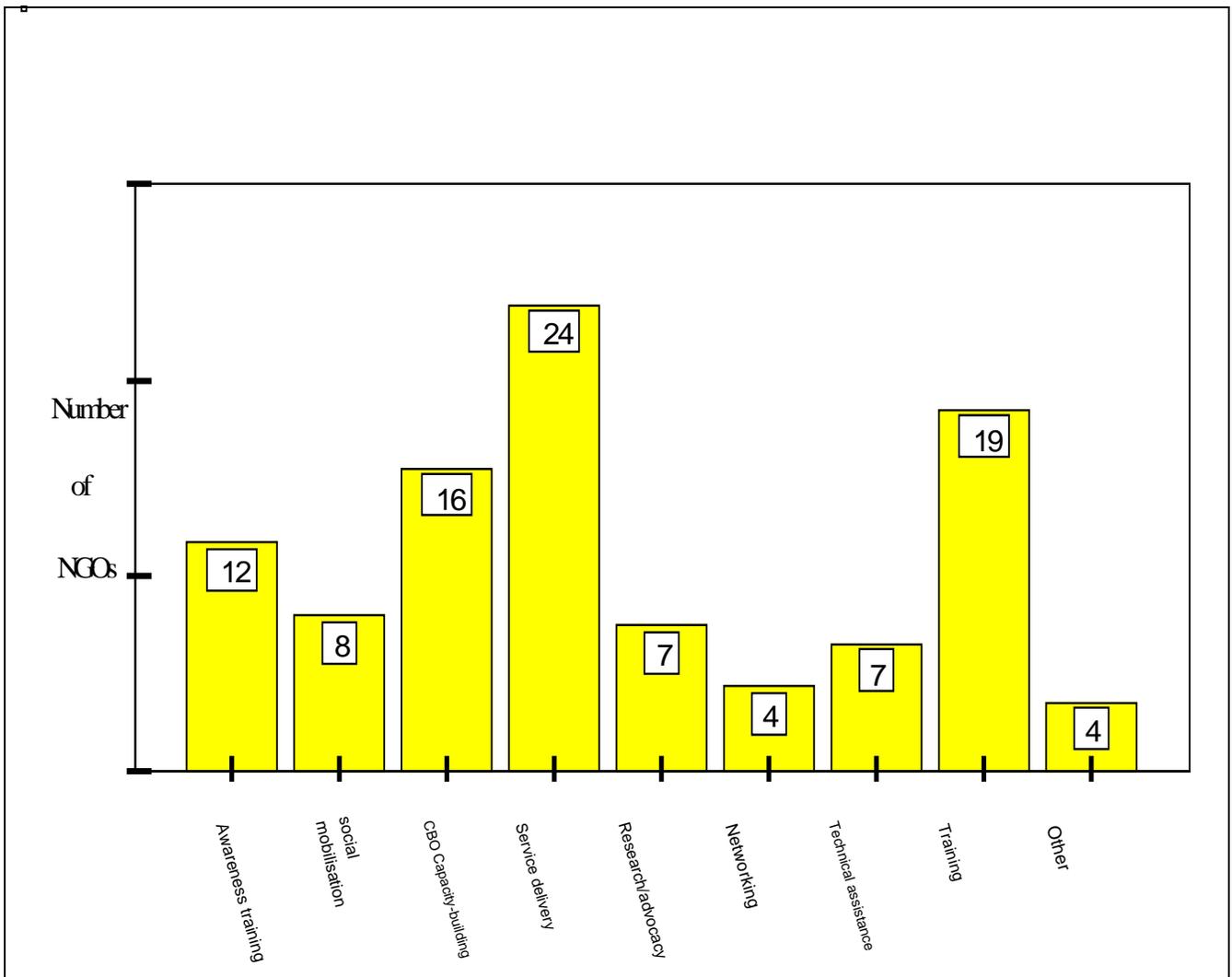


Figure 1: Strategies of Intervention Adopted by NGOs in Addis Ababa

5.3 Sectors of Intervention

The majority of NGOs in Addis Ababa are involved in multi-sectoral activities (see Figure 2). Fourteen of the NGOs studied reported working in five or six different sectors, whilst ten NGOs are currently working in three or four sectors of intervention. To explain the predominance of multi-sectoral interventions one NGO staff member has claimed that:

The (single) sectoral approach does not work in an urban setting. If you take a small geographical area and engage in multi-sectoral activities, you can start to develop a clear model for interaction. If you start in one sector, you often see that the cause of the problem exists in another sector. The community knows this and they come and ask us to address it.

Effective, integrated, multi-sectoral programmes are, however, rare. The majority of NGO programmes in Ethiopia consist of differing components, but they are generally implemented in an uncoordinated manner, which reduces the intensity of their impact. Consequently, several commentators have

suggested that urban NGOs must prioritise their work in collaboration with local communities, ‘instead of engaging in projects that have a high profile or will attract funding’. The implication of this argument is that NGOs should concentrate on specific sectors, but in co-operation with other organisations working in different but complementary sectors. Table 1 outlines the strengths and weaknesses of each approach.

	Specialist NGO Approach	Generalist NGO Approach
Purpose	Improve the resilience and situation of the poor in one key area: health, education or employment.	Break the cycle of poverty at different points simultaneously.
Mode	Adopt a similar project across several target communities.	Adopt a number of projects in different sectors with the
Characteristics	Specialist NGOs are usually smaller. Managers must be good at building relationships with other organisations. Staff must be	NGOs are structured along project lines with a few general (project) managers and numerous
Problems	Danger of poor in-depth understanding of community or local politics. Difficult to secure funding for work.	Expensive approach. Can reach only two or three communities at a time. Often poor coordination, low quality and little learning

Table 1: Specialist Versus Generalist NGOs

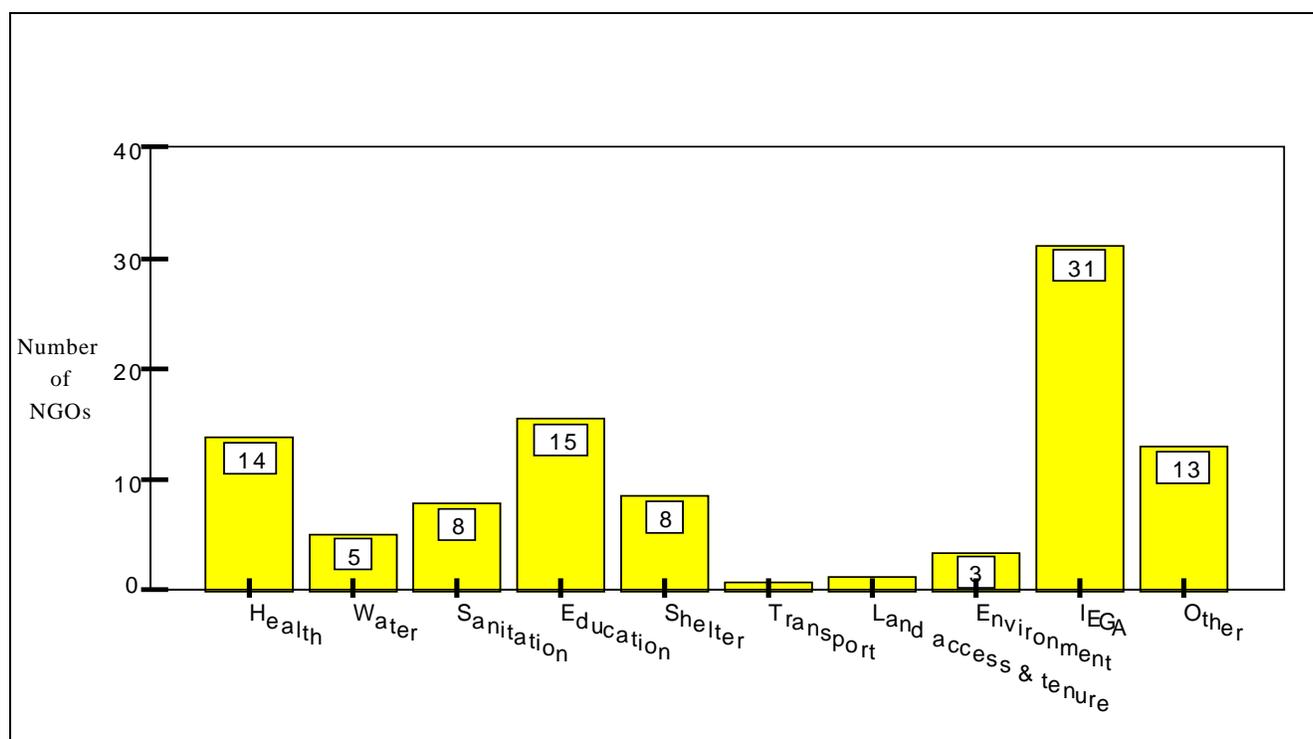


Figure 2: Sectors of Intervention Adopted by NGOs in Addis Ababa

According to Figure 2 the most common sector of intervention by NGOs in Addis Ababa is IEGA.

Given the high rates of unemployment within the city the prevalence of this sector is not surprising. A focus on IEGA can be demanding since individual target groups are comparatively small and require constant support, in terms of staff time and equipment. Education and healthcare each constitute around 15% of all NGO activities. The depth of involvement in education by NGOs is, however, much greater in that programmes are often long term and demand additional staff resources at the secondary level.

The low involvement of NGOs in the sectors of shelter, sanitation and water is surprising, given the crucial importance of these areas to other development initiatives and the serious deficiency of adequate shelter within the city. This is likely to be a result of the limited technical capacity of NGOs in these areas. Environmental, land and transport issues command marginal inputs from NGOs in Ethiopia, despite claims that these are important sectors. The political significance of land means that for many NGOs the issue is seen as non-negotiable.

5.4 Target Groups

According to this study, the choice of target or beneficiary group is heavily influenced by the socio-political context, the capacity of grass-roots organisations, the degree of social heterogeneity and the strength of local government. The main targets for NGO interventions in Ethiopia are children, followed closely by women. It is clear from Figure 3 that a high proportion of NGO work is conducted in specific geographical areas, within which women and children are considered the main targets. In contrast, only around one-third of the NGOs studied stated that specific communities are their primary targets for intervention; this despite NGO staff rhetoric that their organisations emphasise integrated community development.

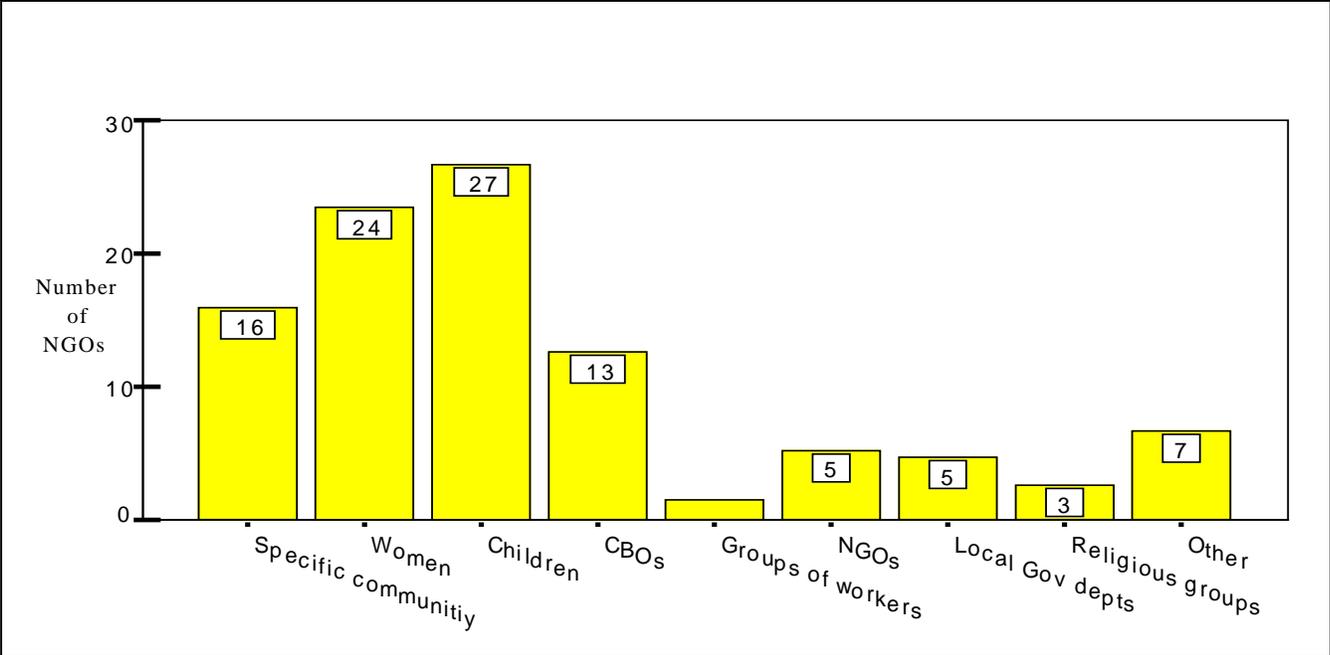


Figure 3: Target Groups Accessed by NGOs in Addis Ababa

There are several reasons why NGOs have focused their interventions on women and children. In addition to academic reports regarding the feminisation of poverty, it is often more efficient for an NGO

to target a specific social group, rather than investigate different types of household, worker, or ethnic group. Women and children are often more receptive to NGO initiatives, and are consequently more productive than unemployed men and the aged. Consequently, unless there is a particular incentive to help other social groups, such as the unemployed or disabled, most donors tend to support the group that offers the highest potential return for the least amount of risk. Moreover, NGOs with a community focus generally need to be working with the co-operation of one section of the community, before they can begin to address community-wide issues.

This research shows that NGOs in Addis Ababa do not see other organisations or institutional entities as credible targets for intervention or engagement. Of the fifteen NGOs which have reported working with community-based organisations, less than 15% of their total time was devoted to CBO-related activities. The number of NGO interventions targeted at occupational organisations, local government, other NGOs and religious organisations is also relatively small, and accounts for less than 10% of all NGO activities. Where NGOs have worked with other organisations, the approach has been used simply as a means of supporting other types of NGO programme.

Organisational entities have not been a focus of NGO activities for a variety of reasons. NGOs in Ethiopia have had little experience of targeting legislative and policy-making bodies, and as a result the necessary human and organisational resources have not yet been developed. The majority of NGOs in Addis Ababa continue to concentrate on their short-term funding needs, which does not leave them with much opportunity to build long-term strategic relationships with other institutional actors. At a time when more tangible needs are being addressed in the fight against urban poverty, it is difficult for individual NGOs to measure their impact on other organisations, in order to persuade funders of the need to support institutional development.

6. THE RELATIONSHIPS OF NGOS IN ADDIS ABABA

It is difficult to make any definitive statement concerning the relationship of NGOs in Addis Ababa with other institutional actors. The nature of NGO relationships vary according to the age, mission, strategy and target group of the NGO in question. In most cases NGO relationships are functional and sporadic and are based upon short-term project needs. NGOs in Ethiopia have worked with regional government, line ministries, academia, international donors, the media, professional associations and other NGOs, but most NGOs claim that community-based organisations are their main project partners. The relationship of NGOs with their donors is also crucial, although several NGOs have complained that they have little influence over their international ‘partners’.

6.1 NGO-Government

The central government has recently encouraged both the national and municipal authorities to acknowledge the impact and value of NGO activities, yet there is evidence that a feeling of mutual mistrust persists. For instance, memories of NGO antagonism towards the state during the struggle against the Derg regime have continued to shape government attitudes towards the sector. According to perceptions held within several NGOs, many government officials still fear a situation in which influential NGOs could be co-opted or manipulated by groups opposed to the current administration. NGOs receive their acclaim in an *ad-hoc* manner whilst others have been de-registered without explanation. The work undertaken by NGOs to empower poor communities is often interpreted by the government as a strategy to strengthen government opposition.

NGO-government relations have been severely damaged by reports of spurious NGOs. Furthermore, several NGOs have admitted that their work has been unfocused and ineffective - although the majority of NGOs now participate in formal training events. The perceived ineffectiveness of developmental NGOs (as opposed to their relief and rehabilitation counterparts) has created serious doubts within the minds of government officials. One major criticism has been that NGOs often design projects without the involvement of intended beneficiaries. Recent DPPC guidelines for NGO operations have attempted to address this issue, by making it obligatory for all NGOs to consult beneficiary communities and obtain the approval of kebele associations before a project is implemented.

6.1.1 NGO-Municipal Authority

NGOs in Addis Ababa generally come into contact with the municipal authority on a project-by-project basis. One-fifth of the NGOs studied claim to have had no contact with the municipality at all, and few organisations maintain active links with the municipality once a particular agreement has expired. For instance, an NGO may lobby the administration to release some land for a particular settlement, rather than expend resources advocating widescale policy changes over land issues in general. As a consequence, formal mechanisms for NGO and municipal authority collaboration on a citywide scale do not, at present, exist. This has prevented NGO experiences from being shared and incorporated into local government planning systems.

Municipal officials do acknowledge the work of NGOs, in areas such as infrastructural development, but the relative weakness of NGOs tackling urban issues has hampered further co-operation. Those NGOs which do frequently negotiate with municipal officials are restricted to Region 14. The

involvement of NGOs in joint projects within the region is relatively common, and one-third of the NGOs researched had co-operated with the local administration on this type of project. Only one NGO, however, had received funding from the municipal authority. This reflects the municipalities failure to institutionalise any formal grant-making mechanism.

A fundamental factor affecting the ability of NGOs to form effective relationships with the municipality is the high turnover of kebele and woreda officials. This makes the maintenance of stable relationships difficult whilst high rates of staff turnover waste invested educational resources by the NGO. Also, the lack of co-operation between NGOs and local politicians indicates that most NGOs want to remain politically neutral. Any engagement with politicians demands great organisational competence and experience if the NGO is to successfully achieve its objectives.

6.2 NGO-CBO

NGOs in Addis Ababa have collaborated with CBOs by providing training and other capacity-building services including funding. Initial contact is often made by the NGO through a baseline survey. This enables the NGO to assess the condition of the people within their intended constituency. Once a target group is identified and an assessment of their needs is made, NGOs will begin to approach donors for funding. There is, however, often some discrepancy between the needy groups identified by this approach and the people the NGO is ultimately able to work with. It is often the case that the most marginalised people are the least able to express their needs and work productively with the NGO.

The strength of community-based organisations has an important influence upon the type of programme and the strategy adopted by NGOs. In this respect, the quality of CBO leadership is significant. Since many Iddir leaders are also members of the Kebele Development Committee (KDC) they have the potential to link NGOs and CBO activities. In communities with a diverse base of CBOs, development agencies generally play a more facilitative role. In those communities where grass-roots activity is weak, NGOs are more likely to implement individual programmes, whilst attempting to strengthen existing CBOs. One-third of the NGOs studied identified a lack of community participation in their projects as a major obstacle to sustainable forms of development.

An assumption exists amongst the NGO community that the capacity of beneficiary groups to create their own organisations is limited by the heterogeneity of communities and the periodic influx of migrants. An alternative view is that the lack of community participation in the planning of urban development is a result of the hierarchical planning processes adopted by NGOs. In this perspective, NGOs are criticised for not analysing the potential role that CBOs can play in the development process. The perception that the hierarchical nature of Ethiopian society has stunted the evolution of CBOs is therefore regarded as inaccurate.

The research found an average of twenty grass-roots organisations in each kebele, but there is still little in-depth knowledge available concerning their role and nature. At present in Addis Ababa there are a plethora of informal credit unions, burial societies, women's groups and religious associations, but neither the government nor the NGOs have committed sufficient resources to creating participatory links with them. For example, each kebele has three appointed leaders (paid for by the government) who are responsible for controlling community groups, but who do not necessarily embody the aspirations and values of the community. Nevertheless, it is essential for NGOs to work with kebeles if they are to

gain legitimacy.

Grass-roots groups within the kebeles generally focus on one or two projects and this specialisation has contributed to their success. The method contrasts with the multi-sectoral approach adopted by NGOs; a factor which has prevented NGOs from co-operating too closely with CBOs on a citywide scale. As one NGO official remarked:

CBOs have developed a good framework for intervention, but you need to change the scope of what they are concerned with before you can start working with them effectively. CBOs often work on relief projects during times of crisis and it may not always be appropriate to burden them with developmental tasks.

The lack of government and NGO support offered to CBOs has forced several community-based organisations to register as NGOs. This action can be counter-productive in that with their new role comes the responsibility of providing services to a particular community, as defined by the government. This situation has convinced certain NGO and government observers that CBOs are unable to operate effectively in a highly politicised environment.

Despite the absence of institutionalised linkages between CBOs, NGOs and government, there is evidence that NGOs in Addis Ababa are attempting to involve local communities in project planning and implementation. Whilst several NGOs continue to design their projects privately, other NGOs have involved beneficiary communities in the project planning stages. Grass-roots organisations are useful sources of advice and information concerning the beneficiary community, whilst their closeness to the community can enable a more comprehensive evaluation of NGO activities. Larger NGOs such as IHA-UDP (Integrated Holistic Approaches to Urban Development) are involving local communities at all levels of their activities. They have created project committees with representatives from the beneficiary community who take responsibility for specific tasks related to the project. It is not, however, a simple process for NGOs to work effectively with CBOs, in that each CBO has its own particular agenda and method of decision-making. For the most part participatory processes are restricted to either the planning or the implementation stages, and few NGOs in Addis Ababa have institutionalised participatory processes across the whole programme cycle. There are few comprehensive studies available which examine whether NGO-initiated CBOs have been able to sustain themselves after the NGO's withdrawal.

6.3 NGO-NGO

Despite the existence of a large number of NGO networks the majority of small NGOs in Addis Ababa remain unconnected to the larger agencies. Several NGOs collaborate by providing training or sharing information and other resources where appropriate. Those NGOs which receive training from other organisations are statistically more likely to fulfill their project targets. The main method of NGO contact is, however, through membership of an umbrella organisation such as CRDA or FSCE.

Joint projects and other forms of high intensity co-operation are less common amongst Ethiopian NGOs. This is because the majority of organisations are unwilling to enter into a financial partnership with other organisations, whilst DPPC guidelines regarding NGO corroboration are unclear. The fact that NGOs work in specific locations also limits the number of opportunities NGOs have to co-operate.

Consequently, good examples of sustained and innovative arrangements between NGOs are lacking. The lack of co-operation on specific projects may explain why the majority of NGOs in Addis Ababa operate a generalist strategy, despite the observation that greater NGO collaboration would enhance organisational performance. Increased collaboration between NGOs may enable individual organisations to develop specific competencies: strengthening their funding bases, facilitating information flows and other forms of organisational capacity-building.

6.4 NGO-Donor

Because NGOs are eager to procure funding from international donors, NGO staff have been criticised for shaping their projects so that they appear more favourable to donors. As part of each project agreement, however, NGOs must demonstrate to donors that they have planned their projects in conjunction with community groups and the kebele association. Even so, the exposure of NGO staff to participatory methodologies emerging elsewhere in Africa and Asia is limited, and little literature on the topic is available in Ethiopia. The majority of NGOs have too few resources to be able to commit funds to pre-project activities. And even if more money was made available, Ethiopia's long history of centralised decision-making has meant that a culture of dependency has persisted. As a result, meetings between NGOs and CBOs are often hijacked by the most politically influential individuals within the group.

As international donors move away from supporting relief and welfare oriented NGOs, to funding more developmentally oriented organisations, the relationship between NGOs and donors has become increasingly directive. This may encourage misguided funding policies within the NGO sector in Ethiopia if international donors fail to understand the social, economic and political challenges facing NGOs. A number of those NGOs researched expressed a concern that Northern donors did not understand Ethiopian society and the political context in which they are working. Other NGO staff members have complained that the emphasis placed by Northern donors on promoting civil society has begun to infringe upon their own proposals to address poverty alleviation. Most notably, less than half of all the NGOs studied claimed that they could influence the agenda of donors in reference to their own projects. One-fifth of the NGOs surveyed believe that they exercised no influence upon donors at all, although one third thought they had some leeway to influence a donor's criteria for funding.

NGOs are expected to submit regular financial reports, often on a quarterly basis, to their donors and the DPPC. The majority of reports are concerned with specific project activities and the utilisation of project funds. For NGOs with several donors, report writing requirements can become a heavy organisational burden, and some NGOs have been forced to establish internal audit units. There has, however, been a lack of report writing concerning project performance and impact, and the focus of donors' has remained on project implementation. This policy environment has not encouraged a culture of learning, innovation or transparency within the NGO sector in Ethiopia.

7. CASE STUDY A: Women Aid Ethiopia

7.1 History

Women Aid Ethiopia (WAE) was founded in 1994, with financial support from German Agro Action

Aid. The NGO has six permanent staff members whose stated mission is to 'address the immediate material manifestations of poverty, as well as the underlying issue of social inequality'. WAE primarily supports and encourages various women's development programmes, with particular emphasis on the economic, educational, health and environmental aspects of their lives. As its ultimate objective, the organisation strives to promote the social and economic status of poor women and their dependants, by increasing their access to and control over production factors, services and facilities (WAE, Annual Report, 1996). This is based upon the assumption that women face particular social disadvantages in Ethiopia, whilst the benefits of development interventions for women are more likely to be shared throughout the household.

WAE's first project (1994-5) was to provide vocational training and finance to 23 unemployed young women hoping to set up their own small tailoring business. Because of the small market for new clothes in Addis Ababa, however, only one of the trainees has since been able to establish her own micro-enterprise (WAE, 1996). The failure of this project illustrates just how important it is for NGOs to understand the dynamics of the local market before offering advice to beneficiaries.

WAE is currently an organisation providing development assistance to the residents of Akaki, an industrial district on the outskirts of Addis Ababa. Akaki is a focal point for migrants entering the city, and according to WAE the current population is in excess of 100,000. This figure is set to rise as population pressures from within the city centre force the growing population outwards (Yami, 1996). WAE chose to work in this peri-urban area because of its high incidence of unemployment and poverty, which it felt other NGOs concentrating on the centre of Addis Ababa had neglected. In addition to a lack of housing and basic infrastructure, Akaki also suffers from environmental health hazards, such as water and air pollution, which is associated with the manufacturing industry in the area.

WAE conducted a needs assessment in each of the 11 kebeles in Akaki. This survey identified three kebeles (combined population around 25,000) to be the most deprived areas in the district. In addition to high rates of unemployment, close to 50% of the population in these localities do not have access to potable water - which has, in part, been responsible for the proliferation of water borne diseases. This health hazard has been increased by the lack of access to latrines for close to two-thirds of the population. The results of this assessment prompted WAE to focus on three programming priorities: IEGA, water and sanitation provision and waste collection.

7.2 Staff, Structure and Organisational Capacity

WAE's management systems and structures are still in the developing stages, although in our opinion its staff structures are clear and well defined - whilst the NGO appears to have successfully internalised its values and mission. As is the case with all NGOs, its structure is dictated by local laws that govern NGO activities. In Ethiopia, NGOs are legally defined as membership organisations, which must have a General Assembly, a Board of Directors and formally employed staff members (Pact, 1998).

The General Assembly is the supreme body of the organisation that meets once a year. Its function is to approve annual work plans and budgets. A five-member Board, which meets two to four times a year, is responsible for implementing the decisions of the General Assembly. In reality, however, most of the tasks related to strategic planning and fund-raising are the responsibility of the Executive Director. Tasks relating to programme implementation are delegated to the Project Officer. A total of six staff

members, including the Executive Director meet monthly to discuss the day-to-day management of the organisation.

WAE is highly field-based, with five of the six staff members permanently posted in Akaki. Being field-based has the advantage that WAE staff are close to their beneficiaries, but such a focus on daily management activities can detract from the wider issues of strategic planning. In this respect there appears to be insufficient attention paid to the leadership skills of middle management. Moreover, the Executive Director's position is part-time only, and 40% of his time is dedicated to running German Agro Action Aid's small grants fund.

7.3 Current Programmes and Activities

7.3.1 Income and Employment Generation Activities

Since 1995, WAE has attempted to encourage women on low incomes in one kebele to form a savings and credit co-operative. The seed money granted for this project was over 63,000 Birr. Its main sources of income are interest from loans, fines, and membership fees. In addition, the co-operative has received some income from a sanitation centre run by the WAE water programme. The co-operative is not, however, financially sustainable since current administrative and book-keeping staff costs are covered by WAE, and not from the co-operative's revenue. By 1998 the co-operative had close to 100 members. These women were selected on the basis of need and reliability by the relevant KDC - set up by the WAE in each kebele. The women are organised into peer groups that allocate collateral and monitor loan applications. Each completed application is passed on to the executive committee for evaluation in consultation with WAE.

The programme has encountered a number of major difficulties since its inception. Firstly, the original upper limit to loan payments of 1,000 Birr was insufficient to meet the needs of beneficiaries - but, in response, the limit has since been raised to 2,000 Birr. Secondly, the monthly repayment requirements have been increased from two to five Birr, despite WAE staff complaints about the lack of a culture of savings in Ethiopia. Some cooperative members do, however, now have savings of over 400 Birr - which is evidence that the ability of women to save, absorb and repay loans had been underestimated. Fourthly, loan repayments originally planned on a monthly basis were increased to weekly payments because of the rapid turnover of the small enterprises funded.

Finally, WAE felt the need to become more actively involved in the process of approving loans, which was previously the full responsibility of the Loan Committee within the co-operative. Given WAE's philosophy of letting 'the co-operative decide for themselves', this decision marks a tremendous shift in WAE's thinking. In response to evidence that loan appraisals were not always efficiently handled, WAE was forced by bitter experience to increase its control over co-operative activities. WAE provides direct technical assistance in the areas of financial, administrative, and business management for the co-operative. Clearly, WAE had underestimated the credit worthiness of women, whilst overestimating their capacity to manage a financial institution.

To prevent this decision from setting in motion a process of disempowerment, WAE has since intensified its training programme in the area of loan appraisal and approval. Additional capacity-building services have been contracted from Green Bell Consultancy to upgrade the financial and

management skills of the members. Training was also provided to WAE staff to improve their ability to provide effective support to the co-operative. Furthermore the NGO plans to phase out its participation in one kebele before the year 2000. This remedy has, however, not been successful in convincing co-operative members that they still own the scheme. According to WAE staff, co-operative members continue to view the organisation, 'as something external, like a governmental, rather than their own, organisation.'

Although the co-operative is not yet financially self-sustaining, it is too soon to begin to assess its long term viability. A mid-term evaluation of the project carried out externally, states that weaknesses in the executive committee of the co-operative are the primary obstacle to future sustainability. It remains to be seen whether training and other support services provided in the coming years will be sufficient to develop adequate management skills within the organisation.

The relative success of the project in reaching poor women and increasing their income and productivity has led WAE to replicate the project in an adjacent kebele. This co-operative draws on the experience and lessons learned by the NGO in the kebele where the project was initiated. This project is still in its infancy, with a current membership total of 30. This type of programme replication is one way in which WAE can scale-up its activities.

7.3.2 Water, Environment and Sanitation Programme

In 1997 WAE opened a sanitation centre and four public water points to provide health and sanitation services to the community of one kebele. This programme has six components: i) construction of public water points at strategic sites; ii) building public latrines in overcrowded neighbourhoods; iii) setting up communal kitchens; iv) provision of waste collection bins; v) construction of drainage canals; and vi) environment and sanitation education. The centre includes two public latrines, a water distribution point and public showers.

The services of the centre were designed to provide clean potable water, at a reasonable price, to poor neighbourhoods. All profits from the sanitation centre are channeled into the savings and credit co-operative, and it is hoped that the co-operative will eventually own and manage the centre exclusively. The executive committee of the cooperative is also responsible for hiring and supervising the staff of the centre.

In addition to the centre, WAE has constructed six communal latrines and two communal kitchens. These have been allocated to selected families who are expected to contribute to the maintenance costs of the facilities. To complement the water and latrine programme, three waste collection bins were also provided, but these have been turned over to the municipality for collection and maintenance. Close to two kilometres of drainage ditches have been completed.

7.3.3 Pilot Projects

The WAE pilot project is a solid waste collection scheme, funded by CRDA (Christian Relief Development Association). This project utilises horse-drawn carts to collect refuse from villages outside the municipality's reach. Each carter is contracted to collect refuse each morning, in exchange for the unlimited use of the cart and horse in the afternoon.

A major stumbling-block for this kind of activity is that most communities are not used to paying for this service. The belief that waste removal should be a public service is pervasive, and most residents refuse to pay. As a result, there is a real risk that the carter will cease to perform this service if other, more profitable activities are found. Other pilot projects planned at the time of writing include a women-to-women health programme, a vegetable garden for schools and a vocational training programme for electricians and plumbers.

7.4 Relationships with Other Development Actors

7.4.1 Local Government

The relationship between NGOs and kebele officials is complex. With their in-depth knowledge of local residents and the problems facing the community, kebele officials can be extremely useful to NGOs. On the other hand, however, kebele authorities can interfere excessively in the selection process of beneficiaries and in determining the types of project undertaken. Some kebele administrations are more receptive to the concept of NGOs than others. The kebele in Akaki in which the majority of WAE programmes are concentrated offered the NGO an exceptionally good reception, and was more development oriented than others in the area. Woreda and zonal administrations have been more suspicious - as is the national government, which has accused the NGO sector of corruption. WAE attributes such ignorance to the inexperience of lower level officials, who are unfamiliar with NGO practices. This situation is particularly pronounced in urban areas, where there is little tradition of NGO intervention.

WAE worked closely with kebele officials in Akaki during the initial implementation of the baseline survey. The authorities' knowledge of the community were useful for accessing households and selecting suitable areas of operation. WAE also worked closely with the pre-existing KDC, consisting of elders, officials and village representatives. These committees have a lower turnover rate than kebele officials and offer greater continuity. KDCs are generally less politicised and more development oriented. Some KDC members do eventually become kebele officials. WAE's relationship with the Akaki kebele was cemented once capital had been invested in the communities. Evidence for the strengthening of this relationship can be found in the streamlined process of land acquisition for water pipes.

In general, local government officials are strongly biased towards infrastructural development projects. This explains why kebele authorities are more willing to support an NGO once real investments in community infrastructure are made. Zonal and woreda officials who do not see tangible project benefits remain wary of outside intervention. NGO interventions are also constrained in urban areas by high levels of staff turnover within kebele and woreda offices. This means that relationships have to be re-established with each incoming official, whilst NGOs have to justify themselves constantly after each election. The absence of any institutionalised relationship with local government is one of the key constraints for WAE.

In response to this problem, WAE has proposed a series of workshops designed to bring together local government officials and other NGOs working in the district. Its primary purpose is to create good working relations with local government by improving communications between the two bodies.

WAE's policy of transparency was the strategy behind its success in building good working relations with local government. WAE believes that an improved awareness of what NGOs actually do will help ameliorate government suspicions. This approach represents a proactive strategy to working with local officials. The organisation does, however, recognise the limitations of this approach and is subsequently modest about its objectives - preferring first to influence local government policy at the village level.

7.4.2 Donors

WAE's income for 1996 was close to \$ US 24,000. It receives financial support from a variety of international NGOs, including Oxfam, Christian Aid, Action Aid and German Agro Action. It also receives funding from CRDA, a local NGO umbrella organisation. WAE is a fervent advocate of long-term funding from local NGOs, which it hopes will help promote greater institutional development. WAE has successfully developed an institutionalised arrangement with German Agro Action, through the organisation's small project fund. WAE has agreed to take over the regional management of the fund in exchange for the use of office space, a project vehicle and a salaried project director.

7.4.3 Local NGO Networks

As a participant of CRDA's capacity-building programme, WAE is encouraged to support inter-NGO project visits and to strengthen local NGO networks. CRDA has developed this programme in response to the lack of shared learning being carried out locally between Ethiopian NGOs.

7.5 Participation, Targeting and Scale

7.5.1 Participation and Strengthening of Community-Based Organisations

WAE is committed to involving beneficiaries in the process of project design and implementation. The majority of planning decisions have been based on findings from the initial baseline survey, in which residents were asked to state their priorities for assistance. Moreover, when planning a project WAE involves the relevant KDC, as outlined in its annual report.

No development work can be successful without the active participation of the target group. The community must take part in all stages of programme design, planning, implementation and follow-up. With this understanding, a KDC composed of representatives from each kebele, women's group and the relevant government and public organisations has been formed. The task of this committee is to help in the planning, implementation and monitoring of projects. This strategy has brought us closer to the community and WAE has been striving to expand and nurture this strategy in all its development work (WAE, 1996).

The concept of participation has, in practice, a variety of different meanings. The nature of beneficiary participation often depends on the type of project. In the savings and credit co-operative, for example, the beneficiaries, as owners of the co-operative, are involved in all aspects of the organisation. Indeed, project beneficiaries form the loan assessment committee and the executive committee and WAE plans to withdraw from the kebele before the year 2000.

To encourage a sense of ownership and to help ensure the maintenance of all facilities, WAE's water

and sanitation programme works with users' committees, established for each facility. Ownership of all project hardware is held by the co-operative, which benefits financially from any profits generated. It is unclear, however, how responsibility for maintaining these facilities will be divided between the users' committee and the co-operative. The users' committees are also project specific and therefore have little impact in stimulating the self-help capacity of the entire community.

7.5.2 Targeting the Most Vulnerable

The selection of beneficiaries is a difficult process for any NGO as the goal of reaching the poorest within any community is never straightforward. WAE has narrowed its focus to three kebeles within Akaki. The initial baseline survey enabled WAE to determine which areas lacked adequate physical infrastructure and contained low-income families. One factor which determines the selection of specific families is their proximity to the facilities in question, which are located on readily available land. This means that not in all cases do the projects have an impact on the poorest of the poor. The decision to limit access to programme facilities also has implications for intra-community relations and unity. This can lead to a loss of confidence in the NGO by the wider community.

7.5.3 Programmes vs. Projects: A Question of Scale and Replication

In our opinion, the issue of scale is less relevant to small NGOs whose financial resources do not allow them to reach large numbers of beneficiaries. What is more important in the case of WAE is the organisation's capacity to maximise its impact, given the limited resources that are made available to it. By planning to replicate successful projects, WAE is attempting to achieve this aim by refining its approach and expanding its reach. WAE's four pilot projects are also useful for improving project implementation skills. Three of the projects do, however, represent a departure from WAE's main programming concerns. This creates a difficult challenge for WAE who must attempt to manage unrelated projects and ensure that their impacts remain coherent.

This case study illustrates many of the organisational and strategic challenges that NGOs face early on in their life-cycle. Many NGOs have struggled to find a balance between implementing projects and allocating sufficient time to learning and planning. WAE staff spend the vast majority of their time trying to keep up with the day-to-day management of the NGO. The field-based nature of its organisation is one characteristic that has allowed it to perform well, but staff have failed to systematise lessons learned from the field and so have not contributed to wider policy decisions.

WAE is reviewing fundamental elements of its mission and strategies. The organisation also showed signs of flexibility by revising its credit scheme after it had conducted a review of the economic activities of women. Although WAE's priority remains to work with women, the NGO is now concerned with wider community development processes. As a result, it is considering changing its name in order to appear less exclusive. WAE's programmes benefit from being fairly closely related, and so have the potential to be well co-ordinated and coherent. In practice, however, this consistency is rarely achieved. For example, whilst WAE's sanitation programme tackles a variety of sanitation issues in a co-ordinated manner, the organisation's pilot projects are essentially unco-ordinated in terms of sector and target group.

8. CASE STUDY B: Pro-Pride

8.1 History

Pro-Pride was founded in 1994 with the financial backing of Action Aid. The organisation's income for 1996 was close to \$ US 70,000. The NGO operates an integrated urban community development programme in one of Addis Ababa's most deprived inner-city slums. The area is close to Ethiopia's largest market, Merkato which, as a focal point of the city is surrounded by some of Addis Ababa's most congested and over populated slums. The district is subdivided into 13 kebeles, with varying degrees of overcrowding and an inadequate physical infrastructure. With a population estimated to be in excess of 110,000, the woreda is large for an NGO of Pro-Pride's size. The agency has, therefore, decided to focus on four deeply impoverished kebeles within the district.

Pro-Pride's mission is to empower disadvantaged individuals, families and communities. The organisation aims to achieve this goal by developing an integrated approach to community development. Pro-Pride, therefore, has established an ambitious range of programmes, designed in the sectors of income-generation, sex worker rehabilitation, literacy, healthcare, environmental sanitation and gender. These programmes were designed following a detailed baseline survey, which pointed to income and employment as the main priorities of local residents.

Pro-Pride's first programme was a credit and savings scheme. Much of the programme's first year was spent attempting to gain the community's trust by involving it directly in its establishment. The initial response of the community, however, was one of suspicion the NGO. The reasons for this resistance lie in the complex social heterogeneity of the population, a diversity that was revealed early on during Pro Pride's efforts to involve community members in beneficiary selection. For example, the process of forming the original credit groups (which guarantee loans collectively) for the credit scheme was slow and subject to delays. Numerous women refused to join certain groups containing women unknown to them. In other cases, women refused to join groups containing individuals of a lower income and status. This meant that poorer women, in general, were discouraged from participating in the project. In response, Pro-Pride staff launched an intensive door-to-door investigation to identify and encourage these women to take part.

Pro-Pride also faced opposition to the credit programme from informal money lenders within the community. Money lenders are not in this case criminals on the fringes of society; they are key players in the local economy, who are often officials in the local kebele administration. This relationship was a significant stumbling-block for Pro-Pride. In one kebele in which an official loaned money privately, the administration continuously delayed legalising the Pro-Pride programme. More generally, the local population was suspicious because it did not fully understand how, or even why, Pro-Pride could help them. The agency addressed these forms of resistance, and attempted to gain the trust of all beneficiaries through a policy of openness and transparency. Pro-Pride worked closely with the community and kebele administration, and ensured that there was a constant flow of information concerning its activities. It also maintained a constant presence in the community by establishing an office in the heart of the Merkato slums.

8.2 Staff, Structure and Organisational Capacity

Pro-Pride has undergone significant changes in its organisational structure since acquiring the Entoto credit programme. The organisation has had to address various questions, such as whether it is more efficient to organise itself geographically, rather than sectorally. And how best should this new office be integrated into the organisation's structure.

Pro-Pride is now divided into two clearly defined geographical units, namely Merkato and Entoto. And in 1997, two new Programme Managers were introduced for each office. This allowed the Executive Director to be free of day-to-day management responsibilities, which enabled him to focus on the essential tasks of policy, fund-raising and institutional relations. The sectoral units within each office now also have a co-ordinator. This means that the two offices operate autonomously, with separate budgets and annual plans.

Some unity has been ensured by the co-ordination of Pro-Pride's policies at the executive level. The division between offices may, however, have a negative impact on programme coherence and organisational learning. Each co-ordinator draws up an annual plan independently, whilst meetings are rare between staff of the same rank in different offices. The lack of formal mechanisms to enhance communication between the two offices may mean that learning opportunities are lost.

8.3 Consolidating an Integrated Programme

Pro-Pride has since expanded in scope and in scale. Its Integrated Urban Development Programme, consisting of micro-credit, healthcare, non-formal primary education and communication schemes is currently well established. By the end of 1997, for example, the savings and credit programme had in excess of 3,000 members, while the primary education programme taught in excess of 1,200 children. Moreover, the programme has expanded geographically, beyond the original four kebeles in the Merkato district, to nine kebeles in two districts. This expansion was, in part, a response to the collapse of a savings and credit programme in the district of Entoto. But given that the previous NGO's account has been frozen indefinitely, Pro-Pride faces an uphill battle to encourage residents to begin saving again. Four additional integrated programmes have now been started.

8.3.1 Livelihoods Promotion: The Credit and Savings Scheme

Pro-Pride's philosophy is to help impoverished people take charge of their own lives. The Livelihoods Promotion Programme contributes to this mission by providing micro-credit to stimulate small-scale economic activities. The ultimate objective of the programme is to build, 'an institution which members can use as a tool to control and manage their own local resources, and to create a forum where development issues can be discussed, planned and executed (Pro-Pride, Annual Report 1997).

The early obstacles faced by this programme - namely, persuading credit groups to form - were largely resolved through outreach and communications projects. By the end of 1997, the Merkato and Entoto credit schemes had a combined total of over 3,000 members. The two programmes had amassed savings in excess of 470, 000 Birr and disbursed over 3,000,000 Birr in loans. Its repayment rates have remained within an acceptable range, at approximately 90%.

The issue of the long-term sustainability of savings and credit funds is a complex one. It is not simply a matter of generating enough revenue to cover the full costs of administration. Legal and organisational structures need to be established if the fund is to continue to operate once the NGO has withdrawn.

Ethiopian Law regarding micro-credit has changed rapidly in recent years. In mid-1998 Pro-Pride took advantage of the new legislation to establish a Micro Financing Share Company, which is owned solely by beneficiaries. This organisation has 763 shareholders, including Pro Pride, with share options offered to those beneficiaries with an excellent credit rating. This is a ground-breaking programme in the Ethiopian context, and one which is being watched closely by the NGO sector. If successful, it is a model that could be replicated by other NGOs seeking to hand over ownership of their credit and savings programmes.

8.3.2 Non-formal Education Programme

The condition of poverty implies a lack of educational opportunities for children. The Merkato area has five pre-existing schools, but each one is severely overcrowded and charges school fees that are well beyond the means of Addis Ababa's urban poor. Pro-Pride's programme targets the children of these poor groups, in addition to offering flexible class times that are better suited to children with household responsibilities. The programme consists of eight non-formal educational centres for children between the ages of 7 and 14 years - with a total enrollment of well over 1,000 students. The scheme provides basic education for a period of three years and then reintroduces the youths to formal education. To date, Pro-Pride has successfully transferred over 150 children to state-run schools.

Despite this success kebele officials have been slow to recognise the value of the programme. Vacant land for the scheme was not initially provided by the authorities, although pressure from the community beneficiaries forced the kebele administration to make space available for the first centre in the kebele hall itself. Other issues which have threatened the sustainability of the programme include the absence of experienced local partners to manage the centres from day to day. The local government is perhaps the most obvious partner, but lacks the resources and the political will to take over the centres.

8.3.3 Community-Based Healthcare Programme

Pro-Pride's community healthcare programme is based on the belief that education and information are essential to improved healthcare. The objective of the programme is to promote attitudinal and behavioural changes within the community. To achieve this goal, Pro-Pride has adopted a strategy that uses nineteen community health agents and peer educators who work in the areas of information, education and communication, STD awareness, sanitation and clinical practice. The primary targets for the programme are women and youths. Seminars are accompanied by home visits, with referrals to the clinic if necessary. The clinic is relatively well equipped and has an on-site laboratory for diagnostic procedures.

Despite the obvious need for healthcare services, the turnover of the clinic in its first year of operation was a mere eight patients a day. It is not yet clear if this poor record is due to a lack of awareness within the community of the services available, or the inability of residents to pay for medical care. Although the service is highly subsidised, patients are charged a modest fee to cover part of the clinic's operating costs.

The final component of the community-based health care programme is environmental sanitation. This aspect of the programme is evidence of Pro-Pride's appreciation of the relationship between poor environmental sanitation and risks to human health because of inadequate education. Sanitation committees were also formed to clean and construct latrines and to organise refuse cleaning campaigns.

The inclusion of the sanitation projects under the umbrella of the community health programme illustrates Pro-Pride's ability to integrate multiple projects.

8.3.4 Communication and Culture Programme

The communications programme is an offshoot of the STD awareness-raising programme. In 1996, Pro-Pride formed a drama group to disseminate information on AIDS in an entertaining manner. The drama group was so popular within the community that a separate communication unit was established to deal with other STDs. The unit now organises regular performances, dramas, verse readings, mime art - and publishes a regular newsletter. The unit claims to have reached approximately 32,000 people, addressing issues such as: waste disposal; sex workers; female circumcision and juvenile delinquency.

This type of public education work is relatively rare in Addis Ababa. Most NGOs focus almost exclusively on service provision, and feel unable to engage directly in public education and advocacy. The communications unit attempts to change cultural attitudes to sex, and so addresses some very sensitive cultural issues. The subsequent absence of tangible outputs makes it difficult for NGOs to know how effective their programmes are. In addition, government pressure at both national and local levels has dissuaded most other NGOs from undertaking activities not related to the direct provision of basic services.

8.4 Relationship with Local Government

Pro-Pride has tried to nurture good relationships with officials in the nine kebeles in which it works. It has largely been successful in developing a collaborative relationship with each kebele administration. In certain kebeles, for example, Pro-Pride has been provided with office space within the kebele compound. Pro-Pride was able to achieve this by gaining the trust of the kebele administration through a policy of transparency. Local government officials have also been involved, where possible, in each of the programmes. According to Pro-Pride's director, kebele officials can be won over once an NGO has demonstrated the worth of its programmes. The support of beneficiary groups was also important in gaining the kebele administration's confidence. In the case of the education programme, demands from mothers led directly to kebele officials providing space for Pro-Pride's education centre. This is a positive sign in a country with limited political tolerance, and with significant restraints on activism.

Kebele officials are often invited to join beneficiary selection committees. These consist of kebele officials, elders and other representatives of the community. This system was used for the savings and credit programme, as well as the education programme. Kebele officials often have a deep understanding of the community context, and are better positioned to identify residents needing assistance. Some Pro-Pride staff members did point out, however, that kebele officials may not be immune to corrupt practices, in that the family and friends of kebele officials have been selected as beneficiaries unnecessarily.

NGO involvement in projects across Addis Ababa raises interesting questions concerning their institutional autonomy. The underlying issue is whether or not NGOs in Addis Ababa are working with kebele officials because they believe that the strategy is in the interests of the poor, or because the institutional environment of the city gives them no other choice. There is evidence that the latter is the main factor forcing NGOs to invite officials onto project committees. The ability of the kebele administration to stall projects means that NGOs must consider kebele interests before embarking upon

a project. As Pro-Pride's Merkato programme manager states, 'unless you are on good terms with the kebele, you will not survive'.

8.5 Participation, Targeting and Scale

8.5.1 Participation

Community participation is a fundamental objective for Pro-Pride, and the organisation is keen to encourage the involvement of its beneficiaries in different aspects of a project's design and implementation. The level and quality of participation does, however, vary between NGOs, and even between projects within the same organisation.

Pro-Pride has involved its beneficiaries in several innovative ways. The organisation believes that this strategy has been one of the key factors in its success. The NGO makes use of 54 volunteers from within its target community. Volunteers are involved in beneficiary selection, project implementation and evaluation. These people receive a small honorarium for their time. They also act as outreach workers in livelihood, healthcare and communication programmes. This innovation is markedly different from the more common use of beneficiary labour on infrastructure projects. This allows the NGO to forge deeper ties with the community it is mandated to serve.

Other forms of beneficiary participation in programme implementation include the involvement of local elders in the savings and credit programme. Respected elders within the community are co-operating with Pro-Pride to consider the testimonies of those beneficiaries who have defaulted on repayments. Other mechanisms currently include the use of peer educators and beneficiary ownership of the credit and savings programme. The experience of Pro Pride demonstrates the many different ways in which members of the community can be included in programming and given decision-making responsibilities.

8.5.2 Reaching the Poorest Groups

The intended beneficiaries of most NGO programmes are the poorest members of society. NGOs do find, however, that the benefits of a project are often appropriated by the better-off members of the community. This is the result of a number of factors. Most importantly, groups with greater financial and social power are better equipped to access the resources and assistance being offered by NGOs. In order to counterbalance these tendencies, NGOs need to make explicit efforts in programme design to target and reach the poorest groups.

Pro-Pride's savings and credit programme was not specifically designed to reach the destitute or the severely impoverished. As a cost-recovery based programme, it provides assistance only to those families that have the capacity to undertake small-scale economic activities. To Pro-Pride's credit, it should be pointed out that within this sub-group of the Merkato community, the NGO has been careful to select families in the lowest 6% in terms of income. Female-headed households are also given priority. The selection process for this scheme is headed by a series of nomination committees, which are formed in each kebele to utilise the community's own knowledge of local households. Even so, given the limited information concerning individual households the identification of the poorest families remains a difficult task.

To counteract this pattern, Pro-Pride has developed within its credit programme a specially targeted loan fund for displaced families and unemployed youths. Unfortunately, the scheme has been poorly managed and several debtors have defaulted on repayments. This clearly illustrates the complexity of working with especially disadvantaged groups. According to Pro-Pride's annual report, one of the main constraints on improved performance has been, 'the timid nature of destitute families, who are very passive in actualising their latent entrepreneurial quality, no matter how relentless Pro-Pride's efforts actually are, and how open the programme may be' (Pro-Pride, 1997). The openness of NGO programmes to particularly poor beneficiary groups is not, however, always enough. Many NGOs continue to specify criteria for selection and believe that this measure alone is sufficient to ensure effective targeting.

The staff of Pro-Pride claim that they have had more success reaching the poorest groups by concentrating on alternative programmes. For example, primary education centres have successfully attracted children from impoverished families. But even in this case, the attendance of children from very poor families has been limited, because of the higher incidence of child labour within this socio-economic group. The effectiveness of targeting in the case of Pro-Pride's health programme is more difficult to assess. Health education through door-to-door campaigns is one way in which the poorer members of the community can be reached. However, the low attendance levels at the Merkato health clinic suggest that the programme could be improved. The problem may be an issue of the clinic's proximity to its target group, the result of a lack of awareness, or a manifestation of the target group's concerns regarding the cost of treatment. Each of these possibilities need to be considered if NGO managers are to tackle the problem.

Despite significant obstacles, Pro-Pride has attempted to incorporate mechanisms into its programming that enable it to identify and encourage the participation of the poorest groups. A constant flow of information regarding the status of the target community is maintained using a network of volunteers. Most importantly, Pro-Pride staff are aware that they must also reach out directly to the poorest families, and actively encourage them to become involved in the programmes that affect their lives.

8.5.3 NGO Scale and Reach

Pro-Pride's own expectations regarding its future scale and reach has changed markedly over time. Since its first four years of operation, Pro-Pride's actual reach has grown significantly. The number of beneficiaries it assists is now well over 2,000. The organisation's expansion into a new district has not only allowed it to enlarge its reach and output, but has also profoundly altered the organisation's vision and mission. According to the Executive Director, Pro-Pride plans to have a citywide presence in the medium to short term.

In this vision, scale is not seen simply in terms of the number of beneficiaries reached, but is also regarded as a way for NGOs to become better advocates for the poor, and hence more powerful actors in development. Moving towards large-scale programmes often requires more than simply replicating a project. NGOs that do scale-up their activities are generally those which are able to continuously revise their strategies: to allow for greater levels of specialisation, the formation of new institutional partnerships and greater cost-effectiveness. Pro-Pride's policy of separating the Entoto and Merkato programmes suggests that the organisation has begun to implement such a strategy.

8.5.4 Sustainability and Exit Strategy

As with the majority of NGOs in Addis Ababa, Pro-Pride has planned very short timetables for phasing out its involvement with particular communities. This fact reflects growing pressure from donors upon NGOs to establish sustainable projects and then to withdraw as soon as possible. According to Pro-Pride's Executive Director, despite the youthfulness of the organisation, it is already considering a withdrawal strategy for each of the communities it is involved with. This is not a simple task and the premature phasing out of support for a programme can be very damaging. Moreover, local community management of programmes can be highly problematic.

A distinction needs to be made between phasing out a project and withdrawal from a community. Whilst it is important for an NGO to turn over control of a project to its target community, the NGO may maintain a long-term presence within the community. Real changes in community structures take decades to achieve. Consequently, realistic timetables for NGO withdrawal need to be promoted by donors and local NGOs alike.

9. CASE STUDY C: NACID (Nazareth Children's Centre and Integrated Development)

9.1 History

NACID operates relief and development programmes in three regions of Ethiopia. Founded in 1991 by members of the Baptist Church, NACID originally focused exclusively on running an orphanage for young children. The organisation's income in 1996 was over \$ US 1.1 million. Based in the peri-urban area of Nazareth, approximately 90 kilometres from Addis Ababa, the orphanage provided residential care and education to nearly 50 children. NACID soon realised that a strategy of providing residential care did not prepare the children for their future outside the care centre. When NACID began to consider ways it could help reintegrate the children into the community, issues such as poor housing, unemployment, and sanitation in the Nazareth area became apparent. By 1993, poverty alleviation and community development had become part of NACID's central mission.

In 1997 NACID's reach expanded beyond Nazareth to include the region of Tigray and parts of Addis Ababa. This move was largely a response to a single successful grant application, and was, therefore, essentially 'donor driven'. The programme in Tigray involves setting up a community seed-processing unit to distribute a local seed variety suitable for drought areas. Community-based healthcare services have also been provided.

NACID's expansion into Addis Ababa, by contrast, was entirely a strategic decision, based upon NACID's proximity to a camp for displaced people from Eritrea. NACID's activities later expanded further, into the nearby kebeles, following complaints from local residents concerning the perceived preferential treatment the displaced population was receiving. NACID has no further plans for more geographic expansions. Its current focus is on consolidating existing programmes in Addis Ababa, Nazareth and Tigray.

9.2 Organisational Capacity

One characteristic that has enabled NACID to adapt, grow and maintain its effectiveness has been the strong involvement of its board of directors. The board is responsible for defining policy, but does not directly address the day-to-day management issues facing staff. Instead, it focuses its attention on wider strategic issues regarding NACID's relationship with donors, government and beneficiaries. Considerable time is devoted to learning projects and drawing conclusions as to why certain approaches may have failed. A core group of directors is represented by the Executive Committee, which meets once a week. The governing board meets once a year. The composition of the board has not changed since 1990.

Another important aspect of NACID's organisation is that many of its programmes are self-financed. When NACID founded its orphanage in Nazareth, it received a large land grant from the government. This land now houses the orphanage and a small conference centre, whilst the remainder of the land is used for agricultural production. NACID has a number of sources of internal income-generation. These include animal husbandry, horticulture and hollow-block production, in addition to a suction truck for latrine cleaning. NACID's residential care programme in Nazareth currently receives no external funding whatsoever. NACID has in the past received donations for the programme, but the assistance

has always been insufficient, sporadic and unreliable. Thus donor fatigue is one of the considerations which underlie the project proposal to establish income-generating schemes.

In 1997, NACID's income-generating activities produced a gross income of approximately \$ US 84,000. Grants from donors in the same period totaled approximately \$ US 450,000. Hence the self-generated revenue represents a significant portion of the overall budget. The legal position of the government with regards to NGOs involved in income-generating activities is unclear, but recent statements from the government have indicated that these activities may be restricted.

9.3 Current Programmes and Activities

NACID's core programme in Addis Ababa is a community development programme in camp Kore Meda for displaced people. This is a comprehensive programme that includes a clinic, two schools for approximately 600 children and several latrines and water distribution points. The programme has helped improve living conditions within the community, but has encountered many problems related to the question of sustainability. The clinic was established in 1995, with the aim of providing comprehensive healthcare services to the 15,000 residents of Kore Meda. This includes the provision of family planning services, immunisations, curative treatments and health education. The clinic was supported in its first two years with assistance from multiple donors. The most significant support was provided by MSF (France), which has since donated medical supplies. Since the phasing out of MSF financial support, the clinic has faced considerable difficulties acquiring the drugs it requires.

NACID's development of income-generating activities for women has been moderately successful. A kitchen has been established with the capacity to generate income for 16 women, whilst other women have been industrious, making soap and spinning cotton. Although some women have dropped out of these projects, a handful continue to generate some income from these activities.

The main drawback of this approach is the small number of people who are actually reached by these activities. The financial sustainability of the enterprises is also questionable, in that projects continue to be subsidised by the NGO. Furthermore, the absence of local resource mobilisation makes this strategy inherently unsustainable. In response to these problems, NACID is developing a credit and savings programme to include 90 women from three kebeles. The main objective of this project is to encourage a pattern of savings amongst families in the camp and to open access to small amounts of credit.

NACID's sanitation programme operates in Kore Meda and in three neighbouring kebeles. Within this target area, twelve ventilated pit latrines have been constructed. Each latrine is assigned to a selected family, who have each formed users' committees to maintain the latrine and meet the cost of waste removal. A lack of clarification concerning these responsibilities often means that the latrines are left in an unhygienic state. In addition, water distribution points and refuse collection bins have been installed in two kebeles. Sanitation is the only service currently provided in Addis Ababa, outside of Kore Meda. After consultation with kebele leaders it was decided that this was the resident's most urgent need. The justification for this programme, according to one NACID staff member, was that 'the quality of basic sanitation in Addis Ababa is far below an acceptable level considered necessary for disease prevention and health promotion'.

The concept of community ownership in respect of these facilities remains unclear. Whilst NACID

claims that the facilities it provides are for the benefit of the entire community, the services offered are privately used for the benefit of particular families. The term ‘communally owned’ obscures many different patterns of ownership and forms of local control that are not always immediately discernible.

9.4 Relationships with Other Development Actors

9.4.1 Local Government

As with the majority of NGOs working in Addis Ababa, NACID has attempted to gain the support and backing of the kebele administrations in the areas where they work. Without kebele support there is, in fact, very little that can be done. Kebele officials have control over land allocations, latrine sites, water points and refuse skips. Each NGO, therefore, must sign an agreement with kebele officials, even if an NGO intends to work at the wordea level (a larger administrative unit). This fact undoubtedly has a significant influence on NGO strategies by encouraging them to concentrate on localised, small-scale projects rather than on citywide efforts. According to one staff member at NACID, ‘Geographic expansion is difficult. We must sign agreements with every new wordea and kebele. It creates new headaches.’

Kebele administrations often put pressure on established NGOs to expand the range of projects in their target areas. NACID staff acknowledge the role of kebele influence in their strategic planning, whilst pointing out that the organisation prefers an integrated approach to development. As one staff member reports, ‘To keep good relations with existing local authorities, we keep busy doing new things. It is easier to get involved in one area and see the results.’ That kebele administrations have the potential to constrain NGOs wishing to expand geographically is, however, evident. In general, NGOs possess a strong ideological belief in integrated approaches to community development. But there is a limited level of awareness within the NGO community in Ethiopia concerning intricate local factors, which have the potential to reinforce NGO strategies and narrow the range of viable options.

9.4.2 NGO Networks

NACID is an active member of the NGO umbrella organisation, CRDA. Networking amongst Ethiopian NGOs outside this forum is weak. The NGO sector is heterogeneous, and contains international, secular, non-secular and pro-government NGOs. NACID’s director has stated that Ethiopian NGOs need to become more of a community, sharing their ideas and goals: ‘If we can agree on the central concept of supporting development - then the other differences should be minor details.’

Greater collaboration between NGOs in Addis Ababa might enable certain agencies to become more specialised. The majority of NGOs currently define their involvement geographically, and have avoided working in areas of the city in which other NGOs operate. As a result, most NGOs feel pressurised to provide the widest range of services possible to that community - seeing themselves as the sole providers of non-governmental assistance in the area. This situation is ultimately a constraining factor on geographic expansion.

To have the greatest impact, NGO co-operation must evolve beyond the exchange of basic information to include more joint activities and programming. This initiative could allow for greater specialisation, a broader geographic reach and economies of scale in NGO programmes. The activities of CRDA are designed to improve the relationships of NGOs and their relationships with the national government.

One NACID official has been working with CRDA to develop a Code of Conduct for NGOs. This document is a voluntary list of guidelines for good NGO practice. It represents an effort by NGOs to establish ethical guidelines for the sector, and perhaps to pre-empt tighter government regulations. It is unclear how the Ethiopian government will respond to the Code, which is still being drafted.

9.5 Service Provision to Sustainable Social Development

The Ethiopian government has published clear guidelines for NGO conduct, which indicate its intention to increase regulation of the sector. The government has made it clear that it would prefer NGOs to carry out the role of relief and service provision only. NGOs, including NACID, are consequently under pressure to avoid potential conflict areas such as social mobilisation or advocacy. The head of the government's Women's Affairs Office has bluntly explained their position: 'NGOs are here to fill a gap, not to create a rift and be faultfinders. There is more room now for NGO-Government partnerships, and it should be taken seriously. NGOs are here because they have an input to make. They are not here to design action-plans for the country. That is the government's responsibility.'

This attitude has constrained those NGOs whose vision it has been to promote social and economic development. As one NGO staff member states, 'The government sees NGOs purely as service providers, supplementing the state, whereas NGOs want to play a wider role in the development of civic society and democracy.' To alleviate this tension, NGOs in Addis Ababa strive to maintain a position of political neutrality and avoid politically contentious issues. The NGO sector in Ethiopia has its origins in relief and development, and not necessarily in ideologically driven social movements.

One of the challenges faced by NACID is how to co-ordinate and integrate its approach to development in the three locations in which it works. NACID's target areas (Tigray, Addis Ababa and Oromio) are geographically distant, but they represent three areas with different problems and needs. The Tigray programme is predominantly a rural development, focusing on food security and agricultural production. Nazareth is essentially a peri-urban area, whose growth and economy is influenced by its proximity to Addis Ababa. In Nazareth, NACID provides agricultural assistance to peasant associations, in addition to infrastructural development assistance in the town.

NACID's specifically urban programme, concentrated in Addis Ababa, focuses on two target areas with completely different needs: a settlement for displaced people and three outlying kebeles. The problem with working in such different environments is that the NGO's skills and capacities can become overstretched. Working with street children in Tigray, running a seed bank and building water points in crowded urban areas are activities that put a variety of demands on the organisation. They not only require different technical skills, but also different methods of community involvement. Such a wide range of activities may also have implications for the capacity of the organisation to evaluate and incorporate key learnings from its programming experiences. The lessons learned from one project are not generally directly applicable to another, and the NGO is constantly grappling with new issues. Finding strategic continuity and coherence between the three regional programmes and their many components is a serious challenge that NACID must face.

10. THE PERFORMANCE OF NGOs IN ADDIS ABABA

10.1 Target Accomplishment

Close to two-thirds of the NGOs sampled stated that they have achieved between 50% and 79% of their intended targets. These successes refer to measurable outputs such as the number of training courses completed and the quantitative provision of basic services in education and health. As such these indicators do not necessarily reflect the long-term developmental or social impact of the organisation. For example, one NGO claimed to have a high output ratio because its vocational training courses attracted a large number of students. This figure, however, gave no indication of the success these students had in finding suitable employment.

Less than 10% of the NGOs claimed to be meeting all their intended targets (defined here as a target accomplishment rate of 80% or above). One third of the organisations reported fulfilling less than half of their intended activities. Programmes in IEGA, shelter upgrading and HIV (Human Immunodeficiency Virus) education have fared less well in terms of tangible and quantitative successes than basic health and education services. The latter interventions are characterised by short-term time frames and specific or predetermined outputs, which are focused upon particular communities.

One bias associated with these results is that they have been obtained through self-assessment. Moreover, few of the NGOs studied regularly monitor and evaluate their programmes (either quantitatively or qualitatively) in terms of their impact, efficacy and relevance to the community. This fact has tended to inhibit the development of appropriate learning systems, from which practical experiences from individual interventions can be critically reviewed. That one-third of NGOs have admitted failing to achieve less than half of their targets is a cause for great concern. These organisations have either set themselves unrealistic goals or have been ill-equipped to achieve challenging targets. More broadly, the failure of these NGOs may be a result of the difficult social and political context in which they work, and their relative inexperience in coping with these challenges.

Whilst overall target accomplishment rates for NGOs in Addis Ababa do not compare favourably with NGOs in cities such as Lima, Ahmedabad and Dhaka this is in no way an indication of a lack of competence on the part of NGOs in Addis Ababa. In the survey data and during interviews, several NGO directors described the main constraints that they currently face. These include:

- lack of funding resources;
- lack of government support and co-operation;
- lack of adequately trained workers; insufficient land space to carry-out their activities;
- lack of experienced staff members; and
- the limited commitment of donors to support long-term programmes.

There is often little connection between the stated goals of an organisation and the strategies actually being employed. NGO programmes are often too short term or *ad hoc* in nature to empower the poor in the long term. There is no statistical correlation between NGO age, the level of funding, the sector of activity and the NGO's rate of target accomplishment. One interesting finding is that NGOs involved in fewer sectors of activity seem to report better performance ratings. NGOs that narrow their focus of

activity often have a deeper awareness of the complexity of poverty issues. Surprisingly, NGOs which are heavily involved with CBOs have a lower reported rate of target accomplishment. This may be because NGOs working towards genuinely participatory processes trade-off immediate outputs for more beneficiary involvement. In the long term therefore, the effect of these NGOs in terms of social impact may be greater.

10.2 NGO Perceptions of Achievements in Key Sectors

During key informant interviews and a local workshop, participant NGOs were asked to identify those areas of activity in which they believed they had been most effective. In this section the findings from this workshop are assessed.

10.2.1 Children

A large number of organisations work with children in Addis Ababa. Certain NGOs have stated that child sponsorship is one of their most effective areas of operation, although the basis upon which they define this effectiveness is unclear. Another area of work concerns street children, where the work of NGOs has had an impact at a national level. One NGO currently trains the state police in appropriate methods of working with street children, whilst the government has recently launched a plan to undertake a survey of street children in cities throughout the country.

The assessment of NGO work involving street children is, however, notoriously difficult. Firstly, there are no control group families to enable comparisons. Secondly, insufficient information is available concerning the key factors in the movement of children from their homes and onto the streets (Hiruy, 1996).

10.2.2 Slum Upgrading and Shelter

The upgrading of shelter and infrastructure is a major activity for urban NGOs, requiring significant financial resources and technical expertise. At the time of conducting the field research three NGOs were involved in large upgrading projects. Their work is now conducted in 10% of the kebeles in Addis Ababa, but too few comparisons have been made between the construction projects of NGOs and those managed by the private sector. Certain NGO projects in this area are unlikely to be replicated, however, due to their high financial costs.

The majority of NGOs appear to have avoided any involvement in shelter upgrading. This is because of a perception that shelter construction projects require protracted negotiations with individual families and various state authorities. NGOs have also experienced difficulties deciding which homes to upgrade and the precise details of architectural changes. Slum upgrading has also damaged NGO relations with those local governments that have increased tenants' rents after improvements to their homes have been made.

10.2.3 Credit and Saving Schemes

The majority of credit and saving schemes in Addis Ababa appear well organised, with low rates of default. The number of individuals participating in the schemes and their current financial status is, however, unclear. This makes any assessment of the impact of credit and saving schemes upon poverty alleviation difficult. The impact of credit and savings schemes upon the wider community is also unknown. Credit and savings schemes are reported to have insured families against unexpected losses, but they may also have contributed to tensions between women and their husbands.

10.2.4 Income and Employment Generating Activities

Income and Employment Generating Activities have not been entirely successful in Addis Ababa. Many IEGA programmes are conducted in over-saturated markets where demand is weak, whilst the goods produced by beneficiaries are not of a consistently high quality. At the macro-level, NGOs' IEGA programmes are constrained by widespread unemployment and under-employment which has depressed wage levels and reduced prices. Many IEGA have failed to make a net profit or provide long-term jobs for beneficiaries.

There is a need for both NGOs and donors to think much more incisively about their approach to IEGA. Such a review should establish whether or not small scale projects can be sustained over the long term. Alternative approaches to the economic empowerment of poor people need to be considered, such as strengthening the links between the informal and formal sectors and re-focusing on service-based employment creation.

10.3 NGO Coverage and Benefits

NGOs in Addis Ababa are major actors in the urban environment, offering an important link between the poor and the state. There is, however, a body of evidence which suggests that few NGOs are reaching the poorest, the elderly and the disabled. Various explanations have been offered for this problem:

- misleading data provided by baseline surveys;
- inappropriate use of additional criteria for determining potential beneficiaries; and
- an inability on the part of NGOs to access marginalised groups.

Ethiopian NGOs generally run between two and three projects a year, with a staff base of around twenty people. Several NGOs work with the same community groups on a daily basis, whilst others work with newly emerging groups when called upon. Habitat for Humanity, for example, reported working with two partner groups on a daily basis, whereas Pro-Pride works with twenty groups on a monthly basis. It is difficult to assess how many people an individual NGO actually reaches and only half of the NGOs studied responded to this survey question. But of the sixteen NGOs which responded, the total number of individual beneficiaries is estimated to be almost 42,000 each year. The researchers, therefore, estimate that for the entire NGO sector in Addis Ababa the number of people directly accessed is close to 100,000 individuals per year.

The number of people benefiting indirectly from NGO operations is likely to be well in excess of this

figure. For example, one member of a household could benefit from forms of NGO assistance which affect the entire family. In addition, large sections of a community can benefit from NGO interventions in areas where the physical infrastructure has been improved or basic social service programmes have been undertaken. A crude estimate, therefore, of the total number of people in Addis Ababa that have been reached by NGO activities is close to 450,000. Since the population of Addis Ababa is around 3.5 to 4 million people it is possible that NGOs reach close to 15% of the total population of the city.

10.3.1 Grass-roots Capacity-Building

NGOs in Addis Ababa work on average with four different community-based groups. These are often set up by the NGOs themselves. Once established, most CBOs have been able to co-operate in the effective management of a project, such as road maintenance or the operation of communal kitchens. The success of NGOs in building the capacity of these grass-roots organisations is unclear. Few NGOs could claim that their CBO partners had been encouraged to develop linkages with public or private sector service providers. This fact has contributed to the inability of CBOs to break their links with NGOs and become self-sustaining. This evolution would require encouraging NGOs to invest more resources implementing an explicit agenda to develop CBO and institutional relationships.

10.3.2 Participation

By contributing to the empowerment of marginalised people participatory development is often seen as a worthy goal in itself (Carroll, 1992; Marsden *et. al.*, 1994). Popular participation is also a vital element in the social, financial and political sustainability of a project. The NGO sector in Addis Ababa has, unfortunately, been unable to realise these benefits. One-third of the NGOs surveyed stated that they have experienced difficulties promoting community participation in their projects. This is partly because established NGOs in Ethiopia possess a relief and welfare mentality in which beneficiary groups become dependant upon NGO interventions. Even with these drawbacks, however, two-thirds of the NGOs studied indicated that their beneficiaries are involved in project planning.

10.3.3 Policy Reach

The importance of urban NGO interventions in Addis Ababa has meant that NGOs have become a major topic for policy discussion and research. The challenge for Ethiopian NGOs is how to create greater opportunities for poor people, across communities, to participate and interact. The UWG, convened by CRDA, has contributed to the development of urban policies by attempting to represent the urban NGO sector. Issue specific groups, such as the FSCE have also become an important arena for the formulation of appropriate policies.

11. CONCLUSION

NGOs in Ethiopia have benefited from a recent wave of democratisation, which has provided them with a new opportunity to form working relationships with other institutional actors. Democratisation has helped revitalise municipal government, whilst NGOs in Ethiopia are increasingly being perceived by government and international donors alike as important actors in the urban arena. The scale of urban poverty and the inability of NGOs to redefine and institutionalise these potential partnerships has so far, however, prevented urban NGOs from rising to the urban challenge in Addis Ababa. Only in a small number of cases have urban NGOs been effective in mobilising communities, reducing the vulnerability of urban groups and influencing the policies of both municipal and national governments.

The most significant obstacle faced by NGOs in Ethiopia is the government's tradition of authoritarianism, in which NGOs are regarded as potential enemies of the state. NGOs still require recognition by the state for their legitimacy, whilst policy advocacy in Ethiopia is still viewed with suspicion. As actors within civil society, NGOs are failing to criticise the state's position, and few mechanisms are available for the public exposure of state deficiencies. The following sections summarise the main challenges facing urban NGOs in Ethiopia.

11.1 Internal Organisation

NGOs in Addis Ababa are largely organised along project lines. Those NGOs formed after 1991 tend to have less funding than those established earlier. The larger, older organisations have been more able to take advantage of direct funding from official agencies. The larger NGOs in Addis Ababa are generally older, have more flexible funding arrangements and have more elaborate organisational systems and external networks. Strong leadership is a common feature of most of the organisations surveyed and this has contributed to the dearth of second-level leadership within the smaller NGOs. Despite limited staff resources the small NGOs in Addis Ababa continue to be engaged in a wide variety of projects. The short-term nature of the funding and capacity-building support received is thought to be a significant limiting factor.

11.2 Programmes and Strategies

A multi-sector approach to development interventions is common for NGOs in Addis Ababa. The majority of NGO interventions are in the sectors of service delivery, training and CBO capacity-building. These interventions are usually conducted within a single kebele, although large NGOs are known to operate in more than one area. Integrated community development is widely accepted as the most effective strategy in Addis Ababa. A multi-sectoral approach is very demanding organisationally and many NGOs do not have the necessary staff skills, experience and institutional relationships to effectively meet their targets. As a result, certain sectors of activity may flourish at the expense of other types of intervention. For example focusing on a single community makes it difficult for individual NGOs to target a specific social group. The main target groups are women and children, although few NGOs have a clearly defined gender policy.

11.3 Relationships

NGOs offer the Ethiopian government a potential source of finance and expertise. Consequently, central government has encouraged both the national and municipal authorities to acknowledge the impact and value of NGO activities. Yet the feeling of mutual mistrust persists. Ethiopia lacks a coherent national urban policy whilst the relevant line ministries are dominated by inappropriate and fragmented institutional mechanisms for urban management (Gebre, 1996). The relationship between NGOs and particular line ministries is, however, often stronger than that between NGOs and the municipal authorities. Municipal government lacks the formal mechanisms necessary for their relationship with NGOs to be institutionalised and many NGOs believe that they are unable to influence the urban management policies of the local authorities.

Two-thirds of the NGOs in Addis Ababa have active links with local government. The focus of these links is the KDC, which must formally support the NGO before the agency can work with a local community. This means that NGOs feel obligated to involve kebele's in beneficiary selection. Despite the great potential that NGO-government partnerships offer, a major limiting factor has been the lack of formal mechanisms linking NGOs and CBOs with the Region 14 Administration. Although NGOs may work in several kebeles within a district, they do not have district-wide strategies. This may have an impact on project design and outcomes. The desire to appease kebele officials, and maintain permission to work in the zone sometimes results in excessive involvement of kebele officials in many crucial decision-making tasks regarding strategic priorities and beneficiary selection.

NGO-NGO relations are largely conducted through umbrella networks, working groups and joint training initiatives. There are few joint projects and NGO-NGO links have not been sufficiently institutionalised. Some NGO leaders have expressed a concern that NGO projects may be duplicated.

11.4 Performance

Two-thirds of the NGOs surveyed stated that they had achieved half or more of their intended outputs. This meant that one-third of the NGOs in Addis Ababa admitted to reaching less than half of their original targets. The reasons for this under-performance is related to the unfavourable national policy environment, inappropriate funding conditions, internal organisational weaknesses and the growth in population amongst poor people. The issue of NGO impact has been given scant attention by most NGOs and their donors in Ethiopia. This study is limited to an assessment of measurable programme outputs. As a consequence, we can say very little about the impact of urban NGO work because the instruments and mechanisms that carry out impact assessments have not been put in place.

Sections of the most marginalised social groups in Addis Ababa have been accessed by NGO interventions. The majority of NGOs, however, do not reach these groups consistently. The diversity of urban communities makes targeting the most vulnerable people problematic, but several NGOs have failed to fully operationalise their targeting criteria. The poorest and most vulnerable social groups are difficult to mainstream into NGO programme activities and require focused efforts, tailored to the specific needs of each target group.

11.5 Recommendations

- NGOs and their donors should attempt to understand different approaches to promoting and sustaining community participation throughout the entire project cycle. In addition, a citywide database of CBOs and NGO baseline community studies should be created.
- An NGO joint committee should be set up to examine the possibility of establishing an NGO-Municipal forum. This forum should consider streamlining the project agreement process, regional procedures and other regulations. The forum could also investigate the possibility of undertaking joint collaborative endeavours targeted at the institutional level.
- An NGO joint committee should be established to investigate the needs of smaller indigenous NGOs. Staff placements with larger organisations is one way in which the capacity of smaller NGOs can be built.
- The urban policies and strategies of NGO donor's must be clarified. An NGO joint committee could lobby for increased funds for core funding and organisational development.

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